



WALSH WASHBURN, LLC.
CERTIFIED PUBLIC ACCOUNTING FIRM

5360 College Boulevard, Suite 100
Overland Park, Kansas 66211
Phone: 913-660-7710
Fax: 913-660-1995

March 16, 2020

Laguna Gulf Development, LLC
13714 Cayo Cantiles St
Corpus Christi, TX 78418

Dear Brud:

Your 2019 Federal Partnership Income Tax return will be electronically filed with the Internal Revenue Service upon receipt of a signed Form 8879-PE - IRS e-file Signature Authorization in the web portal. You may also mail it to us, fax it to (913) 660-1995 or e-mail it to jolee@walshwashburn.com. No tax is payable with the filing of this return.

Enclosed is your 2020 Texas Franchise Tax Return. The original should be signed at the bottom of the form. In addition, sign and date at the bottom of Form 05-102, 2020 Texas Franchise Tax Public Information Report. No tax is payable with the filing of this return. Mail the Texas return on or before May 15, 2020. to:

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
P.O. BOX 149348
AUSTIN, TX 78714-9348

You must distribute a copy of the 2019 Schedule K-1 to each member, if applicable. Be sure to give each member a copy of the Partner's Instructions for Schedule K-1.

Please call if you have any questions.

Sincerely,

John W Duncan, CPA

Enclosures

2019 Partnership Return
prepared for:

Laguna Gulf Development, LLC
13714 Cayo Cantiles St
Corpus Christi, TX 78418

WALSH WASHBURN, LLC
5360 COLLEGE BOULEVARD SUITE 100
OVERLAND PARK, KS 66211-1621

U.S. Return of Partnership Income

For calendar year 2019, or tax year beginning _____, 2019,
ending _____, 20_____.

▶ Go to www.irs.gov/Form1065 for instructions and the latest information.

2019

A Principal business activity <u>Consulting</u>	Type or Print	Laguna Gulf Development, LLC 13714 Cayo Cantiles St Corpus Christi, TX 78418	D Employer identification no. <u>84-2477160</u>
B Principal product or service <u>Consulting</u>			E Date business started <u>7/15/2019</u>
C Business code number <u>531390</u>			F Total assets (see instructions) \$ <u>51,880.</u>

G Check applicable boxes: (1) Initial return (2) Final return (3) Name change (4) Address change (5) Amended return

H Check accounting method: (1) Cash (2) Accrual (3) Other (specify) ▶ _____

I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ _____ **2**

J Check if Schedules C and M-3 are attached. _____ ▶

K Check if partnership: (1) Aggregated activities for section 465 at-risk purposes (2) Grouped activities for section 469 passive activity purposes

Caution: Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

I N C O M E	1 a Gross receipts or sales.	1 a	<u>21,882.</u>	
	b Returns and allowances.	1 b		
	c Balance. Subtract line 1b from line 1a	1 c		<u>21,882.</u>
	2 Cost of goods sold (attach Form 1125-A).	2		
	3 Gross profit. Subtract line 2 from line 1c	3		<u>21,882.</u>
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach statement).	4		
	5 Net farm profit (loss) (attach Schedule F (Form 1040 or 1040-SR)).	5		
	6 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)	6		
7 Other income (loss) (attach statement).	7			
8 Total income (loss). Combine lines 3 through 7	8		<u>21,882.</u>	
S E E I N S T R U C T I O N S D E D U C T I O N S I N I T I A T I O N S	9 Salaries and wages (other than to partners) (less employment credits).	9		<u>21,800.</u>
	10 Guaranteed payments to partners.	10		
	11 Repairs and maintenance	11		
	12 Bad debts	12		
	13 Rent	13		<u>33,000.</u>
	14 Taxes and licenses See Statement 1	14		<u>1,952.</u>
	15 Interest (see instructions)	15		
	16 a Depreciation (if required, attach Form 4562).	16 a		
	b Less depreciation reported on Form 1125-A and elsewhere on return	16 b		
	16 c	16 c		
	17 Depletion (Do not deduct oil and gas depletion.)	17		
18 Retirement plans, etc.	18			
19 Employee benefit programs	19			
20 Other deductions (att stmt). See Statement 2	20		<u>-60,950.</u>	
21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.	21		<u>-4,198.</u>	
22 Ordinary business income (loss). Subtract line 21 from line 8.	22		<u>26,080.</u>	
T A X A N D P A Y M E N T	23 Interest due under the look-back method – completed long-term contracts (attach Form 8697)	23		
	24 Interest due under the look-back method – income forecast method (attach Form 8866)	24		
	25 BBA AAR imputed underpayment (see instructions).	25		
	26 Other taxes (see instructions).	26		
	27 Total balance due. Add lines 23 through 26.	27		
	28 Payment (see instructions).	28		
	29 Amount owed. If line 28 is smaller than line 27, enter amount owed	29		
	30 Overpayment. If line 28 is larger than line 27, enter overpayment.	30		

Sign Here

Under penalty of perjury, I declare that I am the preparer of this return, and I am a duly licensed professional preparer (including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete) (partner or limited liability company member) is based on all information of which preparer has any knowledge.

TAXPAYER'S COPY

Signature: _____ Date: _____

May the IRS discuss this return with the preparer shown below? See instructions. Yes No

Paid Preparer Use Only

Print/Type preparer's name: John W Duncan, CPA Preparer's signature: John W Dun Date: 03/16/2020 Check if self-employed PTIN: P01668108

Firm's name ▶ WALSH WASHBURN, LLC Firm's EIN ▶ 20-1940035

Firm's address ▶ 5360 COLLEGE BOULEVARD SUITE 100 Phone no. (913) 660-7710

OVERLAND PARK, KS 66211-1621

Schedule B Other Information

1 What type of entity is filing this return? Check the applicable box:	Yes	No
a <input type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input checked="" type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶		

2 At the end of the tax year:		
a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization, or any foreign government own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership.		X
b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership.	X	

3 At the end of the tax year, did the partnership:		
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below.		X

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock

b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.		
		X

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

4 Does the partnership satisfy all four of the following conditions?	Yes	No
a The partnership's total receipts for the tax year were less than \$250,000.		
b The partnership's total assets at the end of the tax year were less than \$1 million.		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
d The partnership is not filing and is not required to file Schedule M-3. If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; item F on page 1 of Form 1065; or item L on Schedule K-1.		X

5 Is this partnership a publicly traded partnership as defined in section 469(k)(2)?		
		X

6 During the tax year, did the partnership have any debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?		
		X

7 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?		
		X

8 At any time during calendar year 2019, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country. ▶		
		X

9 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions.		
		X

10a Is the partnership making, or had it previously made (and not revoked), a section 754 election?		
See instructions for details regarding a section 754 election.		X

b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		
		X

Schedule B Other Information (continued)

	Yes	No
c Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
11 Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than disregarded entities wholly owned by the partnership throughout the tax year) <input type="checkbox"/>		
12 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property?		X
13 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities (FDEs) and Foreign Branches (FBs), enter the number of Forms 8858 attached. See instructions		
14 Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership.		X
15 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return.		
16a Did you make any payments in 2019 that would require you to file Form(s) 1099? See instructions	X	
b If "Yes," did you or will you file required Form(s) 1099?	X	
17 Enter the number of Forms 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations, attached to this return.		
18 Enter the number of partners that are foreign governments under section 892. 0		
19 During the partnership's tax year, did the partnership make any payments that would require it to file Form 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474)?		X
20 Was the partnership a specified domestic entity required to file Form 8938 for the tax year? See the Instructions for Form 8938.		X
21 Is the partnership a section 721(c) partnership, as defined in Regulations section 1.721(c)-1T(b)(14)?		X
22 During the tax year, did the partnership pay or accrue any interest or royalty for which the deduction is not allowed under section 267A? See instructions. If "Yes," enter the total amount of the disallowed deductions. \$		
23 Did the partnership have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions.		X
24 Does the partnership satisfy one or more of the following? See instructions. a The partnership owns a pass-through entity with current, or prior year carryover, excess business interest expense. b The partnership's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$26 million and the partnership has business interest. c The partnership is a tax shelter (see instructions) and the partnership has business interest expense. If "Yes" to any, complete and attach Form 8990.		X
25 Is the partnership electing out of the centralized partnership audit regime under section 6221(b)? See instructions. If "Yes," the partnership must complete Schedule B-2 (Form 1065). Enter the total from Schedule B-2, Part III, line 3. If "No," complete Designation of Partnership Representative below.		X

Designation of Partnership Representative (see instructions)

Enter below the information for the partnership representative (PR) for the tax year covered by this return.

Name of PR **Laurence R. Jones, III**

U.S. address of PR **13714 Cayo Cantiles
Corpus Christi, TX 78418** U.S. phone number of PR **(913) 231-4740**

If the PR is an entity, name of the designated individual for the PR **Brud Jones**

U.S. address of designated individual **13714 Cayo Cantiles ST
Corpus Christi, TX 78418-6311** U.S. phone number of designated individual **(913) 231-4740**

26 Is the partnership attaching Form 8996 to certify as a Qualified Opportunity Fund? If "Yes," enter the amount from Form 8996, line 14. \$		X
27 Enter the number of foreign partners subject to section 864(c)(8) as a result of transferring all or a portion of an interest in the partnership or of receiving a distribution from the partnership.		
28 At any time during the tax year, were there any transfers between the partnership and its partners subject to the disclosure requirements of Regulations section 1.707-8?		X

Schedule K Partners' Distributive Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 22)	1	26,080.
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3a Other gross rental income (loss)	3a	
	b Expenses from other rental activities (attach stmt)	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Guaranteed payments: a Services 4a b Capital 4b	4c	
	c Total. Add lines 4a and 4b	4c	
	5 Interest income	5	
	6 Dividends and dividend equivalents: a Ordinary dividends	6a	
	b Qualified dividends 6b c Dividend equivalents 6c	6c	
	7 Royalties	7	
8 Net short-term capital gain (loss) (attach Schedule D (Form 1065))	8		
9a Net long-term capital gain (loss) (attach Schedule D (Form 1065))	9a		
b Collectibles (28%) gain (loss)	9b		
c Unrecaptured section 1250 gain (attach statement)	9c		
10 Net section 1231 gain (loss) (attach Form 4797)	10		
11 Other income (loss) (see instructions) Type ▶	11		
Deductions	12 Section 179 deduction (attach Form 4562)	12	
	13a Contributions	13a	
	b Investment interest expense	13b	
	c Section 59(e)(2) expenditures: (1) Type ▶ (2) Amount ▶	13c(2)	
d Other deductions (see instructions) Type ▶	13d		
Self-Employment	14a Net earnings (loss) from self-employment	14a	20,864.
	b Gross farming or fishing income	14b	
	c Gross nonfarm income	14c	
Credits	15a Low-income housing credit (section 42(j)(5))	15a	
	b Low-income housing credit (other)	15b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	15c	
	d Other rental real estate credits (see instructions) Type ▶	15d	
	e Other rental credits (see instructions) Type ▶	15e	
	f Other credits (see instructions) Type ▶	15f	
Foreign Transactions	16a Name of country or U.S. possession ... ▶		
	b Gross income from all sources	16b	
	c Gross income sourced at partner level	16c	
	Foreign gross income sourced at partnership level		
	d Reserved for future use ▶ e Foreign branch category ▶	16e	
	f Passive category ▶ g General category ▶ h Other (att. stmt.) ▶	16h	
	Deductions allocated and apportioned at partner level		
	i Interest expense ▶ j Other ▶	16j	
	Deductions allocated and apportioned at partnership level to foreign source income		
	k Reserved for future use ▶ l Foreign branch category ▶	16l	
	m Passive category ▶ n General category ▶ o Other (att. stmt.) ▶	16o	
	p Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	16p	
	q Reduction in taxes available for credit (attach statement)	16q	
r Other foreign tax information (attach statement)			
Alternative Minimum Tax (AMT) Items	17a Post-1986 depreciation adjustment	17a	
	b Adjusted gain or loss	17b	
	c Depletion (other than oil and gas)	17c	
	d Oil, gas, and geothermal properties — gross income	17d	
	e Oil, gas, and geothermal properties — deductions	17e	
	f Other AMT items (attach stmt)	17f	
Other Information	18a Tax-exempt interest income	18a	
	b Other tax-exempt income	18b	
	c Nondeductible expenses	18c	
	19a Distributions of cash and marketable securities	19a	
	b Distributions of other property	19b	
	20a Investment income	20a	
b Investment expenses	20b		
c Other items and amounts (attach stmt)			

Analysis of Net Income (Loss)

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16p.....						1	26,080.
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt Organization	(vi) Nominee/Other	
a General partners...							
b Limited partners...		26,080.					

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash.....				51,880.
2a	Trade notes and accounts receivable.....				
b	Less allowance for bad debts.....				
3	Inventories.....				
4	U.S. government obligations.....				
5	Tax-exempt securities.....				
6	Other current assets (attach stmt).....				
7a	Loans to partners (or persons related to partners).....				
b	Mortgage and real estate loans.....				
8	Other investments (attach stmt).....				
9a	Buildings and other depreciable assets.....				
b	Less accumulated depreciation.....				
10a	Depletable assets.....				
b	Less accumulated depletion.....				
11	Land (net of any amortization).....				
12a	Intangible assets (amortizable only).....				
b	Less accumulated amortization.....				
13	Other assets (attach stmt).....				
14	Total assets.....				51,880.
Liabilities and Capital					
15	Accounts payable.....				
16	Mortgages, notes, bonds payable in less than 1 year.....				
17	Other current liabilities (attach stmt).....				
18	All nonrecourse loans.....				
19a	Loans from partners (or persons related to partners).....				25,000.
b	Mortgages, notes, bonds payable in 1 year or more.....				
20	Other liabilities (attach stmt).....				
21	Partners' capital accounts.....				26,880.
22	Total liabilities and capital.....				51,880.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return
Note: The partnership may be required to file Schedule M-3. See instructions.

1	Net income (loss) per books.....	26,080.	6	Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a	Tax-exempt interest... \$	
3	Guaranteed payments (other than health insurance).....		7	Deductions included on Schedule K, lines 1 through 13d, and 16p, not charged against book income this year (itemize):	
4	Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16p (itemize):		a	Depreciation..... \$	
a	Depreciation..... \$		8	Add lines 6 and 7.....	
b	Travel and entertainment..... \$		9	Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5.....	26,080.
5	Add lines 1 through 4.....	26,080.			

Schedule M-2 Analysis of Partners' Capital Accounts

1	Balance at beginning of year.....	0.	6	Distributions: a Cash.....	
2	Capital contributed: a Cash.....	800.	b	Property.....	
	b Property.....		7	Other decreases (itemize):	
3	Net income (loss) per books.....	26,080.	8	Add lines 6 and 7.....	
4	Other increases (itemize):		9	Balance at end of year. Subtract line 8 from line 5.....	26,880.
5	Add lines 1 through 4.....	26,880.			

Schedule K-1
(Form 1065)

Department of the Treasury
Internal Revenue Service

2019

For calendar year 2019, or tax year

Final K-1

Amended K-1

651119
OMB No. 1545-0123

beginning / / 2019 ending / /

Partner's Share of Income, Deductions, Credits, etc.

▶ See separate instructions.

Part I Information About the Partnership																	
A	Partnership's employer identification number 84-2477160																
B	Partnership's name, address, city, state, and ZIP code Laguna Gulf Development, LLC 13714 Cayo Cantiles St Corpus Christi, TX 78418																
C	IRS Center where partnership filed return ▶ e-file																
D	<input type="checkbox"/> Check if this is a publicly traded partnership (PTP)																
Part II Information About the Partner																	
E	Partner's SSN or TIN (Do not use TIN of a disregarded entity. See instructions.) 511-80-2560																
F	Name, address, city, state, and ZIP code for partner entered in E. See instructions. Laurence R. Jones, III 13714 Cayo Cantiles Corpus Christi, TX 78418																
G	<input checked="" type="checkbox"/> General partner or LLC member-manager <input type="checkbox"/> Limited partner or other LLC member																
H1	<input checked="" type="checkbox"/> Domestic partner <input type="checkbox"/> Foreign partner																
H2	<input type="checkbox"/> If the partner is a disregarded entity (DE), enter the partner's: TIN _____ Name _____																
I1	What type of entity is this partner? <u>Individual</u>																
I2	If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here <input type="checkbox"/>																
J	Partner's share of profit, loss, and capital (see instructions):																
	<table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;"></th> <th style="width: 30%; text-align: center;">Beginning</th> <th style="width: 30%;"></th> <th style="width: 25%; text-align: center;">Ending</th> </tr> </thead> <tbody> <tr> <td>Profit</td> <td style="text-align: center;">80 %</td> <td style="border-left: 1px solid black;"></td> <td style="text-align: center;">80 %</td> </tr> <tr> <td>Loss</td> <td style="text-align: center;">80 %</td> <td style="border-left: 1px solid black;"></td> <td style="text-align: center;">80 %</td> </tr> <tr> <td>Capital</td> <td style="text-align: center;">80 %</td> <td style="border-left: 1px solid black;"></td> <td style="text-align: center;">80 %</td> </tr> </tbody> </table>		Beginning		Ending	Profit	80 %		80 %	Loss	80 %		80 %	Capital	80 %		80 %
	Beginning		Ending														
Profit	80 %		80 %														
Loss	80 %		80 %														
Capital	80 %		80 %														
	Check if decrease is due to sale or exchange of partnership interest. <input type="checkbox"/>																
K	Partner's share of liabilities:																
	<table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;"></th> <th style="width: 30%; text-align: center;">Beginning</th> <th style="width: 30%;"></th> <th style="width: 25%; text-align: center;">Ending</th> </tr> </thead> <tbody> <tr> <td>Nonrecourse</td> <td style="text-align: center;">\$</td> <td style="border-left: 1px solid black;"></td> <td style="text-align: center;">\$</td> </tr> <tr> <td>Qualified nonrecourse financing</td> <td style="text-align: center;">\$</td> <td style="border-left: 1px solid black;"></td> <td style="text-align: center;">\$</td> </tr> <tr> <td>Recourse</td> <td style="text-align: center;">\$</td> <td style="border-left: 1px solid black;"></td> <td style="text-align: center;">\$</td> </tr> </tbody> </table>		Beginning		Ending	Nonrecourse	\$		\$	Qualified nonrecourse financing	\$		\$	Recourse	\$		\$
	Beginning		Ending														
Nonrecourse	\$		\$														
Qualified nonrecourse financing	\$		\$														
Recourse	\$		\$														
	<input type="checkbox"/> Check this box if Item K includes liability amounts from lower tier partnerships.																
L Partner's Capital Account Analysis																	
	<table style="width:100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 80%;">Beginning capital account</td> <td style="width: 20%; text-align: right;">\$ 0.</td> </tr> <tr> <td>Capital contributed during the year</td> <td style="text-align: right;">\$ 800.</td> </tr> <tr> <td>Current year net income (loss)</td> <td style="text-align: right;">\$ 20,864.</td> </tr> <tr> <td>Other increase (decrease) (attach explanation)</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Withdrawals & distributions</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Ending capital account</td> <td style="text-align: right;">\$ 21,664.</td> </tr> </tbody> </table>	Beginning capital account	\$ 0.	Capital contributed during the year	\$ 800.	Current year net income (loss)	\$ 20,864.	Other increase (decrease) (attach explanation)	\$	Withdrawals & distributions	\$	Ending capital account	\$ 21,664.				
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Withdrawals & distributions	\$																
Ending capital account	\$ 21,664.																
M	Did the partner contribute property with a built-in gain or loss? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach statement. See instructions.																
N	Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)																
	Beginning \$																
	Ending \$																

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items			
1	Ordinary business income (loss) 20,864.	15	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	16	Foreign transactions
4a	Guaranteed payments for services		
4b	Guaranteed payments for capital		
4c	Total guaranteed payments		
5	Interest income		
6a	Ordinary dividends		
6b	Qualified dividends		
6c	Dividend equivalents	17	Alternative minimum tax (AMT) items
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)	18	Tax-exempt income and nondeductible expenses
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		
11	Other income (loss)	19	Distributions
12	Section 179 deduction	20	Other information
		Z*	STMT
13	Other deductions		
14	Self-employment earnings (loss) A 20,864.		
21	<input type="checkbox"/> More than one activity for at-risk purposes*		
22	<input type="checkbox"/> More than one activity for passive activity purposes*		
*See attached statement for additional information.			

For IRS Use Only

Supplemental Information

Item L. Partner's Capital Account Analysis:
Tax Basis

Statement A—QBI Pass-through Entity Reporting (Schedule K-1, Box 20, Code Z)

Partnership's name: Laguna Gulf Development, LLC	Partnership's EIN: 84-2477160
Partner's name: Laurence R. Jones, III	Partner's identifying number: 511-80-2560

	Laguna Gulf Development, LLC	
Partner's share of:	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB

QBI or qualified PTP items subject to partner-specific determinations:			
	Ordinary business income (loss)	20,864.	
	Rental income (loss)		
	Royalty income (loss)		
	Section 1231 gain (loss)		
	Other income (loss)		
	Section 179 deduction		
	Charitable contributions		
	Other deductions		
W-2 wages		17,440.	
UBIA of qualified property			
Section 199A dividends			

Partner's share of:	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB

QBI or qualified PTP items subject to partner-specific determinations:			
	Ordinary business income (loss)		
	Rental income (loss)		
	Royalty income (loss)		
	Section 1231 gain (loss)		
	Other income (loss)		
	Section 179 deduction		
	Charitable contributions		
	Other deductions		
W-2 wages			
UBIA of qualified property			

Schedule K-1

(Form 1065)

Department of the Treasury
Internal Revenue Service

2019

For calendar year 2019, or tax year

Final K-1

Amended K-1

651119
OMB No. 1545-0123

beginning / / 2019 ending / /

Partner's Share of Income, Deductions, Credits, etc.

▶ See separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number
84-2477160

B Partnership's name, address, city, state, and ZIP code
Laguna Gulf Development, LLC
13714 Cayo Cantiles St
Corpus Christi, TX 78418

C IRS Center where partnership filed return ▶ e-file

D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's SSN or TIN (Do not use TIN of a disregarded entity. See instructions.)
388-38-7434

F Name, address, city, state, and ZIP code for partner entered in E. See instructions.
Laurence R. Jones, Jr.
2901 Verona Road
Mission Hills, KS 66208

G General partner or LLC member-manager Limited partner or other LLC member

H1 Domestic partner Foreign partner

H2 If the partner is a disregarded entity (DE), enter the partner's:
TIN _____ Name _____

I1 What type of entity is this partner? Individual

I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here

J Partner's share of profit, loss, and capital (see instructions):

	Beginning	Ending
Profit	20 %	20 %
Loss	20 %	20 %
Capital	20 %	20 %

Check if decrease is due to sale or exchange of partnership interest.

K Partner's share of liabilities:

	Beginning	Ending
Nonrecourse \$		\$
Qualified nonrecourse financing \$		\$
Recourse \$		\$

Check this box if Item K includes liability amounts from lower tier partnerships.

L Partner's Capital Account Analysis

Beginning capital account \$	0.
Capital contributed during the year \$	
Current year net income (loss) \$	5,216.
Other increase (decrease) (attach explanation) \$	
Withdrawals & distributions \$	
Ending capital account \$	5,216.

M Did the partner contribute property with a built-in gain or loss?
 Yes No If "Yes," attach statement. See instructions.

N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)

Beginning \$	
Ending \$	

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

1	Ordinary business income (loss)	15	Credits
	5,216.		
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	16	Foreign transactions
4a	Guaranteed payments for services		
4b	Guaranteed payments for capital		
4c	Total guaranteed payments		
5	Interest income		
6a	Ordinary dividends		
6b	Qualified dividends		
6c	Dividend equivalents	17	Alternative minimum tax (AMT) items
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)	18	Tax-exempt income and nondeductible expenses
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		
11	Other income (loss)	19	Distributions
12	Section 179 deduction	20	Other information
		Z*	STMT
13	Other deductions		
14	Self-employment earnings (loss)		

21 More than one activity for at-risk purposes*

22 More than one activity for passive activity purposes*

*See attached statement for additional information.

For IRS Use Only

Supplemental Information

Item L. Partner's Capital Account Analysis:
Tax Basis

Statement A—QBI Pass-through Entity Reporting (Schedule K-1, Box 20, Code Z)

Partnership's name: Laguna Gulf Development, LLC	Partnership's EIN: 84-2477160
Partner's name: Laurence R. Jones, Jr.	Partner's identifying number: 388-38-7434

	Laguna Gulf Development, LLC		
Partner's share of:	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB

QBI or qualified PTP items subject to partner-specific determinations:			
	Ordinary business income (loss)	5,216.	
	Rental income (loss)		
	Royalty income (loss)		
	Section 1231 gain (loss)		
	Other income (loss)		
	Section 179 deduction		
	Charitable contributions		
	Other deductions		
W-2 wages		4,360.	
UBIA of qualified property			
Section 199A dividends			

Partner's share of:	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB	<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB

QBI or qualified PTP items subject to partner-specific determinations:			
	Ordinary business income (loss)		
	Rental income (loss)		
	Royalty income (loss)		
	Section 1231 gain (loss)		
	Other income (loss)		
	Section 179 deduction		
	Charitable contributions		
	Other deductions		
W-2 wages			
UBIA of qualified property			

Information on Partners Owning 50% or More of the Partnership

▶ **Attach to Form 1065.**

▶ **Go to www.irs.gov/Form1065 for the latest information.**

Name of partnership Laguna Gulf Development, LLC	Employer identification number (EIN) 84-2477160
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Part I **Entities Owning 50% or More of the Partnership** (Form 1065, Schedule B, Question 2a (Question 3a for 2009 through 2017))

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, tax-exempt organization, or any foreign government that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

Part II **Individuals or Estates Owning 50% or More of the Partnership** (Form 1065, Schedule B, Question 2b (Question 3b for 2009 through 2017))

Complete columns (i) through (iv) below for any individual or estate that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital
Laurence R. Jones, III	511-80-2560	United States	80.000

Statement 1
Form 1065, Line 14
Taxes and Licenses

Payroll Taxes.....	\$	1,952.
Total	\$	<u>1,952.</u>

Statement 2
Form 1065, Line 20
Other Deductions

Accrual to Cash Adjustment.....	\$	-66,071.
Bank Charges.....		29.
Insurance.....		4,996.
Payroll Expense.....		96.
Total	\$	<u>-60,950.</u>

Texas Franchise Tax No Tax Due Report

■ **Tcode** 13255 Annual

The law requires No Tax Due Reports originally due on or after Jan. 1, 2016 to be filed electronically. Filing this paper report means you are requesting, and we are granting, a waiver from the electronic reporting requirement for this report year ONLY.

■ Taxpayer number	■ Report year	Due date
32071350014	2020	05/15/2020

Taxpayer name Laguna Gulf Development, LLC				Secretary of State file number or Comptroller file number 0803368399	
Mailing address 13714 Cayo Cantiles St					
City Corpus Christi	State TX	Country United States	ZIP code plus 4 78418	Check box if the address has changed <input type="checkbox"/>	
Check box if this is a combined report <input type="checkbox"/>				NAICS code 531390	
Check box if Total Revenue is adjusted for Tiered Partnership Election, see instructions. (Note: Upper tiered partnerships do not qualify to use this form.) <input type="checkbox"/>			Check box to request a Certificate of Account Status <input type="checkbox"/>		
Is this entity a corporation, limited liability company, professional association, limited partnership or financial institution? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					

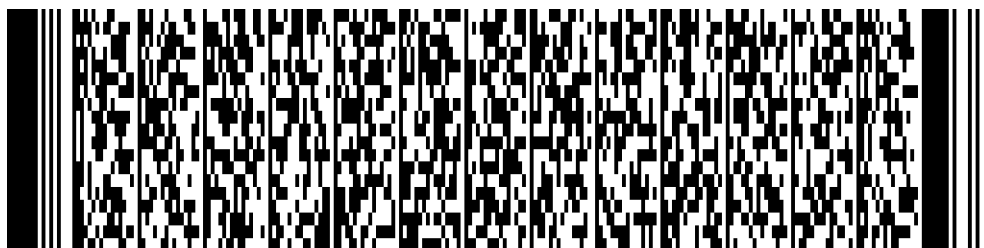
If any of the statements below are true, you qualify to file this No Tax Due Report (Check all boxes that apply.):

1. This entity is a passive entity as defined in Texas Tax Code Sec. 171.0003. (See instructions.) (Passive income does NOT include rent.) 1.
 2. This entity's annualized total revenue is below the no tax due threshold. 2.
 3. This entity has zero Texas Gross Receipts. 3.
 4. This entity is a Real Estate Investment Trust (REIT) that meets the qualifications specified in Texas Tax Code Sec. 171.0002(c)(4). 4.
 5. This entity is a new veteran-owned business as defined in Texas Tax Code Sec. 171.0005. (See instructions.) (Must have formed after Jan. 1, 2016 and must be pre-qualified.) 5.
- 6a. Accounting year begin date m m d d y y
6a. 010119
- 6b. Accounting year end date m m d d y y
6b. 123119
7. TOTAL REVENUE (Whole dollars only) 7. 21882.00

Print or type name Member	Area code and phone number () -
I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief.	Mail original to: Texas Comptroller of Public Accounts P.O. Box 149348 Austin, TX 78714-9348
sign here ►	
Date	

Instructions for each report year are online at www.comptroller.texas.gov/taxes/franchise/forms/. If you have any questions, call 1-800-252-1381.

Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>
PM Date	



Texas Franchise Tax Public Information Report

To be filed by Corporations, Limited Liability Companies (LLC), Limited Partnerships (LP), Professional Associations (PA) and Financial Institutions

Tcode 13196

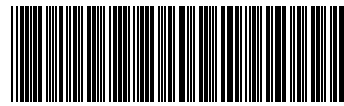
■ Taxpayer number 32071350014	■ Report year 2020
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You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.

Taxpayer name Laguna Gulf Development, LLC			<input type="checkbox"/> Check box if the mailing address has changed.	
Mailing address 13714 Cayo Cantiles St			Secretary of State (SOS) file number or Comptroller file number	
City Corpus Christi	State TX	ZIP code plus 4 78418	0803368399	

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office 13714 Cayo Cantiles St, Corpus Christi, TX 78418
Principal place of business 13714 Cayo Cantiles St, Corpus Christi, TX 78418



You must report officer, director, member, general partner and manager information as of the date you complete this report.

Please sign below! This report must be signed to satisfy franchise tax requirements.

3207135001420

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name	Title	Director	Term expiration	m m d d y y
Laurence R. Jones, III	President	<input checked="" type="checkbox"/> YES		
Mailing address 13714 Cayo Cantiles	City Corpus Christi	State TX	ZIP Code 78418	
Laurence R. Jones, Jr.	Officer	<input checked="" type="checkbox"/> YES		
Mailing address 2901 Verona Road	City Mission Hills	State KS	ZIP Code 66208	
Name	Title	Director	Term expiration	m m d d y y
		<input type="checkbox"/> YES		
Mailing address	City	State	ZIP Code	

SECTION B Enter information for each corporation, LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter information for each corporation, LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

Name of owned (parent) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

Registered agent and registered office currently on file *(see instructions if you need to make changes)* *You must make a filing with the Secretary of State to change registered agent, registered office or general partner information.*

Office:	City	State	ZIP Code
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The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

sign here ▶	Title Member	Date	Area code and phone number () -
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Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	PIR IND	<input type="checkbox"/>
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