



Renovate Neighborhoods, Inc.
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RENOVATE NEIGHBORHOODS, INC.
INDEX TO FINANCIAL STATEMENTS

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RENOVATE NEIGHBORHOODS, INC.
BALANCE SHEETS
(Un-Audited)

	As of December 31,	
	2013	2012
<i>Assets</i>		
Current Assets:		
Cash	\$ 859	\$ —
Trade Receivables, Net	—	—
Inventories	—	—
Prepaid Expenses and Other Current Assets	15,000	—
Total Current Assets	15,859	—
Property, Plant and Equipment	552,053	—
Other Assets:		
Goodwill	400,000	—
Other Intangible Assets, Net	350,000	—
Deposits and Other Non-Current Assets, Net	1,500	—
Total Other Assets	751,500	—
Total Assets	\$ 1,319,413	\$ —
<i>Liabilities and Stockholders' Equity</i>		
Current Liabilities:		
Accounts Payable	\$ 1,297	\$ —
Accrued Expenses and Other Current Liabilities	27	—
Current Portion of Notes Payable - Enhanced	435,544	—
Current Portion of Term Loan	—	—
Current Portion of Derivate Liability	—	—
Current Portion of Long-Term Debt	—	—
Total Current Liabilities	436,868	—
Other Liabilities:		
Starter Loans	14,699	—
Non-Current Portion of Notes Payable - Enhanced	—	—
Non-Current Portion of Note Payable – Related Party	—	—
Accrued Interest – Note Payable – Related Party	—	—
Non-Current Portion of Long-Term Debt	—	—
Total Other Liabilities	14,699	—
Total Liabilities	451,567	—
Commitments and Contingencies (Note 14)		
Stockholders' Equity:		
Common Stock, \$.001 Par Value; 140,000,000 Shares Authorized; 266,303,337 and 121,303,337 at \$.01 Par Value Issued and Outstanding for 2013 and 2012, respectively.	26,630	1,213,033
Additional Paid-In Capital	3,492,956	1,365,997
Accumulated (Deficit)	(2,651,740)	(2,579,030)
Accumulated Other Comprehensive (Loss)	—	—
Total Stockholders' Equity	867,846	—
Total Liabilities and Stockholders' Equity	\$ 1,319,413	\$ —

The Accompanying Notes are an Integral Part of the Financial Statements

RENOVATE NEIGHBORHOODS, INC.
STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Un-Audited)

	Years Ended December 31,	
	2013	2012
Sales	\$ 125,973	\$ —
Cost of Sales	98,678	—
Gross Profit	27,295	—
Operating Expenses:		
Selling, General and Administrative	49,231	—
Professional Fees	11,725	—
Depreciation	—	—
Amortization of Other Intangible Assets	501,315	—
Consulting Fees	514,244	—
Total Operating Expenses	16,287,718	—
Operating (Loss)	(72,710)	—
Net Loss from Discontinued Operations	—	(61,100)
Net (Loss)	\$ (72,710)	\$ —
Dividends on Preferred Stock	—	—
Net (Loss) Available to Common Stockholders	\$ (72,710)	\$ —
Net (Loss) Per Share – Basic and Diluted	\$ (0.0003)	\$ (0.0005)
Weighted Average Shares Outstanding	266,303,337	—

The Accompanying Notes are an Integral Part of the Financial Statements

RENOVATE NEIGHBORHOODS, INC.
STATEMENTS OF STOCKHOLDERS' EQUITY
(Un-Audited)

	<u>Common Stock</u>		<u>Additional</u>		<u>Total</u>
	<u>Shares</u>	<u>Par</u>	<u>Paid-In</u>	<u>Accumulated</u>	<u>Stockholders'</u>
		<u>\$0.01</u>	<u>Capital</u>	<u>(Deficit)</u>	<u>Equity</u>
<i>As of December 31, 2011</i>	121,303,337	\$ 1,213,033	\$ 1,365,997	\$ (2,517,930)	\$ 61,100
Comprehensive (Loss), Net of Tax:					
Net (Loss)	—	—	—	(61,100)	(61,100)
Currency Translation (Loss)	—	—	—	—	—
Comprehensive (Loss)	—	—	—	—	(61,100)
<i>As of December 31, 2012</i>	121,303,337	\$ 1,213,033	\$ 1,365,997	\$ (2,579,030)	\$ —
Comprehensive (Loss), Net of Tax:					
Net (Loss)	—	—	—	(72,710)	(72,710)
Currency Translation (Loss)	—	—	—	—	—
Comprehensive (Loss)	—	—	—	—	(72,710)
Change in Par Value .01 to .0001	—	(1,200,903)	1,200,903	—	—
Issuance of Common Stock	145,000,000	14,500	—	—	14,500
Acquisition of Briar Construction	—	—	926,056	—	926,056
<i>As of December 31, 2013</i>	<u>266,303,337</u>	<u>\$ 26,630</u>	<u>\$ 3,492,956</u>	<u>\$ (2,651,740)</u>	<u>\$ 867,846</u>

The Accompanying Notes are an Integral Part of the Financial Statements

RENOVATE NEIGHBORHOODS, INC.
STATEMENTS OF CASH FLOWS
(Un-Audited)

	Years Ended December 31,	
	2013	2012
<i>Cash Flows From Operating Activities</i>		
Net (Loss):		
Continuing Operations	\$ (72,710)	\$ (61,100)
Adjustments to Reconcile Net (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Depreciation	45,468	—
Amortization of Other Intangible Assets	—	—
Provision for Losses on Accounts Receivable	—	—
Share Based Compensation Expense	—	—
Interest Expense – Related Party	—	—
Gain on Derivative Liability	—	—
Gain on Disposal of Asset	—	—
Changes in Assets and Liabilities:		
Trade Receivables	—	—
Inventories	—	—
Prepaid Expenses and Other Current Assets	(15,000)	60,408
Other Intangible Assets	(750,000)	—
Deposits and Other Non-Current Assets	(1,500)	—
Accounts Payable	1,297	(8,437)
Accrued Expenses and Other Current Liabilities	27	—
Net Cash (Used in) Provided by Operating Activities	(792,418)	(9,129)
<i>Cash Flows From Investing Activities</i>		
Additions to Property, Plant and Equipment	(597,521)	—
Proceeds from Disposal of Property, Plant and Equipment	—	—
Net Cash (Used in) Investing Activities	\$ (597,521)	\$ —
<i>Cash Flows From Financing Activities</i>		
Proceeds from Revolver Loan	—	—
Principal Repayments to Revolver Loan	—	—
Proceeds from Notes Payable – Enhanced	435,543	—
Principal Repayments to Notes Payable – Enhanced	—	—
Proceeds from Note Payable – Related Party	14,699	—
Proceeds from Issuance of Common Stock	(1,186,403)	—
Change in Paid in Capital	2,126,959	—
Net Cash Provided by Financing Activities	1,390,798	—
<i>Net Effect of Exchange Rate Changes on Cash</i>	—	—
<i>Net Increase (Decrease) In Cash</i>	859	(9,129)
<i>Cash at Beginning of Year</i>	—	9,129
<i>Cash at End of Year</i>	\$ 859	\$ —
<i>Supplemental Disclosure of Cash Flow Information:</i>		
Cash Payments for Income Taxes	\$ —	\$ —
Cash Payments for Interest	—	—
<i>Supplemental Schedule of Non Cash Investing and Financing Activities:</i>		
Exchange of Common Stock for Preferred Stock	\$ —	\$ —
Exchange of Accrued Preferred Stock Dividends for Preferred Stock	—	—
Exchange of Preferred Stock for Common Stock	—	—
Exchange of Accrued Preferred Stock Dividends for Common Stock	\$ —	\$ —

The Accompanying Notes are an Integral Part of the Financial Statements

RENOVATE NEIGHBORHOODS, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Organization, Basis of Presentation, and Critical Accounting Policies, Estimates, and Assumptions.

This summary briefly describes the Company's organization, basis of presentation, and critical accounting policies, estimates, and assumptions, which are presented to assist in understanding these financial statements. The financial statements and notes are representations of management who are responsible for their integrity and objectivity. The accounting policies used conform to Generally Accepted Accounting Principles (GAAP) in the United States of America and have been consistently applied in the preparation of these financial statements. Judgments and estimates of uncertainties are required in applying our accounting policies in many areas. However, application of the critical accounting policies discussed below requires management's significant judgments, often as the result of the need to make estimates of matters that are inherently uncertain. If actual results were to differ materially from the estimates made, the reported results could be materially affected.

Organization History

The Company was originally incorporated on June 27, 1995. On April 24, 2009, five (5) million shares representing 52% of the common stock of the company at that time was acquired by Mr. William Dyer from R.V.C.A Partners LLC. Subsequent to the acquisition of the five (5) million shares, David Hunt resigned his positions from the board of directors and as sole officer and appointed William Dyer as the sole director and officer of American Power Tech, Inc. On April 24, 2009, American Power Tech, Inc. with majority shareholder consent approved a corporate name change to Black Art Beverage, Inc., a reverse stock split of 100 to 1, and an increase in the common stock authorization limit to 500 Million shares from 25 Million shares. On May 22, 2009, the shareholders of Black Art Beer Importer, Inc., a private company, engaged in a share exchange with William Dyer, Control of Black Art Beverage, Inc. changed from Mr. Dyer to the Black Art Beer Importers, Inc. On June 9, 2009, the Board of Directors approved and the majority stockholder of Black Art Beverage, Inc., consented to an increase in the authorized common stock capitalization limit from 500 Million shares to 600 Million shares, authorized the 1 Million blanket Preferred Shares, and a Certificate of Designation for 2,745 shares of series A voting Convertible Preferred Stock. On December 9, 2010, the Company, under its former name of Black Art Beverage, Inc., acquired VoxPop Worldwide, Inc., a Delaware corporation, a developmental-stage business, as a wholly-owned subsidiary, for 100 Million shares, par value \$0.01, and authorized the Company's name change to VoxPop Worldwide, after the foregoing acquisition, the Company divested itself of its wholly-owned subsidiary, Black Art Beer Importers, Inc., which was also a development-stage business. On November 26, 2010, the Board of Directors approved an amendment to the Articles of Incorporation of the Company for a reverse split of 100 to 1 for all common stock, par value \$0.001, and reduction in the authorized common stock capitalization limit from 600 Million shares to 300 Million shares, with a new par value per each share of common stock at \$0.01 per share, which was ratified and approved by written consent of the majority stockholders of the Company, or 56.3%, as a record date of December 2, 2010, and effectuated in the state of Nevada on December 9, 2010.

Goodwill and Other Intangible Assets

Goodwill represents the excess of the cost over the fair value of net tangible and identifiable intangible assets of acquired businesses. Identifiable intangible assets acquired in business combinations are recorded based upon their fair value at the date of acquisition. According to GAAP, goodwill is required to be tested for impairment, on an annual basis and between annual tests in certain circumstances, and written down when impaired. The goodwill impairment test is performed by comparing the fair value of the associated reporting unit to its carrying value. GAAP also requires that intangible assets with estimable useful lives be amortized over their respective estimated lives to their estimated residual values, and reviewed for impairment, unless these lives are determined to be indefinite.

Fair Value of Financial Instruments

The Company adopted authoritative GAAP guidance regarding disclosures about fair value of financial instruments, which requires the disclosure of the fair value of off-and-on balance sheet financial instruments. Unless otherwise indicated, the fair values of all reported assets and liabilities, which represent financial instruments (none of which are held for trading purposes), approximate the carrying values of such amounts. The Company adopted authoritative GAAP guidance regarding fair value measurements, which defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants at the measurement date. This guidance establishes

three levels of inputs that may be used to measure fair value: (a) Level 1 - Quoted prices in active markets for identical assets or liabilities. The Company had no Level 1 assets or liabilities at December 31, 2013; (b) Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets with insufficient volume or infrequent transactions (less active markets), or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data for substantially the full term of the assets or liabilities. The Company had no Level 2 assets or liabilities at December 31, 2013; and (c) Level 3 - Unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of assets or liabilities. The Company had Level 3 assets or liabilities at December 31, 2013. *See* Note 10 to our financial statements for level 3 assets and liabilities. The carrying value of cash and cash equivalents, trade receivables and payables, prepaid expenses and other current assets, amounts due to related parties, and other payables and accruals approximate fair value due to the short period of time to maturity.

Note 1. Summary of Organization, Basis of Presentation, and Critical Accounting Policies, Estimates, and Assumptions - continued.

Litigation

In the normal course of business, the Company is occasionally involved in legal proceedings. The Company accrues a liability for such matters when it is probable that a liability has been incurred and the amount can be reasonably estimated. When only a range of possible loss can be established, the most probable amount in the range is accrued. If no amount within this range is a better estimate than any other amount within the range, the minimum amount in the range is accrued. The accrual for a litigation loss contingency might include, for example, estimates of potential damages, outside legal fees and other directly related costs expected to be incurred.

Cash and Cash Equivalents

The Company considers cash deposited with financial institutions and marketable securities with a maturity of three months or less at the date of acquisition to be cash and cash equivalents.

Inventories

Cost is determined on an actual and/or standard cost basis that approximates the first-in, first-out (FIFO) method using a perpetual inventory system. Inventories are valued at the lower of cost or market (replacement cost), which does not exceed net realizable value.

Income Taxes

The Company's provision for income taxes is determined using the U.S. federal statutory rate. The Company recognizes deferred tax assets and liabilities for temporary differences between the financial reporting basis and the tax basis of our assets and liabilities along with net operating loss and tax credit carryovers. The Company has no unrecognized income tax benefits. Accordingly, the annual effective tax rate is unaffected. Should the Company incur interest and penalties relating to tax uncertainties, such amounts would be classified as a component of interest expense and operating expense, respectively. Unrecognized tax benefits are not expected to increase or decrease within the next twelve months.

Depreciable Lives of Property, Plant and Equipment

Property, plant and equipment is recorded at cost and depreciated using the straight-line method, which deducts equal amounts of the cost of each asset from earnings every year over its estimated economic useful life. Economic useful life is the duration of time an asset is expected to be productively employed by the Company, which may be less than its physical life. Assumptions on the following factors, among others, affect the determination of estimated economic useful life: wear and tear, obsolescence, technical standards, contract life, market demand, competitive position, raw material availability, and geographic location. The estimated economic useful life of an asset is monitored to determine its appropriateness, especially in light of changed business circumstances. For example, changes in technology and changes in the estimated future demand for products may result in a shorter estimated useful life than originally anticipated. In these cases, we would depreciate the remaining net book value over the new estimated remaining life, thereby increasing depreciation expense per year on a prospective basis. Net property, plant and equipment totaled \$597,521 and depreciation expense totaled \$45,468 as of and for the year ended December 31, 2013.

RENOVATE NEIGHBORHOODS, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 1. Summary of Organization, Basis of Presentation, and Critical Accounting Policies, Estimates, and Assumptions - continued.

Impairment of Long-Lived Assets

Property, Plant and Equipment

Property, plant, and equipment held for use is grouped for impairment testing at the lowest level for which there is an identifiable cash flow. Impairment testing of the asset group occurs whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Such circumstances would include a significant decrease in the market value of a long-lived asset grouping, a significant adverse change in the manner in which the asset grouping is being used or in its physical condition, a history of operating or cash flow losses associated with the use of the asset grouping, or changes in the expected useful life of the long-lived assets. If such circumstances are determined to exist, an estimate of undiscounted future cash flows produced by that asset group is compared to the carrying value to determine whether impairment exists. If an asset group is determined to be impaired, the loss is measured based on the difference between the asset group's fair value and its carrying value. An estimate of the asset group's fair value is based on the discounted value of its estimated cash flows. Assets to be disposed of by sale are reported at the lower of carrying amount or fair value less cost to sell. The assumptions underlying cash flow projections represent our best estimates at the time of the impairment review. Factors that we must estimate include industry and market conditions, sales volume and prices, costs to produce, etc. Changes in key assumptions or actual conditions that differ from estimates could result in an impairment charge. Management believes it uses reasonable and supportable assumptions when performing impairment reviews and cannot predict the occurrence of future events and circumstances that could result in impairment charges.

Goodwill

Goodwill represents the excess of the aggregate purchase price over the fair value of net tangible and identifiable intangible asset of an acquired business. Goodwill was \$400,000 at December 31, 2013. The Company evaluates goodwill for impairment on an annual basis, or more frequently if Management believes indicators of impairment exist, by comparing the carrying value of each of reportable unit to their estimated fair values. The annual evaluation is performed in the fourth quarter of each calendar year. The impairment test requires the Company to compare the fair value of each reporting unit to its carrying value, including assigned goodwill. Management uses the income approach to estimate the fair market value of the business segments based on expected future economic benefits. This approach serves to estimate the value of the specific income stream with consideration given to the risk inherent in that income stream. The income approach is most relevant when valuing an equity interest that is based on the premise that Renovate Neighborhoods is considered a going concern or a viable business for the foreseeable future. Renovate Neighborhoods used the discounted cash flow method under the income approach in its analysis. In applying the discounted cash flow method, Renovate Neighborhoods identified the level of cash flow estimated for five years. The annual estimated cash flows and terminal value were then discounted to present value, at an appropriate discount rate, to arrive to the indication of fair market value for each reporting unit. The discount rate utilized reflected the estimate of investor-required rates of return for investments that are seen as similar to an investment in similarly situated companies like Renovate Neighborhoods. The assumptions were consistent with those utilized in the Company's operating plan and long term financial planning process and considered historical experience and current and future expected market and industry conditions.

Other Intangible Assets

The Company had other intangible assets, net of \$350,000 at December 31, 2013, consisting of customer lists, General Contractor License, and non-competes that were acquired as part of business combinations. Other intangible assets are tested for impairment as part of the long-lived asset grouping impairment tests. Impairment testing of the asset group occurs whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. *See* impairment discussion above under Property, Plant and Equipment for a description of how impairment losses are determined. Disclosures related to other intangible assets are included in Note 7 to the financial statements. Significant management judgment is required in the forecasts of future operating results that are used in the Company's impairment evaluations. The estimates used are consistent with the plans and estimates that Management uses to manage its business. It is possible, however, that the plans may change and estimates used may prove to be inaccurate. If the Company's actual results, or the plans and estimates used in future impairment analyses, are lower than the original estimates used to assess the recoverability of these assets, then the Company could incur future impairment charges, which would adversely affect financial performance.

RENOVATE NEIGHBORHOODS, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 1. Summary of Organization, Basis of Presentation, and Critical Accounting Policies, Estimates, and Assumptions - continued.

Revenue Recognition

Sales are recognized as risk and title to products transfers to the customer, the sales price is fixed or determinable, and collectability is reasonably assured.

Share-Based Compensation

The Company accounts for the cost of employee or director services received in exchange for an award of equity instruments based on the grant-date fair value of the award. The fair value of share based awards is estimated at the grant date using a lattice-based valuation model and the portion that is ultimately expected to vest is recognized as compensation cost over the requisite service period. The determination of fair value is affected by the Company's stock price as well as assumptions regarding a number of complex and subjective variables, including expected stock price volatility, risk-free interest rate, expected dividends and projected employee stock option exercise behaviors. Employee stock option exercise behavior is based on actual historical exercise activity and assumptions regarding future exercise activity of unexercised, outstanding options. The Company applies an estimated forfeiture rate to unvested awards for the purpose of calculating compensation cost. These estimates are subject to revision in future periods if actual forfeitures differ from the estimates and changes impact compensation cost in the period in which the change in estimate occurs. If additional share based awards are granted, financial performance may be negatively affected, and if outstanding share based awards are forfeited or canceled, resulting in non-vesting of such stock awards, financial performance may be positively affected. In either instance, the Company's financial performance may change depending on share based award activities in future periods.

Allowance for Doubtful Accounts

The Company presents trade receivables, net of allowances for doubtful accounts, to ensure trade receivables are not overstated due to uncollectible accounts. Allowances, when required, are calculated based on a detailed review of certain individual customer accounts, including credit insurance and other security when applicable, and an estimation of the overall economic conditions affecting our customer base.

Cost of Sales and Selling, General and Administrative Costs

The Cost of Sales line item includes all the material, overhead, and permit costs associated with renovating homes and construction of new homes and buildings, as well as depreciation of machinery, amortization of approvals and certifications, and an allocated portion of overhead. The Construction, General and Administrative line item includes selling, advertising and marketing, as well as the costs of providing corporate functional support for all other areas of our business.

Advertising and Marketing Expenses

Advertising and marketing costs are generally expensed as incurred. Expenditures for certain advertising and marketing activities related to trade shows and trade magazines are deferred within the Company's fiscal year when the benefits clearly extend beyond the interim period in which the expenditure is made, generally not to exceed 90 days. Other advertising and marketing expenditures that do not meet the deferred criteria are expensed when the advertising and marketing occurs

Net Income (Loss) Per Common Share

Basic income (loss) per share is based upon the net income (loss) applicable to common shares after preferred dividend requirements and upon the weighted average number of common shares outstanding during the period. Diluted income (loss) per share reflects the effect of the assumed exercise of stock options and warrants only in periods in which such effect would have been dilutive.

RENOVATE NEIGHBORHOODS, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 2. Liquidity.

The Company has an accumulated deficit of \$2,651,740, had a net loss of \$72,710, and used \$798,187 of cash in operating activities. As a result, there are concerns about the liquidity of the Company at December 31, 2013. The Company has a working capital surplus of \$2,572,348. During 2012, with the addition of a new Chief Operating Officer, focus has shifted to improving margins and reducing expenses. The Company implemented a more stringent credit granting criteria along with implementing a process whereby all orders are reviewed before being accepted to ensure a minimum margin is obtained. The Company also worked to reduce cash expenses by reducing the workforce, reducing the compensation of three of the executives, closing unprofitable locations and cutting spending in areas such as travel and advertising. Management believes that the cash generated from operations and the Revolver Loan availability, subject to borrowing base limitations, based on budgeted sales and expenses and implemented minimum sales margin and cost controls, are sufficient to fund the Company's operations, including capital expenditures, through 2013. Notwithstanding the foregoing, the Company is seeking to raise additional capital from private placements of debt or common or preferred stock with accredited sophisticated investors to fund aggressive growth targets.

RENOVATE NEIGHBORHOODS, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 3. Property, Plant and Equipment.

The following is a summary of property, plant and equipment for the years ended December 31:

	2013	2012	Estimated Useful Life
Vehicles	\$ —	\$ —	
Leasehold Improvements	—	—	
Office Furniture and Equipment	2140	—	
Computers and Software	—	—	
Machinery and Equipment	—	—	
Construction Properties	595,381	—	
Total Property, Plant and Equipment	\$ 595,381	\$ —	
Less: Accumulated Depreciation	(45,468)	—	
Total Property, Plant and Equipment, Net	\$ 549,913	\$ —	

Depreciation expense was \$45,468 for the years ended 2013.

Note 4. Goodwill and Other Intangible Assets.

The following is a summary of Goodwill for the years ended December 31:

Goodwill

	2013	2012
Goodwill	\$ 400,000	\$ 0.00

The following is a summary of Other Intangible Assets for the years ended December 31:

Other Intangible Assets

	2013			2012			
	Gross Amount	Accumulated Amortization	Net Amount	Gross Amount	Accumulated Amortization	Net Amount	Amortization Period
Customer Lists	\$ 100,000	\$ —	\$ 100,000	\$ —	\$ —	\$ —	5 Years
Non-Competes	150,000	—	150,000	—	—	—	5 Years
General Contractor's License	100,000	—	100,000	—	—	—	5 Years
	\$ 350,000	\$ —	\$ 350,000	\$ —	\$ —	\$ —	

Based on the other intangible assets in service as of December 31, 2013, estimated amortization expense for the years ending December 31, 2014 through December 31, 2018 and thereafter is as follows:

	2014	2015	2016	2017	Thereafter
Customer Lists	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Non-Competes	30,000	30,000	30,000	30,000	30,000
General Contractor's License	20,000	20,000	20,000	20,000	20,000
	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000

The Company evaluates the amortization period of goodwill and other intangible assets on an ongoing basis, in light of any changes in business conditions, events or circumstances, which may indicate the potential impairment of goodwill and other intangible assets.

Note 5. Income Taxes.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities, for financial reporting purposes, and amounts used for Federal income tax purposes. Significant components of the Company's continuing operations deferred tax asset at December 31:

Deferred Tax Assets:	2013	2012
Net Operating Loss Carry-Forward	\$ 2,651,740	\$ 2,579,030
Statutory Tax Rate	34%	34%
Total Deferred Tax Assets	901,592	876,870
Valuation Allowance for Deferred Tax Assets	(901,592)	(876,870)
Net Deferred Taxes	\$ —	\$ —

Note 6. Discontinued Operations

On March 15, 2012 the Company discontinued operations as Voxpop Worldwide, Inc.