

**2023**  
**Partnership Tax Return**

**Prepared For:**

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

**Prepared By:**

Jeffery Smith CPA  
3554 County Road 57  
Robstown, TX 78380  
Telephone: (361)215-8876  
FAX: (877)867-5385  
Email: Jeff@JefferySmithCPA.com

U.S. Return of Partnership Income

For calendar year 2023, or tax year beginning \_\_\_\_\_, 2023, ending \_\_\_\_\_, 20 \_\_\_\_\_

2023

Department of the Treasury Internal Revenue Service

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

Header section with fields: A Principal business activity (Consulting), B Principal product or service (Consulting), C Business code number (531390), Name of partnership (Laguna Gulf Development, LLC), Number, street, and room or suite no. (13714 Cayo Cantiles St), City or town, state or province, country, and ZIP or foreign postal code (Corpus Christi, TX 78418), D Employer identification number (84-2477160), E Date business started (07/15/2019), F Total assets (see instructions) (\$ 46,980).

Check applicable boxes: (1) Initial return (2) Final return (3) Name change (4) Address change (5) Amended return. Check accounting method: (1) Cash (2) Accrual (3) Other (specify):. Number of Schedules K-1: 2. 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 23 below. See the instructions for more information.

Table with 32 rows and 4 columns (1a, b, c, 1c-32). Rows include: 1a Gross receipts or sales (156,540), 2 Cost of goods sold, 3 Gross profit (156,540), 8 Total income (loss) (156,540), 9 Salaries and wages (62,995), 11 Repairs and maintenance (7,599), 14 Taxes and licenses (3,922), 16a Depreciation (17,732), 16b Less depreciation reported, 16c (17,732), 21 Other deductions (147,290), 22 Total deductions (239,538), 23 Ordinary business income (loss) (-82,998).

Sign Here section: Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than partner or limited liability company member) is based on all information of which preparer has any knowledge. Signature of partner or limited liability company member: Jeffery C Smith, Date: [blank].

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

Paid Preparer Use Only section: Print/Type preparer's name (Jeffery C Smith), Preparer's signature, Date, Check [X] if self-employed, PTIN (P01060899), Firm's name (Jeffery Smith CPA), Firm's EIN (27-1980264), Firm's address (3554 County Road 57, Robstown, TX 78380), Phone no. ((361) 215-8876).

**Schedule B Other Information**

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

<b>2</b> At the end of the tax year:		
<b>a</b> 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 . . . . .		<b>X</b>
<b>b</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 . . . . .	<b>X</b>	

<b>3</b> At the end of the tax year, did the partnership:		
<b>a</b> 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 . . . . .		<b>X</b>

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

<b>b</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 . . . . .		<b>X</b>
--	--	----------

(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

<b>4</b> Does the partnership satisfy all four of the following conditions?	<b>Yes</b>	<b>No</b>
<b>a</b> The partnership's total receipts for the tax year were less than \$250,000.		
<b>b</b> The partnership's total assets at the end of the tax year were less than \$1 million.		
<b>c</b> 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.		
<b>d</b> 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.	<b>X</b>	

<b>5</b> Is this partnership a publicly traded partnership, as defined in section 469(k)(2)? . . . . .		<b>X</b>
--	--	----------

<b>6</b> 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? . . . . .		<b>X</b>
--	--	----------

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

<b>8</b> At any time during calendar year 2023, 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 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		<b>X</b>
--	--	----------

<b>9</b> 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 . . . . .		<b>X</b>
---	--	----------

<b>10a</b> Is the partnership making, or had it previously made (and not revoked), a section 754 election? If "Yes," enter the effective date of the election . . . . . See instructions for details regarding a section 754 election.		<b>X</b>
---	--	----------

<b>b</b> For this tax year, did the partnership make an optional basis adjustment under section 743(b)? If "Yes," enter the total aggregate net positive amount \$ _____ and the total aggregate net negative amount \$ ( _____ ) of such section 743(b) adjustments for all partners made in the tax year. The partnership must also attach a statement showing the computation and allocation of each basis adjustment. See instructions . . . . .		<b>X</b>
--	--	----------

<b>Schedule B</b> Other Information (continued)		Yes	No
c	For this tax year, did the partnership make an optional basis adjustment under section 734(b)? If "Yes," enter the total aggregate net positive amount \$ _____ and the total aggregate net negative amount \$ ( _____ ) of such section 734(b) adjustments for all partnership property made in the tax year. The partnership must also attach a statement showing the computation and allocation of each basis adjustment. See instructions . . . . .		X
d	For this tax year, is the partnership required to adjust the basis of partnership property 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," enter the total aggregate amount of such section 743(b) adjustments and/or section 734(b) adjustments for all partners and/or partnership property made in the tax year \$ _____. The partnership must also 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 2023 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 . . . . .		
19	During the partnership's tax year, did the partnership make any payments that would require it to file Forms 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)-1(b)(14)? . . . . .		X
22	During the tax year, did the partnership pay or accrue any interest or royalty for which one or more partners are not allowed a deduction under section 267A? See instructions . . . . . If "Yes," enter the total amount of the disallowed deductions . . . . . \$ _____		X
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 \$29 million and the partnership has business interest expense. 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 attaching Form 8996 to certify as a Qualified Opportunity Fund? . . . . . If "Yes," enter the amount from Form 8996, line 15 . . . . . \$ _____		X
26	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 . . . . . _____ Complete Schedule K-3 (Form 1065), Part XIII, for each foreign partner subject to section 864(c)(8) on a transfer or distribution.		
27	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
28	Since December 22, 2017, did a foreign corporation directly or indirectly acquire substantially all of the properties constituting a trade or business of your partnership, and was the ownership percentage (by vote or value) for purposes of section 7874 greater than 50% (for example, the partners held more than 50% of the stock of the foreign corporation)? If "Yes," list the ownership percentage by vote and by value. See instructions. Percentage: By vote: <b>0.000</b> By value: <b>0.000</b>		X
29	Is the partnership required to file Form 7208 relating to the excise tax on repurchase of corporate stock (see instructions): a Under the applicable foreign corporation rules? . . . . .		X

Schedule B	Other Information (continued)	Yes	No
b	Under the covered surrogate foreign corporation rules? . . . . . If "Yes" to either (a) or (b), complete Form 7208, Excise Tax on Repurchase of Corporate Stock. See the Instructions for Form 7208.		<b>X</b>
30	At any time during this tax year, did the partnership (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or financial interest in a digital asset)? See instructions . . . . .		<b>X</b>
31	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.		<b>X</b>

**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	<b>Brud Jones</b>	
U.S. address of PR	<b>13714 Cayo Cantiles Corpus Christi, TX 78418</b>	U.S. phone number of PR <b>(913) 231-4740</b>

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

U.S. address of designated individual	U.S. phone number of designated individual
---------------------------------------	--

<b>Schedule K</b>		<b>Partners' Distributive Share Items</b>		<b>Total amount</b>	
	<b>1</b>	Ordinary business income (loss) (page 1, line 23)		<b>1</b>	<b>-82,998.</b>
	<b>2</b>	Net rental real estate income (loss) (attach Form 8825)		<b>2</b>	
	<b>3a</b>	Other gross rental income (loss)	<b>3a</b>		
	<b>b</b>	Expenses from other rental activities (attach statement)	<b>3b</b>		
	<b>c</b>	Other net rental income (loss). Subtract line 3b from line 3a		<b>3c</b>	
	<b>4</b>	Guaranteed payments: a Services <b>4a</b> b Capital <b>4b</b>			
	<b>c</b>	Total. Add lines 4a and 4b		<b>4c</b>	
<b>Income (Loss)</b>	<b>5</b>	Interest income		<b>5</b>	
	<b>6</b>	Dividends and dividend equivalents: a Ordinary dividends		<b>6a</b>	
		b Qualified dividends <b>6b</b> c Dividend equivalents <b>6c</b>			
	<b>7</b>	Royalties		<b>7</b>	
	<b>8</b>	Net short-term capital gain (loss) (attach Schedule D (Form 1065))		<b>8</b>	
	<b>9a</b>	Net long-term capital gain (loss) (attach Schedule D (Form 1065))		<b>9a</b>	
		b Collectibles (28%) gain (loss)	<b>9b</b>		
		c Unrecaptured section 1250 gain (attach statement)	<b>9c</b>		
	<b>10</b>	Net section 1231 gain (loss) (attach Form 4797)		<b>10</b>	
	<b>11</b>	Other income (loss) (see instructions) Type:		<b>11</b>	
	<b>Deductions</b>	<b>12</b>	Section 179 deduction (attach Form 4562)		<b>12</b>
<b>13a</b>		Cash contributions		<b>13a</b>	
<b>b</b>		Noncash contributions		<b>13b</b>	
<b>c</b>		Investment interest expense		<b>13c</b>	
<b>d</b>		Section 59(e)(2) expenditures: (1) Type: (2) Amount:		<b>13d(2)</b>	
<b>e</b>		Other deductions (see instructions) Type:		<b>13e</b>	
<b>Self-Employment</b>	<b>14a</b>	Net earnings (loss) from self-employment		<b>14a</b>	<b>-82,998.</b>
	<b>b</b>	Gross farming or fishing income		<b>14b</b>	
	<b>c</b>	Gross nonfarm income		<b>14c</b>	<b>156,540.</b>
<b>Credits</b>	<b>15a</b>	Low-income housing credit (section 42(j)(5))		<b>15a</b>	
	<b>b</b>	Low-income housing credit (other)		<b>15b</b>	
	<b>c</b>	Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)		<b>15c</b>	
	<b>d</b>	Other rental real estate credits (see instructions) Type:		<b>15d</b>	
	<b>e</b>	Other rental credits (see instructions) Type:		<b>15e</b>	
	<b>f</b>	Other credits (see instructions) Type:		<b>15f</b>	
<b>Inter-national</b>	<b>16</b>	Attach Schedule K-2 (Form 1065), Partners' Distributive Share Items-International, and check this box to indicate that you are reporting items of international tax relevance <input type="checkbox"/>			
<b>Alternative Minimum Tax (AMT) Items</b>	<b>17a</b>	Post-1986 depreciation adjustment		<b>17a</b>	
	<b>b</b>	Adjusted gain or loss		<b>17b</b>	
	<b>c</b>	Depletion (other than oil and gas)		<b>17c</b>	
	<b>d</b>	Oil, gas, and geothermal properties - gross income		<b>17d</b>	
	<b>e</b>	Oil, gas, and geothermal properties - deductions		<b>17e</b>	
	<b>f</b>	Other AMT items (attach statement)		<b>17f</b>	
<b>Other Information</b>	<b>18a</b>	Tax-exempt interest income		<b>18a</b>	
	<b>b</b>	Other tax-exempt income		<b>18b</b>	
	<b>c</b>	Nondeductible expenses		<b>18c</b>	
	<b>19a</b>	Distributions of cash and marketable securities		<b>19a</b>	
	<b>b</b>	Distributions of other property		<b>19b</b>	
	<b>20a</b>	Investment income		<b>20a</b>	
	<b>b</b>	Investment expenses		<b>20b</b>	
	<b>c</b>	Other items and amounts (attach statement)			
	<b>21</b>	Total foreign taxes paid or accrued		<b>21</b>	

**Analysis of Net Income (Loss) per Return**

1	Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13e, and 21					1	<b>-82,998.</b>
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>-66,398.</b>				
b	Limited partners		<b>-16,600.</b>				

<b>Schedule L Balance Sheets per Books</b>		Beginning of tax year		End of tax year	
<b>Assets</b>		(a)	(b)	(c)	(d)
1	Cash		<b>15,721.</b>		<b>38,231.</b>
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 statement)				
7a	Loans to partners (or persons related to partners)				
b	Mortgage and real estate loans				
8	Other investments (attach statement)				
9a	Buildings and other depreciable assets	<b>100,867.</b>		<b>122,267.</b>	
b	Less accumulated depreciation	<b>95,786.</b>	<b>5,081.</b>	<b>113,518.</b>	<b>8,749.</b>
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 statement)				
14	<b>Total assets</b>		<b>20,802.</b>		<b>46,980.</b>
<b>Liabilities and Capital</b>					
15	Accounts payable				
16	Mortgages, notes, bonds payable in less than 1 year				
17	Other current liabilities (attach statement)				
18	All nonrecourse loans				
19a	Loans from partners (or persons related to partners)		<b>50,699.</b>		<b>175,583.</b>
b	Mortgages, notes, bonds payable in 1 year or more.				
20	Other liabilities (attach statement)				
21	Partners' capital accounts		<b>-29,897.</b>		<b>-128,603.</b>
22	<b>Total liabilities and capital</b>		<b>20,802.</b>		<b>46,980.</b>

**Schedule M-1 Reconciliation of Income (Loss) per Books With Analysis of Net Income (Loss) per Return**

Note: The partnership may be required to file Schedule M-3. See instructions.

1	Net income (loss) per books	<b>-82,998.</b>	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 13e, and 21, not charged against book income this year (itemize):	
4	Expenses recorded on books this year not included on Schedule K, lines 1 through 13e, and 21 (itemize):		a	Depreciation \$	
a	Depreciation \$				
b	Travel and entertainment \$		8	Add lines 6 and 7	
5	Add lines 1 through 4	<b>-82,998.</b>	9	Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	<b>-82,998.</b>

**Schedule M-2 Analysis of Partners' Capital Accounts**

1	Balance at beginning of year.	<b>-29,897.</b>	6	Distributions:	
2	Capital contributed:		a	Cash	
	a Cash		b	Property	
	b Property		7	Other decreases (itemize):	
3	Net income (loss) (see instructions)	<b>-82,998.</b>			
4	Other increases (itemize):				
5	Add lines 1 through 4	<b>-112,895.</b>			
				<b>Statement</b>	<b>15,708.</b>
			8	Add lines 6 and 7	<b>15,708.</b>
			9	Balance at end of year. Subtract line 8 from line 5.	<b>-128,603.</b>

**SCHEDULE B-1  
(Form 1065)**

(Rev. August 2019)  
Department of the Treasury  
Internal Revenue Service

**Information on Partners Owning 50% or  
More of the Partnership**

Attach to Form 1065.

Go to [www.irs.gov/Form1065](http://www.irs.gov/Form1065) for the latest information.

OMB No. 1545-0123

Name of partnership

**Laguna Gulf Development, LLC**

Employer identification number (EIN)

**84-2477160**

**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
<b>Laurence R. Jones, III</b>	<b>511-80-2560</b>	<b>United States</b>	<b>80.00</b>

Schedule K-1

2023

651123

(Form 1065)

Department of the Treasury Internal Revenue Service

For calendar year 2023, or tax year

Final K-1

Amended K-1

OMB No. 1545-0123

beginning 2023 ending

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

See separate instructions.

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

Table with 2 columns: Description and Amount. Rows include Ordinary business income (loss) of -66,398, Net rental real estate income (loss) of 125,232, and various other income and deduction items.

Part I Information About the Partnership

Part I form fields: A Partnership's employer identification number 84-2477160, B Partnership's name Laguna Gulf Development, LLC, C IRS center where partnership filed return: OGDEN, UT 84201, D Check if this is a publicly traded partnership (PTP).

Part II Information About the Partner

Part II form fields: E Partner's SSN or TIN 511-80-2560, F Name, address, city, state, and ZIP code for partner entered in E. Laurence R. Jones, III, 13714 Cayo Cantiles, Corpus Christi, TX 78418.

G General partner or LLC member-manager (checked), Limited partner or other LLC member.

H1 Domestic partner (checked), Foreign partner.

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

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): Table with columns Beginning and Ending, rows Profit, Loss, Capital.

Check if decrease is due to: Sale or Exchange of partnership interest. See instructions.

K1 Partner's share of liabilities: Table with columns Beginning and Ending, rows Nonrecourse, Qualified nonrecourse financing, Recourse.

K2 Check this box if item K1 includes liability amounts from lower-tier partnerships

K3 Check if any of the above liability is subject to guarantees or other payment obligations by the partner.

L Partner's Capital Account Analysis: Table with rows Beginning capital account, Capital contributed during the year, Current year net income (loss), Other increase (decrease), Withdrawals and distributions, Ending capital account.

M Did the partner contribute property with a built-in gain (loss)? Yes No

N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss): Table with rows Beginning, Ending.

For IRS Use Only

## Statement A - QBI Pass-through Entity Reporting

Partnership's name: <b>Laguna Gulf Development, LLC</b>		Partnership's EIN: <b>84-2477160</b>
Partner's name: <b>Laurence R. Jones, III</b>	Partner's identifying number: <b>511-80-2560</b>	
Partner's share of:		<b>Trade or Business</b>
		EIN: <b>84-2477160</b>
		<input type="checkbox"/> PTP
		<input type="checkbox"/> Aggregated
<input checked="" type="checkbox"/> SSTB		
<b>QBI or qualified PTP items subject to partner-specific determinations:</b>		
	Ordinary business income (loss) . . . . .	<b>-66,398.</b>
	Rental income (loss) . . . . .	
	Royalty income (loss) . . . . .	
	Section 1231 gain (loss) . . . . .	
	Other income (loss) . . . . .	
	Section 179 deduction . . . . .	
	Other deductions . . . . .	
W-2 wages . . . . .		<b>50,396.</b>
UBIA of qualified property . . . . .		<b>93,749.</b>
Section 199A dividends . . . . .		

## Statement C - QBI Pass-through Entity Reporting - Patrons of Specified Agricultural and Horticultural Cooperatives

Partnership's name:		Partnership's EIN:
Partner's name:	Partner's identifying number:	
Partner's share of:		<b>Cooperative</b>
		EIN:
		<input type="checkbox"/> PTP
		<input type="checkbox"/> Aggregated
<input type="checkbox"/> SSTB		
<b>QBI items allocable to qualified payments subject to partner-specific determinations:</b>		
	Ordinary business income (loss) . . . . .	
	Rental income (loss) . . . . .	
	Royalty income (loss) . . . . .	
	Section 1231 gain (loss) . . . . .	
	Other income (loss) . . . . .	
	Section 179 deduction . . . . .	
	Other deductions . . . . .	
W-2 wages allocable to qualified payments . . . . .		
Section 199A(g) deduction . . . . .		

**Schedule K-1 - Supplemental Information**  
Supporting Statement for Schedule K-1

**Partnership:** Laguna Gulf Development, LLC      **EIN:** 84-2477160  
**Partner:** Laurence R. Jones, III      **ID Number:** 511-80-2560

<u><b>Description</b></u>	<u><b>Amount</b></u>
Nonpassive ordinary income included in line 1	\$-66,398.

beginning 2023 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: **OGDEN, UT 84201**

**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 Rd**  
**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	20.0000	%	20.0000	%
Loss	20.0000	%	20.0000	%
Capital	20.0000	%	20.0000	%

Check if decrease is due to:  
 Sale or  Exchange of partnership interest. See instructions.

**K1** Partner's share of liabilities:

	Beginning		Ending
Nonrecourse . . . . \$	10,140	\$	35,117.
Qualified nonrecourse financing . . . . \$		\$	
Recourse . . . . \$		\$	

**K2** Check this box if item K1 includes liability amounts from lower-tier partnerships

**K3** Check if any of the above liability is subject to guarantees or other payment obligations by the partner. See instructions

**L** **Partner's Capital Account Analysis**

Beginning capital account . . . . \$	-6,139.
Capital contributed during the year . . . \$	
Current year net income (loss) . . . . \$	-16,600.
Other increase (decrease) (attach explanation) \$	-3,142.
Withdrawals and distributions . . . . \$ ( )	
Ending capital account . . . . . \$	-25,881.

**M** Did the partner contribute property with a built-in gain (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**

<b>1</b> Ordinary business income (loss) <b>* -16,600.</b>	<b>14</b> Self-employment earnings (loss) <b>A -16,600.</b>
<b>2</b> Net rental real estate income (loss)	<b>C 31,308.</b>
<b>3</b> Other net rental income (loss)	<b>15</b> Credits
<b>4a</b> Guaranteed payments for services	
<b>4b</b> Guaranteed payments for capital	<b>16</b> Schedule K-3 is attached if checked <input type="checkbox"/>
<b>4c</b> Total guaranteed payments	<b>17</b> Alternative minimum tax (AMT) items
<b>5</b> Interest income	
<b>6a</b> Ordinary dividends	
<b>6b</b> Qualified dividends	<b>18</b> Tax-exempt income and nondeductible expenses
<b>6c</b> Dividend equivalents	
<b>7</b> Royalties	
<b>8</b> Net short-term capital gain (loss)	<b>19</b> Distributions
<b>9a</b> Net long-term capital gain (loss)	
<b>9b</b> Collectibles (28%) gain (loss)	<b>20</b> Other information <b>Z* STMT</b>
<b>9c</b> Unrecaptured section 1250 gain	
<b>10</b> Net section 1231 gain (loss)	
<b>11</b> Other income (loss)	
<b>12</b> Section 179 deduction	<b>21</b> Foreign taxes paid or accrued
<b>13</b> Other deductions	
<b>22</b> <input checked="" type="checkbox"/> More than one activity for at-risk purposes*	
<b>23</b> <input type="checkbox"/> More than one activity for passive activity purposes*	

\*See attached statement for additional information.

For IRS Use Only

## Statement A - QBI Pass-through Entity Reporting

Partnership's name: <b>Laguna Gulf Development, LLC</b>		Partnership's EIN: <b>84-2477160</b>
Partner's name: <b>Laurence R. Jones, Jr.</b>	Partner's identifying number: <b>388-38-7434</b>	
Partner's share of:		<b>Trade or Business</b>
		EIN: <b>84-2477160</b>
		<input type="checkbox"/> PTP
		<input type="checkbox"/> Aggregated
<input checked="" type="checkbox"/> <b>SSTB</b>		
<b>QBI or qualified PTP items subject to partner-specific determinations:</b>		
	Ordinary business income (loss) . . . . .	<b>-16,600.</b>
	Rental income (loss) . . . . .	
	Royalty income (loss) . . . . .	
	Section 1231 gain (loss) . . . . .	
	Other income (loss) . . . . .	
	Section 179 deduction . . . . .	
	Other deductions . . . . .	
W-2 wages . . . . .		<b>12,599.</b>
UBIA of qualified property . . . . .		<b>23,437.</b>
Section 199A dividends . . . . .		

## Statement C - QBI Pass-through Entity Reporting - Patrons of Specified Agricultural and Horticultural Cooperatives

Partnership's name:		Partnership's EIN:
Partner's name:	Partner's identifying number:	
Partner's share of:		<b>Cooperative</b>
		EIN:
		<input type="checkbox"/> PTP
		<input type="checkbox"/> Aggregated
<input type="checkbox"/> <b>SSTB</b>		
<b>QBI items allocable to qualified payments subject to partner-specific determinations:</b>		
	Ordinary business income (loss) . . . . .	
	Rental income (loss) . . . . .	
	Royalty income (loss) . . . . .	
	Section 1231 gain (loss) . . . . .	
	Other income (loss) . . . . .	
	Section 179 deduction . . . . .	
	Other deductions . . . . .	
W-2 wages allocable to qualified payments . . . . .		
Section 199A(g) deduction . . . . .		

**Schedule K-1 - Supplemental Information**  
Supporting Statement for Schedule K-1

**Partnership:** Laguna Gulf Development, LLC      **EIN:** 84-2477160  
**Partner:**      Laurence R. Jones, Jr.      **ID Number:** 388-38-7434

<b><u>Description</u></b>	<b><u>Amount</u></b>
Nonpassive ordinary income included in line 1	\$-16,600.

## Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury  
Internal Revenue Service

Go to [www.irs.gov/Form4562](http://www.irs.gov/Form4562) for instructions and the latest information.

Attach to your tax return.

Name(s) shown on return

Business or activity to which this form relates

Identifying number

**Laguna Gulf Development, LLC**

**Consulting**

**84-2477160**

**Part I Election To Expense Certain Property Under Section 179**

**Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)		<b>1</b>
2	Total cost of section 179 property placed in service (see instructions)		<b>2</b>
3	Threshold cost of section 179 property before reduction in limitation (see instructions)		<b>3</b>
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	0.	<b>4</b>
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	0.	<b>5</b>
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7		<b>8</b>
9	Tentative deduction. Enter the smaller of line 5 or line 8		<b>9</b>
10	Carryover of disallowed deduction from line 13 of your 2022 Form 4562		<b>10</b>
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions		<b>11</b>
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11		<b>12</b>
13	Carryover of disallowed deduction to 2024. Add lines 9 and 10, less line 12	13	

**Note:** Don't use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions		17,120.
15	Property subject to section 168(f)(1) election		<b>15</b>
16	Other depreciation (including ACRS)		<b>16</b>

**Part III MACRS Depreciation (Don't include listed property. See instructions.)**

**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2023		<b>17</b>
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

**Section B—Assets Placed in Service During 2023 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property		4,280.	7 yrs	HY	200 DB	612.
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	

**Section C—Assets Placed in Service During 2023 Tax Year Using the Alternative Depreciation System**

20a Class life					S/L
b 12-year			12 yrs.		S/L
c 30-year			30 yrs.	MM	S/L
d 40-year			40 yrs.	MM	S/L

**Part IV Summary (See instructions.)**

21	Listed property. Enter amount from line 28		<b>21</b>
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	17,732.	<b>22</b>
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

# 2023 Other Deductions - Supporting Details for Form 1065, Line 21

Name(s) shown on return <b>Laguna Gulf Development, LLC</b>	Employer identifying number <b>84-2477160</b>
--	--

1.	Bank fees	1	116.
2.	Contracted services and independent contractor expense	2	10,506.
3.	Insurance	3	15,065.
4.	Legal and professional fees	4	4,354.
5.	Postage	5	579.
6.	Professional dues and subscriptions	6	6,264.
7.	Reimbursed employee expenses	7	175.
8.	Supplies	8	5,593.
9.	Telephone	9	7,686.
10.	Fuel Expense	10	7,055.
11.	Auto Expense	11	15,813.
12.	Security System	12	2,869.
13.	Software & Services	13	19,391.
14.	Travel Expense	14	1,277.
15.	Misc Expense	15	4,502.
16.	Accrual to Cash Adjustment	16	44,045.
17.	Property Taxes	17	2,000.
18.		18	
19.		19	
20.		20	
21.		21	
22.		22	
23.		23	
24.		24	
25.		25	
26.		26	
27.		27	
28.		28	
29.		29	
30.		30	
31.		31	
32.		32	
33.		33	
34.		34	
35.		35	
36.		36	
37.		37	
38.		38	
39.		39	
40.		40	
41.		41	
42.		42	
43.		43	
44.		44	
45.		45	
46.		46	
47.		47	
48.		48	
49.		49	
50.		50	
51.		51	
52.		52	
53.		53	
<b>Total Other Deductions</b>			<b>147,290.</b>

## Statement A - QBI Pass-through Entity Reporting

Partnership's name: <b>Laguna Gulf Development, LLC</b>		Partnership's EIN: <b>84-2477160</b>
Partner's name:		Partner's identifying number:
Partner's share of:		<b>Trade or Business</b>
		EIN: <b>84-2477160</b>
		<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input checked="" type="checkbox"/> SSTB
<b>QBI or qualified PTP items subject to partner-specific determinations:</b>		
	Ordinary business income (loss) . . . . .	<b>-82,998.</b>
	Rental income (loss) . . . . .	
	Royalty income (loss) . . . . .	
	Section 1231 gain (loss) . . . . .	
	Other income (loss) . . . . .	
	Section 179 deduction . . . . .	
	Other deductions . . . . .	
	W-2 wages . . . . .	<b>62,995.</b>
	UBIA of qualified property . . . . .	<b>117,186.</b>
	Section 199A dividends . . . . .	

## Statement C - QBI Pass-through Entity Reporting - Patrons of Specified Agricultural and Horticultural Cooperatives

Partnership's name:		Partnership's EIN:
Partner's name:		Partner's identifying number:
Partner's share of:		<b>Cooperative</b>
		EIN:
		<input type="checkbox"/> PTP <input type="checkbox"/> Aggregated <input type="checkbox"/> SSTB
<b>QBI items allocable to qualified payments subject to partner-specific determinations:</b>		
	Ordinary business income (loss) . . . . .	
	Rental income (loss) . . . . .	
	Royalty income (loss) . . . . .	
	Section 1231 gain (loss) . . . . .	
	Other income (loss) . . . . .	
	Section 179 deduction . . . . .	
	Other deductions . . . . .	
	W-2 wages allocable to qualified payments . . . . .	
	Section 199A(g) deduction . . . . .	

**Details for Schedule L -Ending Loans from Partners**

**Laguna Gulf Development, LLC**

**84-2477160**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
		<b>157,583.33</b>
		<b>18,000.00</b>
		<b>175,583.33</b>
<b>Total</b>		

**Details for Other Deductions Worksheet**

**Laguna Gulf Development, LLC**

**84-2477160**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
		145.95
		6,118.03
	<b>Total</b>	<b>6,263.98</b>

**Details for Other Deductions Worksheet**

**Laguna Gulf Development, LLC**

**84-2477160**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
		895.00
		3,458.69
	<b>Total</b>	<b>4,353.69</b>

**Details for Other Deductions Worksheet**

**Laguna Gulf Development, LLC**

**84-2477160**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
		-5,574.14
		49,618.71
	<b>Total</b>	<b>44,044.57</b>

Jeffery Smith, C.P.A.

3554 County Road 57  
Robstown, TX 78380  
Phone (361) 215-8876  
Fax (877) 867-5385

# Invoice

Date	Invoice #
3/10/2024	8987

<b>Bill To</b>
Laguna Gulf Development 13714 Cayo Cantiles Corpus Christi, TX 78418

<b>Ship To</b>

P.O. Number	Terms	Rep	Ship	Via	F.O.B.	Project
			3/10/2024			

Quantity	Item Code	Description	Price Each	Amount
1	Tax Filing	2023 Form 1065 Sales Tax	990.00 6.25%	990.00 0.00

<b>Total</b>			\$990.00
--------------	--	--	----------

Laguna Gulf Development, LLC  
 Accrual to Cash Conversion  
 2023

DR(CR)	PY	CY	DR(CR) Total
A/R	①	(2,280.42)	(2,280.42)
Bad Debts			-
Supplies			-
Prepays			-
A/P	②	7,854.56	7,854.56
Prepaid Deposits			-
<b>Total</b>	-	5,574.14	5,574.14

	2023
Book Income/(Loss)	(89,585.41)
Accrual To Cash AP	5,574.14
Revised Book Income	(84,011.27)
PY AJE Reversal AR	
PY AJE Reversal AP	(49,618.71)

**Adjusting Journal Entries To Make in QuickBooks**

<b>Account</b>	<b>2023 AJE Description</b>	<b>Amount</b>	
		<b>Debit</b>	<b>Credit</b>
62410	Solar Depreciation	7,815.00	
62420	Tractor Depreciation	13,865.00	
62430	Trailer & UTV Depreciation	2,060.00	
17000	Accumulated Depreciation		23,740.00
		<u>23,740.00</u>	<u>23,740.00</u>

-

### 2023 Depreciation Summary

<u>Asset Name</u>	<u>Date Acquired</u>	Life	Conv	Method	Business Use Percentage	Cost or Basis	Prior Section 179	Prior Bonus Depr	Prior Depr	Current Section 179	Current Bonus Depr	Current Depr
<b>Consulting</b>												
<u>Yanmar Equipment</u>	02/09/2023	7	HY	MACRS 200DB	100.000000%	21,400	0	0	0	0	17,120	612
<u>Solar Panel System</u>	12/31/2020	5	HY	MACRS 200DB	100.000000%	33,995	0	33,995	0	0	0	0
	<i>Original Cost 39,075 - Can Not Depreciate for \$5080</i>											
<u>Tractor</u>	08/10/2020	5	HY	MACRS 200DB	100.000000%	51,491	0	51,491	0	0	0	0
<u>Trailer</u>	05/14/2020	5	HY	MACRS 200DB	100.000000%	10,300	0	10,300	0	0	0	0
<b>SUBTOTALS</b>						117,186	0	95,786	0	0	17,120	612
<b>TOTALS</b>						117,186	0	95,786	0	0	17,120	612

### Future Years Depreciation Summary

<u>Asset Name</u>	<u>Date Acquired</u>	<u>Life</u>	<u>Conv</u>	<u>Method</u>	<u>Cost or Basis</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>Remaining Life</u>
<b><u>Consulting</u></b>											
<u>Yanmar Equipment</u>	02/09/2023	7	HY	MACRS 200DB	21,400	1,048	749	535	382	382	7
<u>Solar Panel System</u>	12/31/2020	5	HY	MACRS 200DB	33,995						0
<u>Tractor</u>	08/10/2020	5	HY	MACRS 200DB	51,491						0
<u>Trailer</u>	05/14/2020	5	HY	MACRS 200DB	10,300						0
<b>SUBTOTALS</b>					117,186	1,048	749	535	382	382	
<b>TOTALS</b>					117,186	1,048	749	535	382	382	

**Jeffery C Smith, C.P.A.**  
**3554 County Road 57**  
**Robstown, TX 78380**  
**(361)215-8876 FAX (877)867-5385**  
**Email: Jeff@JefferySmithCPA.com**

March 10, 2024

Dear Laguna Gulf Development:

**CLIENT ENGAGEMENT LETTER**

This letter reflects our mutual understanding of the tax return preparation service I will provide. The Internal Revenue Service imposes penalties upon taxpayers and upon me, as a return preparer, for failure to observe due care in reporting for income tax returns. In order to assure an understanding of our mutual responsibilities, I ask you to carefully read the following and confirm this agreement by signing below and returning it to me.

I will prepare your federal and required state income tax returns for 2023, and other periods as requested, and estimated income tax payment vouchers for 2024 if applicable from information, which you will furnish to me. I will not audit or make other verification of the data you submit, although I may need to ask you for clarification of some of the information. I will furnish you with questionnaires and/or worksheets to guide you in gathering the necessary information for me.

It is your responsibility to provide all of the information required for the preparation of complete and accurate returns. You should retain all the documents, canceled checks and other data that form the basis of income and deductions. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. You have the final responsibility for the income tax returns and, therefore, should review them carefully before signing them.

You represent that the information you are supplying to me is accurate and complete to the best of your knowledge and that your expenses for meals, entertainment, travel, gifts and vehicle use are supported by records as required by law. I may ask you for clarification of some of the information.

My work in connection with the preparation of your income tax return does not include any procedures designed to discover defalcations or other irregularities, should any exist. I will render such accounting and bookkeeping assistance as I find necessary for preparation of your income tax returns.

I will use my judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. Unless otherwise instructed by you, I will resolve such questions in your favor whenever possible.

The law provides various penalties that may be imposed when taxpayers understate their tax liability. If you would like information on the amount or circumstances of these penalties, please contact me.

Your returns may be selected for review by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination, I will be available upon request to represent you and will render additional invoices for the time and expenses incurred.

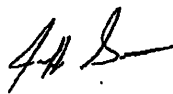
This engagement does not include any services not specifically stated in this letter. However, I would be pleased to consult with you regarding income tax, estate and gift tax, and other tax or accounting matters such as proposed or completed transactions, income tax projections, and research in connection with such matters. I will render additional invoices for such services at standard billing rates.

My fees for services will be based upon the amount of time spent on this engagement at standard billing rates, plus direct out-of-pocket expenses. Estimated fees that I may have communicated to you are based on the information known to me at the time of estimation. Any additional work required due to missing, incomplete, or incorrect data will be invoiced to you at standard hourly rates. If the engagement is terminated for any reason, I am nevertheless entitled to my fees for time and expenses incurred to that point. All invoices are due and payable upon presentation.

If the foregoing fairly sets forth your understanding of our agreement, please sign this letter below and return to me, retaining a copy for your records.

I appreciate this opportunity to render professional services for you and look forward to a long and rewarding relationship.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jeffery Smith", written in a cursive style.

Jeffery Smith, C.P.A.

**CLIENT COPY (Retain for your records)**

**Jeffery C Smith, C.P.A.**  
**3554 County Road 57**  
**Robstown, TX 78380**  
**(361)215-8876 FAX (877)867-5385**  
**Email: Jeff@JefferySmithCPA.com**

Dear Laguna Gulf Development:

Thank you for helping me with the gathering of your information for your 2023 tax return. Attached is the engagement letter. I ask that you read the engagement letter, if the tax services and terms outlined in the letter are in accordance with your understanding of my engagement, please sign this letter in the space provided and return it to me.

Once a year, the law requires me to disclose my Privacy Policy to you, just as the law requires banks, brokerage houses and other financial institutions to do the same. I hope that by taking a few moments to read this policy, you will have a better understanding of how I strive to protect the information you entrust to me.

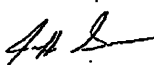
**Types of Information I collect:** I collect certain personal information about you, but only when it is provided by you or is obtained with your permission.

**Parties to Whom I Disclose Information:** As a general rule, I do not disclose nonpublic personal information about my clients to anyone. However, to the extent permitted by law and any applicable state Code of Professional Conduct, certain nonpublic information about you may be disclosed to comply with a validly issued and enforceable subpoena or summons, or to allow me to render appropriate services to you.

**Confidentiality and Security of Your Personal Information:** Except as otherwise described in this notice, I restrict access to nonpublic personal information about you to any other parties. I also maintain physical and procedural safeguards, in compliance with applicable laws and regulations, to guard your personal information from unauthorized access, alterations, or premature destruction.

Thank you for allowing me to serve your accounting and tax needs. I value your business and am committed to protecting your privacy. I hope you view my firm as your most trusted adviser and I will work to continue earning your trust. Please call me if you have any questions or to schedule a meeting.

Sincerely,



Jeffery Smith, C.P.A.