

November 19, 1997

Kenneth L. & Linda P. Lay  
 BALANCE SHEET ANALYSIS  
 As of: October 31, 1997

ASSETS	BALANCE	PERCENT OF	
		TOTAL ASSETS	WORKING ASSETS
<b>CURRENT ASSETS</b>			
Cash on Hand:			
CASH ON HAND/HHERROLD	\$ 200	.0%	.0%
CASH ON HAND/BJONES	22	.0%	.0%
CASH ON HAND/SK	207	.0%	.0%
CASH ON HAND/PSTOKES	316	.0%	.0%
CASH ON HAND/JWALLS	54	.0%	.0%
CASH ON HAND/MSTURGIS	215	.0%	.0%
<b>Total Cash on Hand:</b>	<b>\$ 1,014</b>	<b>.0%</b>	<b>.0%</b>
Checking Accounts:			
NATIONSBANK 0707	\$ 269,579	.2%	.2%
NATIONSBANK/CONTRIBUTIONS	7,976	.0%	.0%
NATIONSBANK/LPL PROPERTIES	1,557	.0%	.0%
NATIONSBANK-MO HH 6498	1,168	.0%	.0%
NATIONSBANK/STOKES	1,387	.0%	.0%
PITKIN CO. 505-684	1,806	.0%	.0%
UNITY 109-900	2,765	.0%	.0%
<b>Total Checking Accounts:</b>	<b>\$ 286,238</b>	<b>.2%</b>	<b>.3%</b>
Brokerage Accounts:			
SANDERS MORRIS MMA/SMM-JT	\$ 6	.0%	.0%
SANDERS MORRIS MMA/SMM-KLL	21	.0%	.0%
<b>Total Brokerage Accounts:</b>	<b>\$ 27</b>	<b>.0%</b>	<b>.0%</b>
Savings Accounts:			
ENRON CREDIT UNION	\$ 139	.0%	.0%
<b>Total Savings Accounts:</b>	<b>\$ 139</b>	<b>.0%</b>	<b>.0%</b>
Treasury Bills:			
SAVINGS BONDS	\$ 2,400	.0%	.0%
<b>Total Treasury Bills:</b>	<b>\$ 2,400</b>	<b>.0%</b>	<b>.0%</b>
Escrow Account:			
ESCROW ACCT-MACON BLDG/MO	\$ 4,078	.0%	.0%
<b>Total Escrow Account:</b>	<b>\$ 4,078</b>	<b>.0%</b>	<b>.0%</b>
Short-term Receivables:			
ACCT RECV-KS BLACK	\$ 21,000	.0%	.0%
ACCT RECV-TDH	5,007	.0%	.0%
ACCT RECV-TDH (AVALON)	147,526	.1%	.1%
ACCT RECV-MKL	37,000	.0%	.0%
ACCT RECV-BRUIN	5,096	.0%	.0%
ACCT RECV-BRUIN #2	733,919	.6%	.6%
ACCT RECV/RRH	40,800	.0%	.0%
ACCT RECV-BJONES	130,608	.1%	.1%
ACCT RECV-JWALLS	13,790	.0%	.0%
<b>Total Short-term Receivables:</b>	<b>\$ 1,134,746</b>	<b>1.0%</b>	<b>1.0%</b>
Notes Receivable:			
FAM PTRNS ANNUITY-2/KLL	\$ 730,081	.6%	.6%
FAM PTRNS ANNUITY-2/LPL	728,707	.6%	.6%
<b>Total Notes Receivable:</b>	<b>\$ 1,458,788</b>	<b>1.3%</b>	<b>1.3%</b>
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 2,887,430</b>	<b>2.5%</b>	<b>2.5%</b>

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		TOTAL ASSETS	WORKING ASSETS
<b>MARKETABLE INVESTMENTS</b>			
Common Stocks:			
AMER EQ LIFE HLDG/SMM-JT	\$ 150,000	.1%	.1%
COMFORT SYS 3000SH/SMM-JT	57,561	.1%	.1%
COMPAQ 30,000SHS	1,920,000	1.7%	1.7%
ELI LILLY 5,000 SHS(1)/CBR	335,313	.3%	.3%
ELI LILLY 5,000 SHS(2)/CBR	335,313	.3%	.3%
ELI LILLY-DRP	21,676	.0%	.0%
ENRON CORP 790SH/NB	30,020	.0%	.0%
ENRON CORP 7,690SH/CBR	292,220	.3%	.3%
ENRON CORP 9,440SH/NB	358,720	.3%	.3%
ENRON CORP 9,440SH/CBR	358,720	.3%	.3%
ENRON CORP 71,385 SH/NB	2,712,630	2.4%	2.4%
ENRON CORP 1,859SH/NB	70,642	.1%	.1%
ENRON CORP 19,920SH/NB	756,960	.7%	.7%
ENRON CORP 23,874SH/NB	907,212	.8%	.8%
ENRON CORP 22,035SH/NB	837,330	.7%	.7%
ENRON CORP 22,052SH/CBR	837,976	.7%	.7%
ENRON CORP 1,751SH/CBR	66,538	.1%	.1%
ENRON CORP 4,521SH/CBR	171,798	.1%	.2%
ENRON CORP 7,792SH/CBR	296,096	.3%	.3%
ENRON CORP 50,000SH/NB	1,900,000	1.7%	1.7%
ENRON SAVINGS 401(K)	1,826,957	1.6%	1.6%
ENRON ESOP	4,334	.0%	.0%
ENRON O&G 20,000SHS/CBR	421,250	.4%	.4%
ENVIR OPP 500,000SH/SMM-JT	350,000	.3%	.3%
FRENCH FRAG 15000SH/SMM-JT	32,061	.0%	.0%
HUNTINGDON HOMEOWNERS CORP	500,000	.4%	.4%
INVEST FINL GROUP/SMM-JT	26,666	.0%	.0%
JALATE LTD 5000SH/SMM-JT	8,125	.0%	.0%
METALS USA 3000SH/SMM-JT	44,250	.0%	.0%
OLD BALDY CLUB 250 SHS	28,360	.0%	.0%
ST ARNOLD BREW 75000 SHS	75,000	.1%	.1%
TRANSAM WST 100000S/SMM-JT	150,000	.1%	.1%
US HOMECARE 1500SH/SMM-JT	52,500	.0%	.0%
US HOMECARE 594 SH/SMM-JT	743	.0%	.0%
US HOMECARE 334 SH/SMM-JT	418	.0%	.0%
US HOMECARE 354 SH/SMM-JT	443	.0%	.0%
US HOMECARE 398SH/SMM-JT	498	.0%	.0%
US HOMECARE 1088SH/SMM-JT	1,360	.0%	.0%
US HOMECARE 945SH/SMM-JT	1,181	.0%	.0%
US HOMECARE 634SH/SMM-JT	793	.0%	.0%
US LIQUIDS 2500SH/SMM-JT	24,000	.0%	.0%
<b>Total Common Stocks:</b>	<b>\$ 15,965,664</b>	<b>13.9%</b>	<b>14.0%</b>
Vested Exec Stock Options:			
ENE ESO 8-89 50000 SHS	\$ 1,275,000	1.1%	1.1%
ENE ESO 2-91 62400 SHS	1,513,200	1.3%	1.3%
ENE ESO 2-92 187500 SHS	4,218,750	3.7%	3.7%
ENE ESO 2-93 200000 SHS	2,162,000	1.9%	1.9%
ENE ESO 2-93 400000 SHS	4,328,000	3.8%	3.8%
ENE ESO 12-93 48000 SHS	468,000	.4%	.4%
ENE ESO 2-94 67200 SHS	302,400	.3%	.3%
ENE ESO 2-94 1136000 SHS	4,544,000	4.0%	4.0%
ENE ESO 12-94 54,618 SHS	406,260	.4%	.4%
ENE ESO 12-94 25,401 SHS	190,508	.2%	.2%
ENE ESO 1-95 55385 SHS	470,773	.4%	.4%
ENE ESO 1-96 73850 SHS	92,313	.1%	.1%
<b>Total Vested Exec Stock Options:</b>	<b>\$ 19,971,204</b>	<b>17.4%</b>	<b>17.5%</b>

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<b>Corporate Bond-Convertibl:</b>			
INTERSPORT LTD CONV/SMM-JT	\$ 52,250	.0%	.0%
INTERSPORT LTD LTD/SMM-JT	52,250	.0%	.0%
INTERSPORT SER B /SMM-JT	30,041	.0%	.0%
<b>Total Corporate Bond-Convertibl:</b>	<b>\$ 134,541</b>	<b>.1%</b>	<b>.1%</b>
<b>Mutual Funds:</b>			
FID GROWTH CO 401(K)/KLL	\$ 7,285	.0%	.0%
FID OTC 401(K)/KLL	4,834	.0%	.0%
FID OVERSEAS 401(K)/KLL	10,847	.0%	.0%
FID MAGELLAN 401(K)/KLL	23,879	.0%	.0%
TCW MID CAP GRWTH/NB	293,564	.3%	.3%
TCW ASIA PACIFIC EQUITY/NB	197,783	.2%	.2%
<b>Total Mutual Funds:</b>	<b>\$ 538,192</b>	<b>.5%</b>	<b>.5%</b>
<b>Partnerships-other:</b>			
KLL & LPL INVESTMENT PTRNS	\$ 49,623,827	43.2%	43.5%
KLL & LPL FAMILY PTRNS	4,751,917	4.1%	4.2%
<b>Total Partnerships-other:</b>	<b>\$ 54,375,744</b>	<b>47.3%</b>	<b>47.6%</b>
<b>TOTAL MARKETABLE INVESTMENTS</b>	<b>\$ 90,985,345</b>	<b>79.2%</b>	<b>79.7%</b>
<b>LONG-TERM INVESTMENTS</b>			
<b>Residence:</b>			
REAL ESTATE/HUNTINGDON ✓	\$ 4,100,744	3.6%	3.6%
REAL ESTATE/LOOSCAN ✓	1,281,585	1.1%	1.1%
<b>Total Residence:</b>	<b>\$ 5,382,329</b>	<b>4.7%</b>	<b>4.7%</b>
<b>Real Estate Other Homes:</b>			
REAL ESTATE/ASPEN	\$ 2,618,676	2.3%	2.3%
REAL ESTATE/B-3431 ✓	432,900	.4%	.4%
PIRATES' COVE LOTS ✓	286,000	.2%	.3%
REAL ESTATE/B-3429 ✓	688,784	.6%	.6%
REAL ESTATE/REBA	450,000	.4%	.4%
REAL ESTATE/DC	163,806	.1%	.1%
<b>Total Real Estate Other Homes:</b>	<b>\$ 4,640,166</b>	<b>4.0%</b>	<b>4.1%</b>
<b>Real Estate Active Rental:</b>			
REAL ESTATE/1741SR ✓	\$ 147,309	.1%	.1%
REAL ESTATE/1852MAR ✓	101,386	.1%	.1%
REAL ESTATE/1856MAR ✓	165,000	.1%	.1%
REAL ESTATE/1918SR ✓	237,328	.2%	.2%
REAL ESTATE/KINGS ✓	188,000	.2%	.2%
REAL ESTATE/MO	422,933	.4%	.4%
REAL ESTATE/VIKING ✓	60,000	.1%	.1%
<b>Total Real Estate Active Rental:</b>	<b>\$ 1,321,956</b>	<b>1.2%</b>	<b>1.2%</b>
<b>Real Estate Passive:</b>			
COLORADO OASIS LTD.	\$ 375,000	.3%	.3%
SEAWALL APARTMENTS, LTD.	200,000	.2%	.2%
TEXAS FARM VENTURES	60,000	.1%	.1%
<b>Total Real Estate Passive:</b>	<b>\$ 635,000</b>	<b>.6%</b>	<b>.6%</b>
<b>Farming Interests:</b>			
11ACRES ILLINOIS	\$ 4,500	.0%	.0%
<b>Total Farming Interests:</b>	<b>\$ 4,500</b>	<b>.0%</b>	<b>.0%</b>

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Other Investment-Passive:			
BRUIN INTERESTS, L.P.	\$ 206,906	.2%	.2%
CAPRICORN INVESTORS II LP	278,565	.2%	.2%
USA CAFE LLC/SMM-JT	25,000	.0%	.0%
TCW GLOBAL VALUE LP	613,823	.5%	.5%
Total Other Investment-Passive:	\$ 1,124,294	1.0%	1.0%
TOTAL LONG-TERM INVESTMENTS	\$ 13,108,245	11.4%	11.5%
RETIREMENT/DEFERRED ASSETS			
IRA:			
FIDELITY MAGELLAN/KLL	\$ 40,793	.0%	.0%
Total IRA:	\$ 40,793	.0%	.0%
IRA/Spouse:			
FIDELITY MAGELLAN/LPL	\$ 40,844	.0%	.0%
Total IRA/Spouse:	\$ 40,844	.0%	.0%
Keogh Account:			
SCUDDER GRWTH & INC/KLL	\$ 313,062	.3%	.3%
SCUDDER INCOME/KLL	22,247	.0%	.0%
SCUDDER ST BOND/KLL	23,800	.0%	.0%
Total Keogh Account:	\$ 359,109	.3%	.3%
Retirement Plan:			
ENRON-RETIREMENT	\$ 2,735,515	2.4%	2.4%
Total Retirement Plan:	\$ 2,735,515	2.4%	2.4%
Deferred Compensat'n Plan:			
ENRON DEFERRED COMP-85	\$ 2,980,393	2.6%	2.6%
ENRON DEFERRED COMP-94	174,783	.2%	.2%
ELI LILLY DEFERRED COMP	825,189	.7%	.7%
ELI LILLY ANN DIV-SH CRED	0	.0%	.0%
Total Deferred Compensat'n Plan:	\$ 3,980,365	3.5%	3.5%
TOTAL RETIREMENT/DEFERRED ASSETS	\$ 7,156,626	6.2%	6.3%
TOTAL WORKING ASSETS	\$ 114,137,640	99.3%	100.0%
PERSONAL/NON-EARNING ASSET			
Automobile(s):			
88 MERCEDES 300E	\$ 10,000	.0%	
90 JEEP WRANGLER	6,825	.0%	
90 4-RUNNER	10,150	.0%	
90 RANGE ROVER	13,600	.0%	
93 MERCEDES 600SL	67,200	.1%	
94 FORD MUSTANG	18,675	.0%	
90 SUBURBAN	8,600	.0%	
96 RANGE ROVER	43,525	.0%	
Total Automobile(s):	\$ 178,575	.2%	
Home Furnishings:			
HOME FURNISHINGS/HUNT	\$ 53,276	.0%	
HOME FURNISHINGS/LOOSCAN	35,666	.0%	
HOME FURNISHINGS/ASPEN	141,000	.1%	
HOME FURNISHINGS/B-3431	152,500	.1%	
HOME FURNISHINGS/B-3429	71,553	.1%	

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Total Home Furnishings:	\$ 453,995	.4%	
Other Vehicles & Equip:			
BW 15' RAGE BOAT	\$ 14,931	.0%	
BW 21' OUTRAGE BOAT	49,327	.0%	
DUFFY 18' ELECTRIC BOAT	14,131	.0%	
LYNN SAILBOAT	1,400	.0%	
SPIRIT CANOE	406	.0%	
WATERWHEELER MK III	722	.0%	
SUPER SPORT BOAT 1997	33,503	.0%	
Total Other Vehicles & Equip:	\$ 114,420	.1%	
TOTAL PERSONAL/NON-EARNING ASSET	\$ 746,990	.7%	
TOTAL ASSETS	\$ 114,884,632	100.0%	
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Credit Cards:			
AMER. EXPRESS/RL	\$ -6,095	.0%	.0%
NEIMAN MARCUS 1314	-356	.0%	.0%
Total Credit Cards:	\$ -6,451	.0%	.0%
Notes Payable:			
COMPASS BANK LOC	\$ 7,124,951	6.2%	6.2%
CHASE BANK LOC	1,275,000	1.1%	1.1%
ENRON CORP. LOAN	1,350,000	1.2%	1.2%
NATIONSBANK \$30M NON PUR	29,920,000	26.0%	26.2%
Total Notes Payable:	\$ 39,669,951	34.5%	34.8%
Security Deposits:			
SEC DEPOSIT/Z-1918SR	\$ 1,550	.0%	.0%
SEC DEPOSIT/Z-1856MAR	125	.0%	.0%
SEC DEPOSIT/Z-MCDUF	150	.0%	.0%
Total Security Deposits:	\$ 1,825	.0%	.0%
Other Current Liabilities:			
KLL & LPL INVEST PTRN NOTE	\$ 80,000	.1%	.1%
Total Other Current Liabilities:	\$ 80,000	.1%	.1%
TOTAL CURRENT LIABILITIES	\$ 39,745,325	34.6%	34.8%
<b>LONG-TERM LIABILITIES</b>			
Home Mortgage:			
NATIONSBANK/LOOSCAN	\$ 641,955	.6%	.6%
NATIONSBANK/HUNTINGDON	3,304,837	2.9%	2.9%
Total Home Mortgage:	\$ 3,946,792	3.4%	3.5%
Other Real Estate Mtge:			
NATIONSBANK/ASPEN	\$ 1,575,086	1.4%	1.4%
CITICORP MORTGAGE/B-3431	249,795	.2%	.2%
NATIONSBANK/LOTS	135,000	.1%	.1%
MACON BLDG. & LOAN/MO	115,052	.1%	.1%
NATIONSBANK/B-3429	259,797	.2%	.2%
NATIONSBANK/REBA	334,672	.3%	.3%

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LIABILITIES	BALANCE	--- PERCENT OF --- TOTAL WORKING ASSETS ASSETS	
<b>Total Other Real Estate Mtgcs:</b>	\$ 2,669,402	2.3%	2.3%
<b>Investment Liabilities:</b>			
DARBY SUITER/1918SR	\$ 124,401	.1%	.1%
E. DICKSON/1918SR	14,642	.0%	.0%
LEVINSON/1856MAR	142,197	.1%	.1%
ROSENAU/1852MAR	70,894	.1%	.1%
<b>Total Investment Liabilities:</b>	\$ 352,134	.3%	.3%
<b>Deferred Tax Liabilities:</b>			
DEFERRED TAX LIABILITIES	\$ 9,388,031	8.2%	8.2%
<b>Total Deferred Tax Liabilities:</b>	\$ 9,388,031	8.2%	8.2%
<b>TOTAL LONG-TERM LIABILITIES</b>	\$ 16,356,359	14.2%	14.3%
<b>BUSINESS LIABILITIES</b>			
<b>Employer Taxes/Bus:</b>			
FICA WITHHELD-EE (TX)	\$ 24,608	.0%	.0%
FICA WITHHELD-EE (MO)	295	.0%	.0%
FIT WITHHELD-EE (TX)	41,472	.0%	.0%
FIT WITHHELD-EE (MO)	397	.0%	.0%
SIT WITHHELD-EE (MO)	123	.0%	.0%
SIT WITHHELD-EE (HH-CO)	30	.0%	.0%
<b>Total Employer Taxes/Bus:</b>	\$ 66,925	.1%	.1%
<b>Accrued FICA Tax/Business:</b>			
FICA PAYABLE-ER (TX)	\$ 24,381	.0%	.0%
FICA PAYABLE-ER (MO)	295	.0%	.0%
<b>Total Accrued FICA Tax/Business:</b>	\$ 24,676	.0%	.0%
<b>TOTAL BUSINESS LIABILITIES</b>	\$ 91,601	.1%	.1%
<b>TOTAL LIABILITIES</b>	\$ 56,193,282	48.9%	49.2%
<b>NET WORTH</b>			
<b>TOTAL NET WORTH</b>	58,691,350	51.1%	51.4%
<b>TOTAL LIABILITIES AND NET WORTH</b>	\$ 114,884,632	100.0%	