

# ***PHASE I ENVIRONMENTAL SITE ASSESSMENT***

**FOR**

**REAL ESTATE DEVELOPMENT ASSOCIATES**

**20352, 20362, 20372, 20382, 20392,  
20402, AND 20412 SOUTHWEST BIRCH STREET  
NEWPORT BEACH, CALIFORNIA 92660**

**REPORT DATE: AUGUST 2014**



## ***PHASE ONE INC.***

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**THE NATIONWIDE ENVIRONMENTAL SPECIALISTS**

*"Setting the Due Diligence Industry Standard"*

# ***PHASE ONE INC.***

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ENVIRONMENTAL ASSESSMENT SPECIALISTS

August 22, 2014

Jason Krotts  
Real Estate Development Associates (REDA)  
4425 Jamboree Road, Suite 175  
Newport Beach, California 92660

RE: Phase I Environmental Site Assessment Report  
Subject Site Location: 20352, 20362, 20372, 20382, 20392, 20402, and 20412  
Southwest Birch Street, Newport Beach, California  
***PHASE ONE INC.*** Project No. 7630

Dear Mr. Krotts:

Enclosed with this letter are copies of the Phase I Environmental Site Assessment Report completed by ***PHASE ONE INC.*** for the site referenced above. As you will note in the report, our conclusions regarding the environmental condition of the site are summarized both in Section 1.0, ***Executive Summary***, and Section 6.0, ***Conclusions and Recommendations***.

Please don't hesitate to contact us should you have any questions regarding the environmental assessment, or if we can be of additional assistance. We look forward to working with you again in the future.

Sincerely,



Eric Kieselbach  
President

Enclosure

**PHASE I ENVIRONMENTAL SITE ASSESSMENT REPORT**

**20352, 20362, 20372, 20382, 20392,  
20402, AND 20412 SOUTHWEST BIRCH STREET  
NEWPORT BEACH, CALIFORNIA 92660**

**PROJECT NO. 7630**

BY

***PHASE ONE INC.***  
23282 MILLCREEK DRIVE, SUITE 160  
LAGUNA HILLS, CA 92653  
(800) 524-8877

THIS REPORT WAS PREPARED FOR THE SOLE USE AND BENEFIT OF OUR CLIENT, REAL ESTATE DEVELOPMENT ASSOCIATES, AND IS BASED, IN PART, UPON DOCUMENTS, WRITINGS, AND INFORMATION OWNED AND POSSESSED BY OUR CLIENT. NEITHER THIS REPORT, NOR ANY OF THE INFORMATION CONTAINED HEREIN, SHALL BE USED OR RELIED UPON FOR ANY PURPOSE BY ANY PERSON OR ENTITY OTHER THAN OUR CLIENT. ALL STANDARD TERMS, CONDITIONS, AND LIMITATIONS BY ***PHASE ONE INC.***

APPLY AT ALL TIMES AND FOR THIS REPORT AND ALL REPORTS ISSUED BY ***PHASE ONE*** INC.

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## SECTION 1.0

### EXECUTIVE SUMMARY: FINDINGS AND CONCLUSIONS

#### 1.1 FINDINGS

This report presents the results of the Phase I Environmental Site Assessment conducted by **PHASE ONE INC.** at 20352, 20362, 20372, 20382, 20392, 20402, and 20412 Southwest Birch Street, Newport Beach, California 92660 (see Figure 2, *Site Location Map*). The Phase I assessment was undertaken at the request of Jason Krotts, Real Estate Development Associates, in accordance with **PHASE ONE INC.**'s *Standard Terms and Conditions*, as outlined in **PHASE ONE INC.**'s *Letter of Intent/Authorization* for Project N<sup>o</sup> 7630. The findings and conclusions of this investigation are based upon a review of historic site-use activities, contact with and records from governmental regulatory agencies, regulatory database searches, as well as a site reconnaissance and interviews with the client, site personnel, and possibly others who may have knowledge of various aspects of the subject site.

At the time of this assessment, the site consisted of approximately 4.06 acres of fenced undeveloped land and two parcels of primarily residential properties. The addresses for the southwestern vacant land are 20372, 20382, 20392, 20402, and 20412 Southwest Birch Street. The parcel of land at 20352 Southwest Birch Street has two residences, 20352 and 20354 respectively. There is a long concrete driveway from on the southwestern side of the property. There is also a garage and several outbuildings. The parcel at 20362 has a garage and residence on the northern half of the property and a planter garden area and greenhouses on the southern half of the parcel. The driveway and ground area on the northeastern side of the parcel is paved with asphalt. Information gathered in the course of this assessment indicates that the property located at 20352 is currently owned by Summers Living Trust, the property located at 20362 is currently owned by Richard A. Moriarty, and the properties located at 20372, 20382, 20392, 20402, and 20412 are currently owned by Newport Executive Court, LLC.

The principal findings of **PHASE ONE INC.**'s Phase I Environmental Site Assessment for this site are as follows:

The subject site is currently affected by

- No recognized environmental condition(s) (REC); and
- Four *de minimis* condition(s), historical recognized environmental condition(s) (HREC), or controlled recognized environmental condition(s) (CREC).
- The potential for soil or groundwater contamination of the subject property from either on or off-site sources appears to be low.
- Given the findings and conclusions of **PHASE ONE INC.**'s Phase I Environmental Site Assessment, further investigation is not recommended at this time.

- **PHASE ONE INC.** has performed this Phase I Environmental Site Assessment of the subject site in conformance with the scope and limitations of the Environmental Protection Agency, Standards and Practices for All Appropriate Inquiries, 40 CFR Part 312 and the standard practice set forth in the American Society for Testing and Materials (ASTM) Designation: E1527-13, "Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process." Any exceptions to, or deletions from, these practices are described in Section 1.4 of this report.
- This assessment has revealed no evidence of recognized environmental conditions in connection with the property except for those listed in Section 1.2.

## 1.2 CONCLUSIONS SUMMARY

Based on the findings of this Phase I Environmental Site Assessment, **PHASE ONE INC.** has identified the following recognized environmental condition(s):

### RECOGNIZED ENVIRONMENTAL CONDITION(S)

Condition #	Location	Description of Condition
None	N/A	No evidence of recognized environmental conditions was found during this investigation.

Note: Descriptions of conditions are given again in further detail in Section 6.0, *Conclusions and Recommendations*, along with recommendations as to how to address the conditions and the estimated costs of completing any recommended next-step action. **PHASE ONE INC.** classifies a recognized environmental condition, per the ASTM Standard E 1527-13 definition, as the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property due to any release to the environment; under conditions indicative of a release to the environment; or under conditions that pose a material threat of a future release to the environment. *De minimis* conditions are not recognized environmental conditions.

Based on the findings of this Phase I Environmental Site Assessment, **PHASE ONE INC.** has identified the following *de minimis* condition, historical recognized environmental condition, and/or controlled recognized environmental condition:



**DE MINIMIS CONDITIONS  
HISTORICAL RECOGNIZED ENVIRONMENTAL CONDITIONS, OR  
CONTROLLED RECOGNIZED ENVIRONMENTAL CONDITIONS**

Condition #	Location	Description of Condition	Condition
1	Subject Structures  20352, 20354, and 20362 SW Birch Street	Given the pre-1981 construction date of the subject structures, during the site reconnaissance, materials were identified that are suspected of containing asbestos. At the time of the inspection, all of the materials appeared to be intact and undisturbed (that is, they appeared to be in a non-friable condition) and, thus, do not pose an immediate environmental concern. These materials may become hazardous if they in fact contain asbestos and are subsequently damaged or disturbed, as, for example, in the course of remodeling or demolition. Asbestos-containing materials are considered to be hazardous materials, and their eventual disposal and handling are subject to federal and state regulatory guidelines.	<i>De minimis</i>
2	Subject Structures  20352, 20354, and 20362 SW Birch Street	Given the pre-1979 construction date of the subject structure, the past use of lead-based paints and leaded piping and/or fixtures is suspected. Deteriorating paint may pose a significant health hazard if ingested or inhaled, particularly for children. Due to the nature of the site use, the possibility of children being affected is low. Lead-containing paint is considered hazardous waste, and the eventual disposal of lead-containing paint may be subject to regulatory restrictions. Lead-containing water is considered hazardous to health at certain levels.	<i>De minimis</i>
3	Subject Site	Although the site was used for agricultural purposes in the past, the proposed redevelopment of the subject site with medical office buildings minimizes the probability of occupants to come in contact with possible residual agricultural chemicals in the soil or groundwater.	<i>De minimis</i>
4	Subject Site	The interior of the greenhouses on the southern end of the property were not inspected. There are orchid plants and palms in the interior of the greenhouses. According to the owner representative, the greenhouses are used to store the plants and the plants are not for commercial purposes. According to the owner representative, no pesticides or herbicides are used on the plants. The green houses have been present on the parcel since the 1970s based on aerial photographs. The business, Green Systems International, used the greenhouse in the 1980s through early 2000. There is no documentation indicating any pesticides or herbicides have been used.	<i>De minimis</i>

Note: Descriptions of conditions are given again in further detail in Section 6.0, *Conclusions and Recommendations*, along with recommendations as to how to address the conditions. **PHASE ONE INC.** classifies an environmental condition as a *de minimis* (potential or possible) condition when it appears to pose no immediate threat to the subject site and/or requires no immediate action given the current knowledge of site conditions. It is a condition that generally does not present a threat to human health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies. This condition with time, groundwater movement, demolition or other disturbances, or sometimes with the acquisition of further information, may come to pose a long-term, immediate, or chronic environmental risk; and/or this condition may appear to have a negligible monetary/physical impact on the subject property, and therefore, does not require additional investigation at this time. Conditions determined to be *de minimis* conditions are not recognized environmental conditions nor controlled recognized environmental conditions.

*PHASE ONE INC.* classifies a historical recognized environmental condition (HREC) as a past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls. An HREC is limited to include only past releases that have been addressed to unrestricted residential use. *PHASE ONE INC.* classifies a Controlled Recognized Environmental Condition (CREC) as a recognized environmental condition resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable agency, with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls.

### **1.3 SITE FACTS**

Current Owner(s): 20352 SW Birch, Summers Living Trust; 20362 SW Birch, Richard A. Moriarty; 20372, 20382, 20392, 20402, and 20412 SW Birch, Newport Executive Court, LLC

Current Use: 20352, 20354, Residential; 20362, Residential, Greenhouses (orchids, palms); 20372, 20382, 20392, 20402, 20412 Undeveloped land

Current Occupants: 20352, 20354, 20362 Residents

Total # of Existing Buildings: 3 residences, outbuildings, greenhouses

Date Oldest Building was Built: 1950s, 20352/20354 based on aerial photographs

Total # of Units: 3

Total # of Units Visually Inspected: All exterior accessible areas

The subject site obtains its potable water from municipal sources.

The subject site disposes of its sewage through use of the local municipal sewage system.

The subject buildings are heated and/or cooled by a heating and air-conditioning system. The heating and air-conditioning system obtains its fuel from electricity and natural gas.

Site Contacts: Don Yahn, Cushman & Wakefield, 20352 and 20354 SW Birch Street; Justin, 20362 SW Birch Street; Chris Bates, CB Richard Ellis, 20372, 20382, 20392, 20402, 20412 SW Birch (vacant parcels)

Field Assessor: Nadine Kieselbach

Report Writer: Nadine Kieselbach

Parcel #s: 20352 (439 382 31), 20362 (439 382 34), 20372 (439 382 10), 20382 (439 382 27), 20392 (439 382 26), 20402 (439 382 07), 20412 (439 382 06)

Address(es) Provided by Client: 20352, 20362, 20372, 20382, 20392, 20402, and 20412 Southwest Birch

Additional/Previous Address(es): None identified

Total Acreage of Land: 4.06

Date of Site Reconnaissance: July 22, 2014

Total # of Wells (water, oil, gas, other) identified onsite: None

Areas/Units that were inaccessible to the **PHASE ONE INC.** field assessor: Interiors of all buildings and out buildings onsite. Some of the exterior areas at 20352 and 20354 had parked vehicles or stored items onsite.

Were enough (units/offices/buildings/acres) inspected to ensure that the inspection was homogenous?  
Yes

Did the field assessor notice any unusual odors on or from the subject site or adjoining sites during the site reconnaissance? No

#### **1.4 EXCEPTIONS AND/OR DELETIONS TO ASTM E 1527**

There are exceptions to ASTM E 1527. The exceptions are as follows:

The owner of the 20362 parcel, Richard A. Moriarty, did not complete an owner interview.

## SECTION 2.0

### INTRODUCTION

#### 2.1 PURPOSE OF A PHASE I ESA

The purpose of this Phase I Environmental Site Assessment is to assess (1) the likelihood of contamination of the subject site as a result of either past or present land-use practices; and (2) the potential for future environmental contamination which may occur as a result of current conditions or operations and maintenance activities at either the subject site or properties adjoining the subject site, thereby identifying real or potential environmental or economic impact to the subject site. In this way, the client may satisfy a requirement to qualify for the innocent landowner defense to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) liability by completing "all appropriate inquiry into the previous ownership and uses of the property consistent with good commercial and customary practice." To meet these objectives, *PHASE ONE INC.* attempted to complete the tasks outlined in this section except as noted in Section 1.4.

#### 2.2 SCOPE OF WORK

The Scope of Work that has been followed for this assessment is identified in Section 1.1, Page 1-1.

##### 2.2.1 Site Description

Site photographs were taken during the site reconnaissance. The photographs and their summary descriptions can be found in **Appendix A**.

*PHASE ONE INC.* reviewed pertinent, reasonably ascertainable information on the soil types and groundwater conditions in the vicinity of the subject site. For the purposes of this assessment, the depth from the ground surface and the direction (or gradient) of the groundwater flow are of particular significance. Such findings are used by *PHASE ONE INC.* report writers, in conjunction with additional information about environmental conditions on nearby sites, to assess the risk that is faced by the subject site from off-site sources of contamination.

It should be noted that *PHASE ONE INC.*'s geological and hydrological research does not include investigation of seismological concerns (i.e., fault lines) that may affect the area of the subject site. Although the existence of faults in an area may be of concern to property owners and residents in that area, it is not considered to be an environmental concern, and so is not usually a component of a Phase I Environmental Site Assessment. (However, in the event that it is required, *PHASE ONE INC.* can assist the client in completing a seismological investigation.)

## 2.2.2 Site Reconnaissance

A **PHASE ONE INC.** field assessor conducted a visual reconnaissance of the subject property to identify observable signs of environmental impairments, including on-site operations and maintenance activities which may lead to possible environmental impairment. As a part of the site reconnaissance, **PHASE ONE INC.** visually inspected the site for obvious indications of:

- Existing and previously existing storage tanks (aboveground and underground)
- Hazardous substances storage and handling
- Clarifiers, sumps, trenches, and industrial discharge sources
- Equipment which may contain polychlorinated biphenyls (PCB) (fluorescent light ballasts are not inspected)
- Indications of spillage of hazardous substances, and the general condition of concrete, asphalt, soil, and other surfaces
- Indications of stressed vegetation as a result of on-site contamination

During the site reconnaissance, **PHASE ONE INC.** field assessors may make note of basic compliance issues which, may be environmental in nature, however are not issues directly associated with the potential for site contamination (i.e., the specific objective of our assessment). However, as a service to our clients, and because these compliance issues may contribute to our overall understanding of site operations, **PHASE ONE INC.** may comment on the site's basic compliance status. The review of the site's compliance status is not intended to be complete or comprehensive and may or may not include all items identified during the site reconnaissance.

Again, the compliance review is not intended as a comprehensive compliance audit. Rather, the compliance review is only intended to aid **PHASE ONE INC.** in determining the likelihood that the subject site may have been impacted by releases of hazardous substances.

When the storage or use of hazardous substances are encountered on a site, the **PHASE ONE INC.** field assessor will look for or inquire about the on-site presence of Material Safety Data Sheets (MSDSs). MSDSs are prepared by the manufacturers of hazardous substances (pursuant to OSHA's Hazard Communication Standard), and they detail the components, dangers, and proper handling procedures for the hazardous substance for which they have been prepared. The presence or absence of MSDSs for on-site hazardous substances will be noted in 3.5, **Hazardous Substances Storage and Handling**. However, some sites may use or store hundreds of various chemical compounds. In such cases, it is practically impossible for the field assessor to match-up each substance with its corresponding MSDS. Still, the field assessor will inquire about MSDSs and copies of representative MSDSs that were made available will be included in Appendix G.

**PHASE ONE INC.** may have (based on contract) inspected and reviewed information for the subject site regarding the presence of specific hazardous substances which are relatively common sources of environmental concern. The substances in question include:

- Common building materials that may contain or are suspected of containing asbestos
- Radon (at elevated levels)
- Lead-contaminated drinking water
- Lead-based paints

Based on ASTM E1527, federal, state, and other regulatory agency guidelines, the following presumptions were in force if and when **PHASE ONE INC.** inspected the subject site for specific hazardous substances:

- Structures built after 1980 are considered asbestos-free.
- Structures built after 1979 are considered lead-free (with respect to both water and painted surfaces).
- Fluorescent light ballasts will be considered PCB-free and will not be noted in the report regardless of their date of manufacture, unless **PHASE ONE INC.** is instructed to do otherwise in writing by the client.

**PHASE ONE INC.** also inspected the properties that adjoin the subject site. In general, this inspection included a "drive-by" survey to note the operations which may pose an imminent or potential environmental threat to the subject site.

### **2.2.3 Review of Historical Information**

For this assessment, **PHASE ONE INC.** may have reviewed reasonably ascertainable historical aerial photographs and United States Geologic Survey (U.S.G.S.) topographic maps of the subject site and vicinity. This review consisted of examining the reasonably ascertainable available photographs and topographic maps for evidence of activities on or development of the subject site and adjoining sites that may show an environmental condition or concern which may currently affect the subject site. The specific aerial photographs and U.S.G.S. maps that were reviewed for this assessment are identified and their environmentally relevant features are described in Section 4.1.

**PHASE ONE INC.** may have also reviewed any reasonably ascertainable Historic Maps of the subject site and vicinity. Such maps have been prepared by fire insurance companies in order to determine the potential risk of fire damage to buildings in metropolitan areas. These maps have been produced since the mid-1850s and, for some areas, they are still produced today. For the purposes of a Phase I Environmental Site Assessment, these maps may contain helpful information on the ages and past uses of buildings, as well as information about on the storage of hazardous and flammable substances. However, because it was only worthwhile for fire insurance companies to map metropolitan areas, the scope of coverage of these maps is somewhat limited. If Historic Maps

have provided coverage of the subject site, and if the specific maps were reasonably ascertainable, then the specific maps that were reviewed for this assessment are identified, and their environmentally relevant features described, in Section 4.2.

One of the least known yet most complete and comprehensive historical sources are historical city or street directories. These texts may have been reviewed by **PHASE ONE INC.** to the extent that they have provided coverage of the subject site and were reasonably ascertainable. **PHASE ONE INC.** reviews historical city or street directories (also known as criss cross or reverse indexed directories) for information on the past occupants of and activities on the subject site and adjoining sites. These directories were prepared by companies that catered to the needs of salespeople by providing the names of the occupants at a given address (that is, unlike a traditional telephone book, the entries of a reverse directory are arranged by address, not by name). However, like Historical Maps, the scope of coverage of these directories is limited to mostly metropolitan areas. If they were reasonably ascertainable, they were reviewed and Section 4.3 contains listings of the current or past occupants of the subject site that were found by researching historical city or street directories.

**PHASE ONE INC.** has contacted various state, county, and municipal agencies having current or past jurisdiction over the subject site, in an attempt to review reasonably ascertainable records that contain specific information about environmental conditions on the subject site that these agencies may have on file, or to establish that no environmentally relevant records are on file for the subject site. The client should be aware that most regulatory agencies file their records by address or corporate name (as opposed to parcel number or site name). If no specific address has been assigned to a site, then, typically, no environmental records related to the site will be forthcoming from the state, county, or municipal regulatory agencies.

The findings of this records search are reported in Section 4.4, **Agency Contacts**. The addresses, phone numbers, names of the persons contacted within the various agencies are listed on the Regulatory Contacts Sheet, which is included in Appendix B. Copies of any records obtained from regulatory agencies can be found in Appendix C. In some instances, **PHASE ONE INC.** may not yet have received a reply from one or more of the agencies that were contacted. (Some agencies will take six weeks or longer to reply to a verbal or written request.) In the event of such delays in response, rather than delaying the issuance of the report, **PHASE ONE INC.** has indicated in the report that a response to the request for records is pending, and a copy of the regulatory request form has been included in Appendix B. Any pertinent information that is subsequently received from the pending agency will be addressed and forwarded to the client in the form of an addendum to this report.

**PHASE ONE INC.** has also reviewed a vendor-supplied, computer-generated federal, state, and regional one-mile regulatory database search in an effort to determine whether the subject site is listed on an agency environmental database and to identify possible regulatory-listed sites of concern within a one-mile radius of the subject site. In general, these documents list known or suspected hazardous-waste generators, release sites, landfills, unauthorized disposal sites, sites with registered underground storage tanks, and sites currently under investigation for known or suspected environmental violations or releases. In conjunction with the findings on the geological and hydrological conditions, information obtained from the database search can be used to assess the environmental risk faced by the subject site from past or present off-site sources of contamination. Additionally, the database search may provide information about on-site sources of contamination.

The regulatory database review can be found in Section 4.5; a copy of the complete database search document and a detailed description of the databases that were searched are included in Appendix D.

When requested, **PHASE ONE INC.** will compile and review a chain-of-title abstract for the subject property. The chain-of-title abstract can help the client and **PHASE ONE INC.** to better understand the history of the use of the subject site. The chain-of-title abstract is typically compiled from documents obtained from the County Recorder's Office or Tax Assessor's Office. The chain-of-title abstract review, if completed for this report, can be found in Section 4.6. The County Assessor also may be contacted to determine whether the subject site has been assigned addresses in the past which are different from its current address. It is the client's responsibility to supply **PHASE ONE INC.** with any records of environmental liens or other such documents.

On occasion, the client, the client's representatives, or on-site personnel will make available environmental documents pertaining to the subject site. These documents may be prior Phase I Reports, environmental site remediation reports, foundation soil reports, or occupancy records, among others. If these are made available prior to the issuance of the report, **PHASE ONE INC.** will review the conclusions of these documents, which may help to confirm or disprove any tentative findings that **PHASE ONE INC.** has developed independently. If the client has supplied environmental documents for review as part of this assessment, the findings are included in Section 4.7.

After the above information from existing historical records, regulatory agencies, interviews, and other additional environmental documents has been reviewed and evaluated, **PHASE ONE INC.** presents the site uses for the subject property as well as adjoining site uses in a chronological table. This historic site use summary assists the client, as well as the field assessors and reviewers to have a perspective of the historical uses of the subject site. The **Historical Site Use** is presented in Section 4.8.

#### **2.2.4 Interviews**

**PHASE ONE INC.** attempts to interview various individuals who may have knowledge of various aspects of the subject site. Typically, the interviewees might include:

- Current and previous owners
- Site and operations managers
- Tenants
- Local regulatory personnel

The interviews are summarized in Section 5.0 and interview notes are included in Appendix F.



## 2.2.5 Conclusions and Recommendations

Section 6.0, *Conclusions and Recommendations*, provides detailed descriptions of the recognized environmental conditions, the *de minimis* conditions, historical recognized environmental conditions, and controlled recognized environmental conditions that, in the professional opinion of **PHASE ONE INC.**, currently affect the subject site. Section 6.0 also recommends or suggests the next-step actions that may be required to begin addressing the conditions.

The essential information on a condition at a given location is contained in the "Description of Condition" and the "Action Suggested" boxes of the table for that location. The section numbers refer to those sections in the report that describe the research tasks and findings behind the conclusions. This reporting method allows the reader to quickly go to those sections that are pertinent to the condition.

## 2.3 INTERPRETATION OF THE REPORT

Following the completion of the tasks outlined above, **PHASE ONE INC.** prepared this report to present our findings and conclusions clearly and consistently. In an attempt to aid the reader and bring organization to pieces of seemingly unrelated information, **PHASE ONE INC.** has developed a report format that is both innovative and concise. Each piece of information is described in the context of the research or assessment task under which it was found. Typically, an environmental condition will incorporate a number of specific findings. So, in Section 6.0, *Conclusions and Recommendations*, the various particular findings are grouped together and collectively presented with the description of the environmental condition that is corroborated by those findings.

## SECTION 3.0

### SITE DESCRIPTION AND RECONNAISSANCE

The subject site is surrounded by an area of predominantly residential and commercial properties. On the date of the site reconnaissance, the subject site consisted of an undeveloped 3.06 acre parcel and two parcels totaling 1.0 acre with 3 residences, outbuildings, and greenhouses. The 3.06 acre parcel was formerly occupied by residences, a warehouse, and stables. The following subsections describe the physical characteristics of the subject site and are a compilation of the observations made during the visual site inspection.

#### 3.1 SITE PHOTOGRAPHS

A *PHASE ONE INC.* field assessor completed a reconnaissance of the subject site, at which time a number of photographs were taken to document the current condition and use of the site. Please see Figure 3, *Site Plan*, for photograph locations. The photographs with their descriptions can be found in **Appendix A**.

#### 3.2 GEOLOGIC AND HYDROGEOLOGIC CONDITIONS

According to United States Geological Survey (U.S.G.S.) STATSGO data, the most common native soil type in the vicinity of the subject site is Urban land. It is not known whether imported fill materials were used during the grading or development of the site; therefore, it is unknown if fill materials is a concern for the subject site. The elevation of the subject site appears to be approximately 36 feet above mean sea level.

Groundwater in the site vicinity is reported by the Orange County Health Care Agency's Case Closure Summary for Newport Beach Golf Course, 3100 Irvine Avenue, Newport Beach, to occur at a depth of approximately 42 to 50 feet below ground surface and predominantly flows to the north, northwest. However, the flow direction is unknown. It should be noted that the flow direction and depth of groundwater may be influenced by rainfall, tidal activity (shore properties), and local groundwater pumping operations. It should also be noted that shallower, unreported, perched groundwater zones may occur in the immediate site vicinity.

During the site reconnaissance and the review of historical maps and photographs, the following was determined to exist or not to exist on the subject site:

- No waterways
- No wetlands
- No pits
- No lagoons
- No ponds

In-addition, the following was determined to exist or not to exist immediately adjacent to the subject site:

- No waterways
- No wetlands
- No pits
- No lagoons
- No ponds

According to FEMA Q3 Data, the site is located within a Zone X, areas of minimal flooding (outside the 100-year floodplain). Storm water discharge across the site appears to flow multidirectionally. The storm water runoff appears to discharge to the street gutters. The direction and destination of storm water discharge does not appear to be a source of environmental concern to the subject site.

### 3.3 EXISTING STORAGE TANKS

Based upon the site reconnaissance, historical and regulatory research one aboveground and no underground storage tanks are currently operated at the site. The following table summarizes the information regarding the existing tanks.

#### EXISTING STORAGE TANKS (GENERAL INFORMATION)

ID #	Above/ Underground	Location and Photo #	Why or Why Not a Concern?	Condition
1	Aboveground	Rear of Residence, 20362 SW Birch  (No photograph)	There appears to be a water treatment system with two small tanks associated with the filtration system.	None

#### EXISTING STORAGE TANKS (SPECIFICATIONS)

ID #	Tank Construction	Tank Monitoring	Status	Approx. Size (Gal.)	Contents	Approx. Age of Tank
1	Plastic	Visual	Active	Unknown	Unknown	Unknown

### 3.4 PREVIOUSLY EXISTING STORAGE TANKS

No evidence of previously existing aboveground or underground storage tanks was observed on the subject site during the site reconnaissance nor noted in the research conducted for this assessment.

### 3.5 HAZARDOUS SUBSTANCE STORAGE AND HANDLING

With the possible exception of common janitorial and/or office supplies, no storage or handling of hazardous substances greater than 20 gallon containers was observed in the areas inspected during the site reconnaissance.

### 3.6 SPECIFIC HAZARDOUS SUBSTANCES RECONNAISSANCE

#### 3.6.1 Summary of Specific Hazardous Substances Reconnaissance (Beyond ASTM Scope)

In addition to a general inspection of the subject site for evidence of the presence of hazardous substances or environmental concerns, the field assessor also conducted a reconnaissance for a set of specific hazardous substances that are not addressed in the scope of the ASTM Standard. The results of this specific reconnaissance are given in the following table(s). If a specific suspected hazardous substance was sampled or otherwise tested, this will be indicated in the table, and the results of the laboratory analysis or other tests will be given in Section 3.6.2.

**SPECIFIC HAZARDOUS SUBSTANCES (BEYOND ASTM SCOPE)**

ID #	Substance	Sampled?	Description	Condition
1	Asbestos	No	Given the pre-1981 construction date of the subject structures on the 20352/54 and 20362 parcels, some building materials are suspected of containing asbestos.	<i>De minimis</i>
2	Radon	No	The subject property is located in an area that is considered to have a low occurrence of radon. However, the occurrence of radon is site-specific; only testing can determine the actual radon level at the site.	None
3	Lead Paint	No	Based on the date of construction pre-1979, the use of lead based paints is suspected.	<i>De minimis</i>
4	Lead Water	No	Based on the date of construction pre-1979, there is the potential for the presence of lead in the plumbing fixtures and/or pipes on-site	<i>De minimis</i>

#### 3.6.2 Details of Specific Hazardous Substances Sampling/Observations

No sampling or testing of suspected hazardous substances was performed or authorized for this assessment.

### 3.7 POLYCHLORINATED BIPHENYLS (PCBS)

The **PHASE ONE INC.** site reconnaissance does not include checking on-site fluorescent light fixtures for potential PCB content. Although fluorescent light ballasts may contain PCBs, the amount contained is considered to be so inconsequential that the ASTM (*Standard Practice, E 1527*) has stated: "Fluorescent light ballast likely to contain PCBs does not need to be noted." in a Phase I Environmental Site Assessment Report.

No known or suspected PCB-containing equipment or materials were observed on-site during the site reconnaissance.

### 3.8 CLARIFIERS, SUMPS, TRENCHES, AND INDUSTRIAL DISCHARGE SOURCES

No clarifiers, sumps, trenches, industrial floor drains, or industrial discharge points were noted during the site reconnaissance, historical and/or regulatory research.

### 3.9 SURFACE CONDITIONS

During the site reconnaissance, areas of staining or other unusual surface conditions were observed on-site. These observations are detailed in the following table.

**SURFACE CONDITIONS**

ID #	Location and Photo #	Approx. Size (ft <sup>2</sup> )	Approx. Depth	Suspected Substance	Description	Condition
1	Outside (No photograph)	4	Surface	Oil	The surface of the concrete driveway entrance on the northeast corner of the 3.06 acre parcel was stained with oil. This would have been the driveway to the former residence at 20372 Southwest Birch.	None

### 3.10 STRESSED VEGETATION

No disfigured, discolored, dying, or otherwise stressed vegetation was observed on-site during the site reconnaissance.

### 3.11 PRIOR OR CURRENT AGRICULTURAL LAND USE

On the basis of a review of aerial photographs, U.S.G.S. topographic maps, site observations, regulatory research, and/or interviews, **PHASE ONE INC.** has concluded that the site was used for agricultural purposes. This information is detailed in the following table.

#### PRIOR OR CURRENT AGRICULTURAL LAND USE

ID #	Approx. Date Range	Description	Condition
1	1938, 1947	The subject site was used for agriculture during this period of time.	<i>De minimis</i>

### 3.12 OTHER ENVIRONMENTAL CONDITIONS

No evidence of further environmental conditions, and/or impairments was observed during the site reconnaissance, beyond that evidence that has already been noted in this section.

### 3.13 VISUAL OBSERVATIONS, ADJOINING SITES

During the site reconnaissance, the **PHASE ONE INC.** field assessor also visually inspected and documented the use of those properties which immediately adjoin the subject property. The observations of the adjoining properties were made by the **PHASE ONE INC.** field assessor on the date of the site reconnaissance.

#### VISUAL OBSERVATIONS, ADJOINING SITES

Description	Condition
<p><b><u>Northeasterly View:</u></b>            Address: 20320 Southwest Birch Street            Company Name: Bremer, Whyte, Brown, &amp; O'Meara            Apparent Current Use of Property: Offices            Visual Concerns: none</p>	None
<p><b><u>Northwesterly View:</u></b>            Address: 20462 Birch Street, 20341, 20401, 20411 Southwest Birch Street            Company Name: N/A, Unknown, McCarthy Building Companies, Ferrado Sarista, Kovach Marketing, McClellan Nichols Sports Syndicate, Colliers International Education            Apparent Current Use of Property: Residence, Commercial            Visual Concerns: None</p>	None

Description	Condition
<p><b><u>Southeasterly View:</u></b>  Address: 2100-2200 Orchard, 20291-20411 Southwest Cypress  Company Name: N/A  Apparent Current Use of Property: Residential  Visual Concerns: None</p>	None
<p><b><u>Southwesterly View:</u></b>  Address: N/A, 20462 Birch, 2100-2231 (even) Mesa Drive  Company Name: Mesa Birch Park, N/A  Apparent Current Use of Property: Park, Residential  Visual Concerns: None</p>	None

## SECTION 4.0

### REVIEW OF HISTORICAL INFORMATION AND REGULATORY AGENCY RECORDS

#### 4.1 HISTORICAL AERIAL PHOTOGRAPH AND U.S.G.S. TOPOGRAPHIC MAP REVIEW

**PHASE ONE INC.** reviewed readily available and reasonably ascertainable aerial photographs and U.S.G.S. topographic maps of the area of the subject site. (A copy of a U.S.G.S. map, if available, has been included as Figure 1.) These aerial photographs and maps may have been obtained from **PHASE ONE INC.**'s library and/or another source (all sources identified in Appendix B). Each aerial photograph was reviewed for the subject property and, where applicable, adjacent property use. In addition, each photograph was reviewed to identify the presence of areas of dumping, staining, buildings, and/or aboveground storage tanks.

Aerial photographs for the years of 1938, 1947, 1952, 1972, 1980, 1993, 2004 and 2014 and U.S.G.S. topographic maps for the years of 1932, 1945, 1951, and 1958 were reviewed and a *de minimis* condition was identified in the following aerial photographs discussed in the table below:

#### HISTORICAL AERIAL PHOTOGRAPH/U.S.G.S. TOPOGRAPHIC MAP

Collection Reference #	Date of Document	Description	Condition
ERS	1938	The subject site is predominately undeveloped agricultural land; on the northeastern side are small structures that overlap the subject sites northeastern boundary. The north adjacent site is developed on the southeastern area and the remainder of the site is undeveloped land, possibly agriculture. The area to the south is undeveloped as well as the area to the north cross Birch. The roads appear to be dirt roads. The area to the west is undeveloped; Mesa Drive and SW Cypress Street are dirt roads.	<i>De minimis</i>
PB America Phase I ESA Report	1947	No significant changes from the 1938 aerial photograph.	<i>De minimis</i>



Collection Reference #	Date of Document	Description	Condition
ERS	1952	The northeastern most parcel, 20352, 20354 has a few structures and is part of a parcel with agriculture. The parcel at 20362 is undeveloped land. The parcel to the southeast of the 20362 parcel is developed land with residential structures, 20372. The parcel in between 20372 and 20292 is undeveloped. The parcel at 20392 is developed with several residential structures on the central portion of the parcel. The land area on the southwestern side of the 20392 parcel is undeveloped land. The adjacent sites to the southwest are developed with residences as well as the adjacent sites to the south east. The area across Birch to the northwest and north is developed with several residences and the area directly across Birch to the northwest is undeveloped land.	None
ERS	1972	The subject site is developed with residences and other structures; the southwestern most parcel has a large area that is undeveloped open land. The surrounding area is residential. The greenhouse structures are visible on the southern portion of the 20362 parcel.	None
ERS	1980	No significant changes from the 1972 aerial, except there are some rectangular structures/features on the perimeter of the southwestern area of the property, and a small possible structure in the center of this area of the property.	None
ERS	1993	No significant changes from the 1980 aerial photograph.	None
ERS	2004	The southwestern most parcel is now undeveloped land with no structures. The parcels to the northeast no longer have any structures; these parcels appear to be used for the storage of containers and a few vehicles are parked on the land area. The two parcels further northwest, 20362 and 20352/20354 are in their present-day configurations. SW Birch has been redeveloped in its present-day confirmation. The area to the north, northwest across SW Birch has been redeveloped with the present-day commercial structures. There is one vacant lot in the center of the redevelopment. The office building and parking area to the northeast are present. To the southeast and southwest are developed with the residences. The land area on the southeast corner of Mesa Drive and SW Birch is undeveloped land.	None
ERS	2014	The subject site is undeveloped land with two parcels, 20352/20354, 20362, with residences and greenhouses at the rear of the 20362 parcel. The adjacent sites are in their present-day configurations with the park area on the southeast corner of Mesa Drive and SW Birch.	None

## 4.2 HISTORICAL MAP REVIEW

**PHASE ONE INC.** contacted the source(s) identified in Appendix B in an effort to review readily available historical and fire insurance maps with coverage of the subject site and vicinity that might be included in their collections. However, a search of the reasonably ascertainable historical and fire insurance maps found that none provided coverage of the area of the subject site.

## 4.3 HISTORICAL CITY OR STREET DIRECTORY REVIEW

**PHASE ONE INC.** reviewed readily available historical city or street directories with coverage of the subject site and vicinity. These historical city or street directories were obtained from **PHASE ONE INC.**'s in-house library and/or the source identified in Appendix B.

Historical directories for the years of 1960, 1975, 1980, 1985, 1990, 1995, 2000-2001, and 2005 were reviewed and no recognized environmental conditions or *de minimis* conditions, historical or controlled recognized environmental conditions were identified in the directories listed on the following table.

### HISTORICAL CITY OR STREET DIRECTORY SW Birch Street

Directory Name and Date	Description	Condition
Pacific Telephone and Telegraph Company 1960	20352 Fluke W C 20362 Address Not Listed 20372 Address Not Listed 20382 Address Not Listed 20392 Edney W C 20402 Address Not Listed 20412 Address Not Listed  <u>Adjacent:</u> 20302 Juhl E 20311 Maxwell A H 20321 Miller James 20351 Griffiths J 20361 Foster G W 20371 Lehman Lovell Mrs 20391 Birminham Jesse, Marscellas F 20462 Hetrick Harold L	None

Directory Name and Date	Description	Condition
Pacific Telephone and Telegraph Company 1975	20352 Address Not Listed 20362 Address Not Listed 20372 Address Not Listed 20382 Address Not Listed 20392 Boone S Y 20402 Peterson Rick C 20412 Warren Willam H  <u>Adjacent:</u> 20302 Address Not Listed 20311 Hedge D W JrMaxwell A H 20321 Wells JC 20351 Cottrell Willis 20361 Peterson Fred 20371 Burns B 20391 Van Arsdale Jo-Ann 20462 Rodriguez A J Mrs	None
Haines 1980	20352 Back Bay Assoc 20354 XXX 20362 Moriarty Richard 20372 XXX 20382 Address Not Listed 20392 Trexler John D 20402 Elmslie Alma C 20412 Warren Willam H, Warren Tim M  <u>Adjacent:</u> 20302 XXX 20311 Address Not Listed 20321 Wells JC 20351 Deal Bruce C 20361 Peterson Fred 20371 John Brown 20391 Travelers Robt 20462 Rodriguez A J Mrs	None

Directory Name and Date	Description	Condition
Haines 1985	20352 XXX 20354 XXX 20362 Green Systems Intl, Moriarty Richard, Moriarty & Associates 20372 Ell, Christine, Ed, Eric, and Jason 20382 Address Not Listed 20392 Trexler John D; Wood Wankers 20402 Elmslie Alma C Mrs 20412 Warren Willam H, Warren Tim M  <u>Adjacent:</u> 20302 Porter Allen 20311 Hulse Ralph 20321 Wells JC 20351 Valentine C 20361 Peterson Fred, Peterson F Bkpg Sv 20371 John Brown 20391 Hoyt J 20462 Rodriguez A J Mrs	None
Haines 1990	20352 XXX 20354 XXX 20362 Green Systems Intl, Moriarty Richard, Moriarty & Associates 20372 Ell, Christine, Ed, Eric, and Jason 20382 Address Not Listed 20392 Trexler John D; Wood Wankers 20402 Elmslie Alma C Mrs 20412 Warren Willam H, Warren Tim M  <u>Adjacent:</u> 20302 Porter Allen 20311 Hulse Ralph 20321 Wells JC 20351 Valentine C 20361 Peterson Fred, Peterson F Bkpg Sv 20371 John Brown 20391 Hoyt J 20462 Rodriguez A J Mrs	None

Directory Name and Date	Description	Condition
Haines 1995	20352 Summers D Kirk, Rebecca 20354 XXX 20362 Green Systems Intl, Moriarty Richard, Moriarty & Associates 20372 XXX 20382 Address Not Listed 20392 McIntosh, Tosh 20402 XXX 20412 Engalstad, Jennifer  <u>Adjacent:</u> 20302 XXX 20311 Multi-tenant professional office building 20321 Multi-tenant professional office building 20351 Newport Excavating 20361 XXX 20371 Address Not Listed 20391 XXX 20462 Rodriguez A J Mrs	None
Haines 2000-2001	20352 Andrade Igor, Summers roger 20354 Chase J P, Knight KJ 20362 Moriarty Richard 20372 XXX 20382 Address Not Listed 20392 Beck Justin, Halliburton Duncan 20402 Address Not Listed 20412 XXX  <u>Adjacent:</u> 20302 Address Not Listed 20311 Multi-tenant professional office building 20321 Multi-tenant professional office building 20351 Newport Engineering, Guity Mehr 20361 XXX 20371 Address Not Listed 20391 XXX 20462 Rodriguez A J Mrs	None

Directory Name and Date	Description	Condition
Haines 2005	20352 Summers Roger 20354 Knight Jeannie 20362 Moriarty Richard, Green Systems Intl 20372 Address Not Listed 20382 Address Not Listed 20392 XXX 20402 Address Not Listed 20412 Address Not Listed  <u>Adjacent:</u> 20302 Address Not Listed 20311 Multi-tenant professional office building 20320 Multi-tenant professional office building 20321 Multi-tenant professional office building 20351 Address Not Listed 20361 Address Not Listed 20371 Address Not Listed 20391 Address Not Listed 20462 Rodriguez A J Mrs	None

#### 4.4 AGENCY CONTACTS (RECORDS SEARCH)

##### 4.4.1 Fire Department Records

*PHASE ONE INC.* submitted a request to the local Fire Department for the purpose of reviewing reasonably ascertainable records this agency has on file for the subject site pertaining to hazardous substances storage, underground storage tanks, and related environmental issues. The following table gives the results of this review. (Copies of the reviewed documents, when available, are included in Appendix C and the source is identified in Appendix B.)

##### SUMMARY OF FIRE DEPARTMENT RECORDS

Date of Document	Description	Condition
August 2014	The Newport Beach Fire Department had no records for hazardous materials for the subject site. The document provided was for 20372 SW Birch Street for the new project, Newport Executive Court, Plan Check No.: 0201-20008, first review, 3/5/2008. This would be for the new proposed building development of the 3.0 acre parcel. The plan had expired.	None

##### 4.4.2 Water Quality Agency Records

*PHASE ONE INC.* submitted a request to the Water Quality Agency for the purpose of determining if past and present businesses at the subject site are listed on regulatory lists (such as leaking underground tank lists, site cleanup lists, etc.). However, *PHASE ONE INC.* was informed that no records for the subject site are on file with this agency (all sources identified in Appendix B).

#### **4.4.3 Oil and Gas Agency Records or Maps**

*PHASE ONE INC.* submitted a request to the local Oil and Gas Agency for copies of readily available oil and gas related records pertaining to environmental issues on the subject site. However, *PHASE ONE INC.* was informed that no records for the subject site are on file with this agency (all sources are identified in Appendix B).

#### **4.4.4 Other Pertinent Records/File Reviews**

There are no additional regulatory agencies known to *PHASE ONE INC.* that are likely to have further relevant environmental information pertaining to the subject site. No agency file reviews were conducted for the subject site or the adjacent sites for this investigation.

### **4.5 REVIEW OF ENVIRONMENTAL RECORDS SEARCH**

The *PHASE ONE INC.* review of the computer-generated, environmental records search document (the complete environmental records search document is included in Appendix D) found the subject site is not a regulatory-listed site. The environmental records search occurrence summary table below identifies the number of sites listed in each database included in the record search document (the complete environmental records search document is included in Appendix D). No sites of environmental concern to the subject site were identified.

## ERS RECHECK REPORT OCCURRENCE SUMMARY

FEDERAL ASTM/AAI DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.285	0.41	0.66	1.16	TOTAL
BF-US	0.66	0	0	0	0	-	0
Cerclis-Archived-US	0.66	0	0	0	0	-	0
CERCLIS-US	0.66	0	0	0	0	-	0
Controls-US	0.66	0	0	0	0	-	0
Debris-US	0.66	0	0	0	0	-	0
Delisted-NPL-US	1.16	0	0	0	0	0	0
ERNS-US	0.41	0	1	-	-	-	1
Hist-US-EC	0.66	0	0	0	0	-	0
Hist-US-IC	0.66	0	0	0	0	-	0
HMIS-US	0.41	0	0	-	-	-	0
LIENS-US	0.66	0	0	0	0	-	0
NPL-US	1.16	0	0	0	0	0	0
RCRA-COR-US	1.16	0	0	0	0	0	0
RCRA-NON-US	0.41	0	0	-	-	-	0
RCRA-TSD-US	0.66	0	0	0	0	-	0
RCRA-US	0.41	0	0	-	-	-	1
Tribal-BF-US	0.66	0	0	0	0	-	0
Tribal-LUST-Closed	0.66	0	0	0	0	-	0
Tribal-LUST-Open	0.66	0	0	0	0	-	0
Tribal-ODI-US	0.66	0	0	0	0	-	0
Tribal-UST	0.41	0	0	-	-	-	0
Tribal-VCP-US	0.66	0	0	0	0	-	0

STATE ASTM/AAI DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.285	0.41	0.66	1.16	TOTAL
Abandoned-UST-CA	0.41	0	0	-	-	-	0
Cal BZ-HazWaste-CA	0.66	0	0	0	0	-	0
Cal Eval-Hist	0.66	0	0	0	0	-	0
Cal Eval-Hist NFA	0.66	0	0	0	0	-	0
Cal Military Active	1.16	0	0	0	0	0	0
Cal Military NFA	0.66	0	0	0	0	-	0
Cal Military Other	1.16	0	0	0	0	1	1
Cal School Active	0.66	0	0	0	0	-	0



STATE ASTM/AAI DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.285	0.41	0.66	1.16	TOTAL
Cal School NFA	0.66	0	0	0	0	-	0
Cal School Other	0.66	0	0	0	0	-	0
Cal State Response Active	1.16	0	0	0	0	0	0
Cal State Response NFA	0.66	0	0	0	0	-	0
Cal State Response Other	0.66	0	0	0	0	-	0
Cal Superfund Active	1.16	0	0	0	0	0	0
Cal Superfund NFA	1.16	0	0	0	0	0	0
Cal Superfund Other	1.16	0	0	0	0	0	0
Cal VCP Active	0.66	0	0	0	0	-	0
Cal VCP NFA	0.66	0	0	0	0	-	0
Cal VCP Other	0.66	0	0	0	0	-	0
Cal-CorAct-Closed-CA	0.66	0	0	0	0	-	0
Cal-CorAct-Open-CA	0.66	0	0	0	0	-	0
CBF-CA	0.66	0	0	0	0	-	0
CHMIRS-CA	0.41	0	4	-	-	-	6
City-CUPA-CA	0.41	0	0	-	-	-	0
City-Others-CA	0.41	0	0	-	-	-	0
City-UST-CA	0.41	0	0	-	-	-	0
Controls-CA	0.66	0	0	0	0	-	0
County-AST-CA	0.41	0	1	-	-	-	1
County-HIST-CA	0.41	0	0	-	-	-	0
County-Landfills-CA	0.66	0	0	0	0	-	0
County-LUST-CA	0.66	0	0	0	0	-	0
County-Lust-Closed-CA	0.66	0	1	3	2	-	6
County-Lust-Open-CA	0.66	0	0	0	0	-	0
County-Others-CA	0.41	0	0	-	-	-	0
County-UST-CA	0.41	0	0	-	-	-	1
CUPA-CA	0.41	0	0	-	-	-	0
HazWaste-CA	0.41	0	0	-	-	-	0
Hist-Controls-CA	0.66	0	0	0	0	-	0
HIST-R4-CA	0.41	0	0	-	-	-	0

STATE ASTM/AAI DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.285	0.41	0.66	1.16	TOTAL
Hist-SWF-CA	0.66	0	0	0	0	-	0
Hist-UST	0.41	0	0	-	-	-	0
HWIS-CA	0.41	0	8	-	-	-	15
Land Disposal-CA	0.66	0	0	0	0	-	0
Liens-CA	0.66	0	0	0	0	-	0
LUST-Closed-CA	0.66	0	1	3	2	-	6
LUST-Open-CA	0.66	0	0	0	1	-	1
Manifest2-NY	0.41	0	0	-	-	-	0
Manifest2-RI	0.41	0	0	-	-	-	0
PR-MOA-CA	0.41	0	0	-	-	-	0
SLIC-Closed-CA	0.66	0	0	0	0	-	0
SLIC-CV-Closed-CA	0.66	0	0	0	0	-	0
SLIC-CV-Open-CA	0.66	0	0	0	0	-	0
SLIC-Open-CA	0.66	0	0	0	0	-	0
SML-Closed-CA	0.66	0	0	0	0	-	0
SML-Open-CA	0.66	0	0	0	0	-	0
SML-Other-CA	0.66	0	0	0	0	-	0
SWIS-CA	0.66	0	0	0	0	-	0
UST-CA	0.41	0	1	-	-	-	2
WIP-Active	0.66	0	0	0	0	-	0
WIP-Backlog	0.66	0	0	0	0	-	0
WIP-Historical	0.66	0	0	0	0	-	0

SUPPLEMENTAL DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.285	0.41	0.66	1.16	TOTAL
AFS-US	0.41	0	0	-	-	-	0
Air-CA	0.66	0	0	0	0	-	0
AIR-DIST-CA	0.66	0	7	24	36	-	67
BioFuel-US	0.41	0	0	-	-	-	0
Cal TierPer-CA	0.41	0	0	-	-	-	0
CDL-CA	0.41	0	1	-	-	-	1
CDL-US	0.41	0	0	-	-	-	0
CHWF-CA	0.66	0	0	0	0	-	0
CORTESE-CA	0.41	0	0	-	-	-	0
County-BI-CA	0.41	0	0	-	-	-	0
DPR-CA	0.41	0	0	-	-	-	1
DryCleaners-CA	0.41	0	0	-	-	-	0
DTG-CA	0.41	0	0	-	-	-	0
EGRID-US	0.66	0	0	0	0	-	0

SUPPLEMENTAL DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.285	0.41	0.66	1.16	TOTAL
ENF-CA	0.41	0	1	-	-	-	1
FA-HW-CA	0.41	0	0	-	-	-	0
FA-HW-US	0.41	0	0	-	-	-	0
FA-SWF-CA	0.41	0	0	-	-	-	0
FRS-US	0.41	0	1	-	-	-	3
FUDS-US	1.16	0	0	0	0	0	0
HAULERS-CA	0.41	0	0	-	-	-	0
Hist-CA	0.41	0	1	-	-	-	1
Hist-Cort-CA	0.41	0	0	-	-	-	0
Hist-FIFRA-US	0.41	0	0	-	-	-	0
HIST-MTBE-CA	0.41	0	0	-	-	-	0
Historical-CA	0.66	0	0	0	0	-	0
Hist-US	0.41	0	0	-	-	-	1
HWT-CA	0.41	0	0	-	-	-	0
ICIS-FEC-US	0.66	0	0	0	0	-	0
ICIS-NPDES-US	0.41	0	0	-	-	-	0
Lead-US	0.41	0	0	-	-	-	0
MINES-US	0.41	0	0	-	-	-	0
MLTS-US	0.41	0	0	-	-	-	0
MWMP-CA	0.41	0	0	-	-	-	0
NEI-LF-CA	0.41	0	0	-	-	-	0
NPDES-CA	0.41	0	0	-	-	-	0
OGW-CA	0.41	0	0	-	-	-	0
PADS-US	0.41	0	0	-	-	-	0
PCB-US	0.41	0	0	-	-	-	0
PCS-US	0.41	0	0	-	-	-	0
Perch1-CA	0.41	0	0	-	-	-	0
Perch2-CA	0.41	0	0	-	-	-	0
RADINFO-US	0.66	0	0	0	0	-	0
RESPONSE-CA	0.41	0	0	-	-	-	0
RFGLab-US	0.41	0	0	-	-	-	0
ROD-US	0.66	0	0	0	0	-	0
SDWIS-US	0.41	0	0	-	-	-	0
SSTS-US	0.41	0	0	-	-	-	0
SWRCY-CA	0.41	0	0	-	-	-	0
TRIS-US	0.41	0	0	-	-	-	0
TSCA-US	0.41	0	0	-	-	-	0
UIC-CA	0.41	0	0	-	-	-	0
USGS-WaterWells-CA	0.41	0	0	-	-	-	0
USGS-WaterWells-US	0.41	0	0	-	-	-	1
WDR-CA	0.41	0	0	-	-	-	0

PROPRIETARY HISTORIC DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.285	0.41	0.66	1.16	TOTAL
Hist-Agriculture	0.41	0	0	-	-	-	0
Hist-Auto Dealers	0.41	0	0	-	-	-	1
Hist-Auto Repair	0.41	0	0	-	-	-	1
Hist-Chemical Manufacturing	0.41	0	0	-	-	-	0
Hist-Cleaners	0.41	0	0	-	-	-	0
Hist-Machine Shop	0.41	0	0	-	-	-	0
Hist-Manufacturing	0.41	0	2	-	-	-	2
Hist-Metal Plating	0.41	0	0	-	-	-	0
Hist-Mortuaries	0.41	0	0	-	-	-	0
Hist-Paint-Stores	0.41	0	0	-	-	-	0
Hist-Petroleum	0.41	0	0	-	-	-	0
Hist-Printers	0.41	0	3	-	-	-	4
Hist-RV-Dealers	0.41	0	0	-	-	-	0
Hist-Salvage	0.41	0	0	-	-	-	0
Hist-Service Stations	0.41	0	1	-	-	-	2
Hist-Transportation	0.41	0	0	-	-	-	0
Hist-Trucking	0.41	0	0	-	-	-	0
Hist-Vehicle-Parts	0.41	0	0	-	-	-	1

The following table identifies the subject site, adjacent sites, and sites that are either a recognized environmental condition, a *de minimis* environmental condition, a historical or controlled recognized environmental condition. The listings for the Supplemental Databases and the Proprietary Historic Databases are only reviewed for the subject site and the adjacent sites.

### ERS RECCEK REPORT SITES OF CONCERN

Map #	Site ID and Name Address	Database	Status	Distance from Site	Condition
1	CLU970018703 PAUL BERNHART JR 20322 BIRCH ST STE C	HWIS-CA	Listed: This site occupant had laboratory waste in 1997; no violations, no open regulatory agency case.	North East Adjacent Site	None
2	90836 Rani 20411 SW Birch St	Hist-Printers	Listed: This site occupant was listed in the ERS Proprietary Historic Database, Printers. It is not listed in any other database. It is not listed as handling or generating hazardous materials/wastes. No open regulatory agency case.	Northwest Adjacent Site	None
3	D99C64AA- 199707023 20322 BIRCH ST, #C20322 BIRCH ST, #C	Hist-CA	No Longer Listed: This site occupant was previously listed as an illegal drug lab in 1997. No environmental concern.	East Adjacent Site	None
4	199707023 20322 BIRCH ST, #C20322 BIRCH ST, #C	CDL-CA	No Longer Listed: This site occupant was previously listed as an illegal drug lab in 1997. No environmental concern.	East Adjacent Site	None

Note: Map Location #s match the Map ID numbers of the sites used in the document located in Appendix D. Listings of unmapped sites were reviewed to identify the subject site or any sites that are obviously adjacent to the subject property. Other unmapped sites are listed only in Appendix D.

#### 4.6 CHAIN-OF-TITLE ABSTRACT AND/OR REVIEW

At the request of the client, a chain-of-title abstract was not requested or completed for this project.

#### 4.7 ADDITIONAL ENVIRONMENTAL DOCUMENTS

During the course of this assessment, **PHASE ONE INC.** was provided with additional environmental documents regarding the environmental condition of the subject site by others. The conclusions of these materials were reviewed only. **PHASE ONE INC.** relies upon the author/and corresponding

companies' conclusions and expertise. **PHASE ONE INC.** does not evaluate the methodology, interpretation of results, analysis type or results, or verify in any way the completeness or correctness of the conclusions or procedures. **PHASE ONE INC.** relies upon the report and associated conclusions of the reports provided to **PHASE ONE INC.** The conclusions of these materials are described in the following table. (Copies of the records, if available, are included in Appendix G.)

**SUMMARY OF ADDITIONAL ENVIRONMENTAL DOCUMENTS**

<b>Date of Document</b>	<b>Document Type and Reference Company</b>	<b>Relevant Information</b>	<b>Condition</b>
July 2007	Phase I Environmental Site Assessment  PB Americans, Inc. (PBA)	<p>PBA conducted a Phase I ESA for the property located at 20372, 20382, 20392, 20412, and 20402. At the time of their assessment the property was vacant. Based on their interview and review of historical use records, the previous use of these parcels were single family residential with nurseries and horse stables. The residential houses have been demolished since 2004. Any contaminated materials were properly removed or remediated prior to demolition. The County of Orange owned 20372 Birch Street from December 1990 to February 2005 and had stored construction materials at the site. From their review of historical aerials, it appeared that the materials were stored in truck trailers. During the site reconnaissance on April 27, 2007, it appeared the neighbor directly behind the property had been using part of the property to store excess fencing and other materials on site. Since then, the owner notified the neighbor to clear the material that was stored on the property. During the second site reconnaissance on May 20, 2007, the excess material had been cleared and no outward signs of hazardous wastes or materials appeared on site. The soil in the vicinity of the cleared material did not appear to be stained or contaminated.</p> <p>There is a low possibility that the project site soil or groundwater would contain known hazardous materials requiring response. A review of environmental records did not indicate that any of the listed, closed, or currently investigated facilities impact the property. As vacant land, there are no apparent operations that would negatively impact the site. Cause for concern of human health or environment due to possible contamination from current or past operations was not found. There was no evidence of past onsite activities that could contribute to hydrocarbon contamination in the soil or groundwater.</p> <p>They provided recommendations for potential hazardous waste/materials issues associated with the proposed project (construction of four medical buildings and parking garage). The recommendations are on Page 9-1 of the their report that is included in Appendix G.</p>	None

#### 4.8 HISTORICAL SITE USE

The chronological historical site use summary is based on reviewed aerial photographs, maps, regulatory agency files, interviews, and additional environmental documents. The historical site use summary for the subject site and the adjoin sites is presented in the following table. The rows of this table are organized in chronological order, according to the date range of a specific site use.

**HISTORICAL SITE USE**

<b>Date Range</b>	<b>Subject Site</b>	<b>Adjoining Sites</b>
1938 to 1947	Vacant undeveloped land	Vacant undeveloped land, farmland
1950s to 1960s	Residential, vacant open space parcels	Residential, open space, undeveloped land
1970s to 2003	Residential, small nursery, stables, storage for construction materials, greenhouses	Residential
2004 to 2014	Vacant undeveloped land Residential 20352, 20354 Residential, Greenhouses 20362	Commercial, Residential

#### 4.9 IDENTIFICATION OF HISTORICAL DATA GAPS

During the course of this assessment, **PHASE ONE INC.** identified no data gaps within the chain of historic documents regarding the environmental condition of the subject site.

#### 4.10 REVIEW OF TITLE AND/OR JUDICIAL RECORDS FOR ENVIRONMENTAL LIENS OR ACTIVITY AND LAND USE LIMITATIONS (E.G., ENGINEERING AND INSTITUTIONAL CONTROLS)

The client provided **PHASE ONE INC.** with documents regarding title and/or judicial records for environmental liens or activity and land use limitations for the subject site. **PHASE ONE INC.** relies upon the author/and corresponding companies' expertise. **PHASE ONE INC.** does not verify in any way the completeness or correctness of the documents. **PHASE ONE INC.** relies upon the documents provided. The discussion of these materials is described in the following table. (Copies of the records, if available, are included in Appendix G.)

**REVIEW OF TITLE AND/OR JUDICIAL RECORDS FOR ENVIRONMENTAL LIENS OR  
ACTIVITY AND LAND USE LIMITATIONS (E.G., ENGINEERING AND  
INSTITUTIONAL CONTROLS) SUMMARY**

<b>Date of Document</b>	<b>Type of Document</b>	<b>Company</b>	<b>Description (If a concern, why?)</b>	<b>Condition</b>
May 8, 2014	Commitment for Title Insurance  (APNs, 439-382-10, -26, -27,-07, -06, and 439-381-40)	First American Title Company	No environmental liens, records of environmental activity and/or environmental land use limitations were identified.	None
July 03, 2014	Commitment for Title Insurance  (20362 Southwest Birch Street)	First American Title Company	No environmental liens, records of environmental activity and/or environmental land use limitations were identified.	None
July 21, 2014	Preliminary Report  (20352 and 20354 Southwest Birch Street)	First American Title Company	No environmental liens, records of environmental activity and/or environmental land use limitations were identified.	None



## SECTION 5.0

### INTERVIEWS

#### 5.1 INTERVIEWS WITH OWNER, PROPERTY MANAGER, USER, AND OTHERS

As part of the Phase I Assessment, **PHASE ONE INC.** attempts to interview various individuals who may have knowledge of different aspects of the subject site as it pertains to environmental conditions. The comments of the interviewees are noted by the **PHASE ONE INC.** interviewer on Interview Note Forms, which are included in Appendix F. The following table summarizes the relevant portions of these notes.

**SUMMARY OF INTERVIEWS**

<b>ID #</b>	<b>Date of Interview</b>	<b>Name of Interviewee</b>	<b>Title</b>	<b>Relevant Discussions</b>	<b>Condition</b>
1	July 24, 2014	Jason Krotts	REDA Principal  User	According to Mr. Krotts, the property is to be used for medical office buildings. The purpose of the Phase I ESA is for a property sale. Mr. Krotts is not aware of any activity or land use limitations, engineering or institutional controls, environmental liens, or other restrictions that have been placed on the property relating to hazardous materials or petroleum products. He has no specialized knowledge of the subject property and surrounding areas material to recognized environmental conditions in connection with the subject property.	None

ID #	Date of Interview	Name of Interviewee	Title	Relevant Discussions	Condition
2	July 28, 2014	David Mehr	20372, 20362, 20392, 20402, 20412  Member  Owner	Mr. Mehr indicated that the proposed use of the 3.0 acre site is for medical purposes. The property is currently vacant. Mr. Mehr doesn't know if there are any activity or land use limitations, engineering or institutional controls, environmental liens, or other restrictions that have been placed on the property relating to hazardous materials or petroleum products. He does not know if the surrounding areas have any material recognized environmental conditions.	None
3	July 28, 2014	Roger Summers	20352 SW Birch Owner	Mr. Summers has owned the property for 30 years. The address for the parcel is 20352 and 20354 Birch Street. The residences are leased on a month to month basis. There are a total of four structures on the subject parcel. Mr. Summers is not aware of any activity or land use limitations, engineering or institutional controls, environmental liens, or other restrictions that have been placed on the property relating to hazardous materials or petroleum products. He has no specialized knowledge of the subject property and surrounding areas material to recognized environmental conditions in connection with the subject property.	None

ID #	Date of Interview	Name of Interviewee	Title	Relevant Discussions	Condition
4	August 1, 2014	Justin Myers	Owner Representative for Richard Moriarty	Mr. Myers has been associated with the property at 20362 for at least 6 years. He indicated that Mr. Moriarty has not used the greenhouses for commercial purposes for at least 10 years. He previously would sell orchids and other plants to the general public. Mr. Meyers is not aware of any pesticides or herbicides being used in the nursery operations at this location. The name of the business Mr. Moriarty had operated was Green International Systems. He had operated the business from at least the 1980s.	<i>De minimis</i>

## 5.2 PURCHASE PRICE VERSUS FAIR MARKET VALUE INTERVIEW

**PHASE ONE INC.** uses data supplied by the client to determine if a difference between the purchase price of the property and the fair market value of the property is due to the effect of any releases or threatened releases of hazardous substances or petroleum products. On July 24, 2014, **PHASE ONE INC.** contacted Jason Krotts, REDA, for the purpose of ascertaining any difference between the purchase price and fair market value of the property. According to Mr. Krotts, there is no difference between the purchase price and fair market value of the property. Therefore, a determination on the effect of any releases or threatened releases of hazardous substances on the purchase price of the property was not performed as this is not applicable.

## SECTION 6.0

### CONCLUSIONS AND RECOMMENDATIONS

#### 6.1 RECOGNIZED ENVIRONMENTAL CONDITIONS

This section contains full descriptions of any recognized environmental conditions (REC) that have been identified as a result of the **PHASE ONE INC.** Phase I Environmental Site Assessment for the subject site. **PHASE ONE INC.** classifies a condition as a REC (as opposed to a *de minimis* condition) when it is one that involves a condition for which, in the opinion of **PHASE ONE INC.**, further investigation and/or remediation is recommended. In addition to the descriptions of condition, this section also contains a statement of the recommended next-step actions for any conditions that are described in the following tables.

Each identified condition receives its own table, and that table will collect together the particular findings from the body of the report that have been used to support **PHASE ONE INC.**'s conclusion as to the presence of a recognized environmental condition. For the benefit of the reader, the tables also contain the section numbers of the findings cited in support of the condition.

CONDITION # N/A		<b>IDENTIFIED CONDITION APPEARS TO BE A RECOGNIZED ENVIRONMENTAL CONDITION</b>
LOCATION: N/A		
SECTION #	COMMENTS	
N/A	No recognized environmental conditions appear to currently affect the subject site.	
DESCRIPTION OF CONDITION: N/A		
ACTION SUGGESTED: N/A		
TOTAL ESTIMATED COST TO COMPLETE SUGGESTED NEXT STEP ACTION† N/A		

#### 6.2 **DE MINIMIS** CONDITION, HISTORICAL RECOGNIZED ENVIRONMENTAL CONDITIONS, AND CONTROLLED RECOGNIZED ENVIRONMENTAL CONDITIONS

This section contains descriptions of *de minimis* conditions, historical RECs, or controlled RECs that have been identified in the **PHASE ONE INC.** Phase I Environmental Site Assessment for the subject site. **PHASE ONE INC.** classifies an issue as a *de minimis* condition (as opposed to a REC) when (1) it involves issues that appear to pose no immediate or imminent threat to the subject site, but which over time (with the occurrence of groundwater movement, demolition, disturbance, etc.) may come to pose an actual or present REC for the subject site and/or when (2) it involves areas that currently appear to have a negligible impact on the subject property and which do not, therefore, require additional

investigation at this time, but of which **PHASE ONE INC.** feels the client should be made aware. **PHASE ONE INC.** classifies a historical recognized environmental condition (HREC) as a past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls. An HREC is limited to include only past releases that have been addressed to unrestricted residential use. **PHASE ONE INC.** classifies a controlled recognized environmental condition (CREC) as a recognized environmental condition resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable agency, with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls.

Each identified condition receives its own table, and that table will collect together the particular findings from the body of the report that have been used to support **PHASE ONE INC.**'s conclusion as to the presence of that condition. For the benefit of the reader, the table also contains the section numbers of the findings cited in support of the condition.

<b>CONDITION # 1</b>		<b>IDENTIFIED CONDITION APPEARS TO BE A <i>DE MINIMIS</i> CONDITION</b>
<b>LOCATION: Subject Structures 20352, 20354, and 20362 SW Birch Street</b>		
<b>SECTION #</b>	<b>COMMENTS</b>	
3.6.1	Identification of the potential for asbestos-containing materials.	
<p><b>DESCRIPTION OF CONDITION:</b> Given the pre-1981 construction date of the subject structures, during the site reconnaissance, materials were identified that are suspected of containing asbestos. At the time of the inspection, all of the materials appeared to be intact and undisturbed (that is, they appeared to be in a non-friable condition) and, thus, do not pose an immediate environmental concern. These materials may become hazardous if they in fact contain asbestos and are subsequently damaged or disturbed, as, for example, in the course of remodeling or demolition. Asbestos-containing materials are considered to be hazardous materials, and their eventual disposal and handling are subject to federal and state regulatory guidelines.</p>		
<p><b>ACTION SUGGESTED:</b> Since the buildings are to be demolished, contact <b>PHASE ONE INC.</b> or another consultant to conduct an Asbestos Survey for the buildings on the subject site. If samples test positive, develop an Operations and Maintenance (O&amp;M) Plan detailing the material-handling procedures to be implemented for the removal and disposal of the asbestos-containing materials..</p>		

<b>CONDITION #2</b>		<b>IDENTIFIED CONDITION APPEARS TO BE A <i>DE MINIMIS</i> CONDITION</b>
<b>LOCATION: Subject Structures 20352, 20354, and 20362 SW Birch Street</b>		
<b>SECTION #</b>	<b>COMMENTS</b>	
3.6.1	Identification of the potential for lead based paint and plumbing.	
<p><b>DESCRIPTION OF CONDITION:</b> Given the pre-1979 construction date of the subject structure, the past use of lead-based paints and leaded piping and/or fixtures is suspected. Deteriorating paint may pose a significant health hazard if ingested or inhaled, particularly for children. Due to the nature of the site use, the possibility of children being affected is low. Lead-containing paint is considered hazardous waste, and the eventual disposal of lead-containing paint may be subject to regulatory restrictions. Lead-containing water is considered hazardous to health at certain levels.</p>		
<p><b>ACTION SUGGESTED:</b> Since the structures are to be demolished, a Lead Assessment should be conducted prior to demolition of the structure. Precautionary steps are recommended to reduce exposure to the demolition of any lead painted materials in accordance with the occupational health standards. No action is suggested for the lead in the water, as the residential buildings are to be demolished.</p>		

<b>CONDITION #3</b>		<b>IDENTIFIED CONDITION APPEARS TO BE A <i>DE MINIMIS</i> CONDITION</b>
<b>LOCATION: Subject Site</b>		
<b>SECTION #</b>	<b>COMMENTS</b>	
3.11	Identification of former agricultural use on the subject site. (1938, 1947)	
4.1	Aerial photograph identifying former agricultural use on the subject site.	
<p><b>DESCRIPTION OF CONDITION:</b> Although the site was used for agricultural purposes in the past, the proposed redevelopment of the subject site with medical office buildings minimizes the probability of occupants to come in contact with possible residual agricultural chemicals in the soil or groundwater.</p>		
<p><b>ACTION SUGGESTED:</b> No action is suggested, recommended and/or warranted at this time. However, if the property were to be redeveloped (especially for use by a sensitive receptor like residential, day care, medical, etc.); or if workers would come in contact with the soil during trenching, excavation, or similar activities; or if the groundwater beneath the site were to be used for domestic use or irrigation, then subsurface sampling would be recommended at that time to determine whether significant levels of agricultural chemicals exist at the site.</p>		

<b>CONDITION # 4</b>		<b>IDENTIFIED CONDITION APPEARS TO BE A <i>DE MINIMIS</i> CONDITION</b>
<b>LOCATION: 20362 SW Birch Greenhouses</b>		
<b>SECTION #</b>	<b>COMMENTS</b>	
5.1	Interviewee regarding greenhouse operations.	
<p><b>DESCRIPTION OF CONDITION:</b> The interior of the greenhouses on the southern end of the property were not inspected. There are orchid plants and palms in the interior of the greenhouses. According to the owner representative, the greenhouses are used to store the plants and the plants are not for commercial purposes. According to the owner representative, no pesticides or herbicides are used on the plants. The green houses have been present on the parcel since the 1970s based on aerial photographs. The business, Green Systems International, used the greenhouse in the 1980s through early 2000. There is no documentation indicating any pesticides or herbicides have been used.</p>		
<p><b>ACTION SUGGESTED:</b> Since the subject site is to be redeveloped with medical office buildings, the grading of the site will minimize the probability of occupants to come in contact with residual agricultural chemicals in the soil from the greenhouse operations. If during demolition of the greenhouses and subsequent grading of the subject site for the development of the medical offices buildings, any significant staining is observed in the soil area of the greenhouse area or other areas on the subject site, or any significant odorous soil is encountered, contact POI or an environmental consultant to determine if further investigation is warranted.</p>		

## SECTION 7.0

### LIMITATIONS

To achieve the study objectives stated in this report, we were required to base *PHASE ONE INC.*'s conclusions and recommendations on the best information available during the period the investigation was conducted and within the limits prescribed by *PHASE ONE INC.*'s client in the contract/authorization agreement and standard terms and conditions.

*PHASE ONE INC.*'s professional services were performed using that degree of care and skill ordinarily exercised by environmental consultants practicing in this or similar fields. The findings were mainly based upon examination of historic records, maps, aerial photographs, and governmental agencies lists. The hazardous waste site lists represented in this report represent only a search of the specific government records as listed above. It should be noted that governmental agencies often do not list all sites with environmental contamination; the lists could be inaccurate and/or incomplete. Recommendations are based on the historic land use of the subject property, as well as features noted during the site walk and examined records. The absence of potential gross contamination sources, historic or present, does not necessarily imply that the subject property is free of any contamination. This report only represents a "due diligence" effort as to the integrity of the subject property. No warranty or guarantee, expressed or implied, is made as to the professional conclusions or recommendations contained in this report. The limitations contained within this report supersede all other contracts or scopes of work, implied or otherwise, except those stated or acknowledged herewith.

This report is not a legal opinion. It does not necessarily comply with requirements defined in any environmental law such as the "innocent landowner defense" or "due diligence inquiry." Only legal counsel retained by the client is competent to determine the legal implications of any information, conclusions, or recommendations in this report. The compliance status, discussed in Section 3.0, is not intended for use as a guide to compliance for the present owner. Its intended use is to identify environmental impairments to the subject property and is not to be used as a guide to the legal compliance to any regulations of any kind.

The findings, conclusions, recommendations, and professional opinions contained in this report have been prepared by the staff of *PHASE ONE INC.*, in accordance with generally accepted professional practices. All cost estimates in Section 6.0, are purely estimates only, and may not represent the actual costs. Without further investigative assessment, exact, actual costs cannot be fixed. The costs associated with *PHASE ONE INC.*'s recommendations are for budgetary purposes only.

This report does not address, in any way, septic systems, leach fields, septic tanks, or related health hazards.

All asbestos, lead, or any other sampling is sampled in a good faith effort by *PHASE ONE INC.* assessors. Sample results should not be construed as conclusive and binding in any way. All sampling conducted is only for the purposes of general screening and does not imply that all materials, locations, or hazardous materials have been identified nor was the sampling intended to identify every instance of the materials sampled. No interpretation of the sample results is made or implied. *PHASE ONE INC.* only relays the information supplied by the laboratory conducting the analysis.