



Property Condition Assessments, LLC

presents its
Phase I Environmental Site Assessment Report
to

STRADLING YOCCA CARLSON AND RAUTH, O.C.

FOR

**SOUTH GRAND AVENUE
LOS ANGELES, CALIFORNIA**

Project No. 1-14-0208 December 4, 2014



Property Condition Assessments, LLC
P.O. Box 681110 Park City, Utah 84068
(626)685-9560 (626)685-9570 fax
www.pcallc.com

December 4, 2014

File No.: 1-14-0208

Attn: Mr. James D. Richman
STRADLING YOCCA CARLSON AND RAUTH, O.C.
800 Anacapa Street, Suite A
Santa Barbara, California 93101

REFERENCE: SOUTH GRAND AVENUE
1201-1209 and 1229-1235 South Grand Avenue
Los Angeles, CA 90015

SUBJECT: PHASE I ENVIRONMENTAL SITE ASSESSMENT REPORT

Dear Mr. Richman:

Property Condition Assessments, LLC is pleased to submit the accompanying Phase I Environmental Site Assessment report for the above-referenced Subject Property.

Please do not hesitate to contact us should you have questions concerning this report.

Sincerely,
PROPERTY CONDITION ASSESSMENTS, LLC

A handwritten signature in black ink, appearing to read 'John Luna', with a stylized flourish extending to the right.

John Luna
President

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Section 1.0

Introduction

1.1 Purpose

Property Condition Assessments, LLC ("PCA") has been retained to prepare a Phase I Environmental Site Assessment ("Phase I") for the property located at 1201-1209 and 1229-1235 South Grand Avenue in the City of Los Angeles, California ("Subject Property").

The sole purpose of this environmental assessment is to identify Recognized Environmental Conditions ("REC") for the Subject Property. This assessment was conducted utilizing generally accepted Phase I industry standards in accordance with the American Society of Testing and Materials (ASTM) Standard E 1527-13 – Phase I Environmental Site Assessment Process and All Appropriate Inquiry (AAI).

For the purpose of this report, and as defined by the ASTM a:

- REC – Recognized Environmental Condition – is "the presence or likely presence of any hazardous substance or petroleum products on a property under conditions that indicate an existing release, a past release, or a material threat of a release of any hazardous substance or petroleum products into the structure, on the property, or into the ground, groundwater, or surface water of the property."
- HREC – Historical Recognized Environmental Condition – is "a past release of any hazardous substance 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 residential use criteria established by a regulatory authority, without subjecting the property to an required controls (for example, property use restrictions, activity and use limitations, institutional controls, or engineering controls)."
- De Minimis Condition 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."
- CREC – Controlled Recognized Environmental Condition – is "a recognized environmental condition that involves a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority and that is subject to activity and use limitations."
- BER – Business Environmental Risk – is "a risk that can have a material environmental or environmentally-driven impact on the business associated with the current or planned use of the Subject Property, not necessarily limited to those environmental issues required to be assessed in the standard ASTM scope." BERs may affect the liabilities and financial

obligations of the client, the health and safety of site occupants, and the value and marketability of the Subject Property."

The work was conducted pursuant to authorization to proceed with the project received by James D. Richman, Stradling Yocca Carlson and Rauth, O.C.

1.2 Scope of Work

The following scope of work was performed to accomplish the Phase I objectives:

- **Visual Assessment** - A visual evaluation of the Subject Property was conducted in readily accessible areas to identify RECs. Additionally, visual observations of adjoining properties were made from the vantage point of the Subject Property as well as from public right-of-ways to determine the potential impact of these sites on the Subject Property.
- **Site Interview** - An interview was conducted with individuals knowledgeable and familiar with the Subject Property.
- **Records Review** - Available environmental reports, agency records, appropriate permits, Sanborn Maps and historical aerial photographs of the Subject Property and surrounding areas were reviewed.
- **Agency Document Review** - Appropriate regulatory agencies were contacted for information regarding hazardous materials use, storage, and/or releases at the Subject Property.
- **Published Database Review** - Published governmental agency databases were reviewed to identify properties within ASTM-specified radii of the Subject Property with a reported environmental concern or incident. PCA subcontracts the government agency database search to Environmental Data Resources, Inc. ("EDR").
- **"Significant" Data Gaps** - Significant data gaps include missing or unattainable information that affects the ability of the environmental professional to identify conditions indicative of releases or threatened releases of hazardous substances, and as applicable, pollutants and contaminants, petroleum or petroleum products, or controlled substances, on, at, in, or to the Subject Property. During the course of its review of documentation for this assessment, PCA has identified "significant" data gaps, if any, in the information collected for the inquiry and have included information regarding the significance of these data gaps.
- **Additional Regulatory Review** - If warranted, appropriate regulatory agencies were contacted and available records for properties that may negatively impact the Subject Property were reviewed.
- **Report Preparation** - A summary report of the environmental assessment was prepared identifying findings and conclusions of the environmental assessment.
- **Environmental Professional** – All Subject Property inquiries were conducted by an environmental professional or under the supervision of an environmental professional.

- **Required Purchaser Activities** – It is the responsibility of the purchaser to assess the purchase price to fair market value, conduct a search for environmental cleanup liens, inquire about commonly known or ascertainable information that may affect the environmental conditions of the Subject Property, and provide any specialized knowledge or experience as the landowner or grantee.
- **Environmental Professional Statement** - We declare that, to the best of our professional knowledge and belief, we meet the definition of Environmental Professional as defined in § 312.10 of 40 CFR 312. We have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the Subject Property. We have developed and performed all appropriate inquiry in conformance with the standards and practices set forth in 40 CFR Part 312.

1.3 Limitations and Exceptions

Topics not explicitly discussed within this document should not be assumed to have been investigated, such as physical testing, other than that specifically detailed in this document. The work performed in conjunction with this assessment and data developed are intended as a description of available information on the dates and at the locations described. This report does not warrant against future operations or conditions, nor does it warrant against:

- Operations that are not in evidence from visual observations or search of published agency records, or facts that were concealed, withheld, or not fully disclosed at the time the assessment was conducted.
- Conditions that could only be determined by physical sampling or intrusive testing.
- Conditions on locations other than the Client-provided Subject Property address and/or legal parcel description.

This report is not intended to address, assess, or otherwise determine whether soil or groundwater contamination, waste emplacement, existing or threatened mold/fungus growth, asbestos-containing building materials, and/or lead-based paint actually exists at the Subject Property. Such determination would require comprehensive subsurface exploration and/or other sampling activities, which were beyond the scope of service for this assessment. Additionally, this report does not serve as a comprehensive wetlands, mining, oil, pipeline, and/or gas-well survey.

This report summarizes an environmental assessment conducted for the Subject Property. Although conditions at neighboring properties may impact the Subject Property and, to the extent they were identified, were included in the Subject Property evaluation, this report does not serve as an assessment of sites other than the Subject Property.

1.4 Reliance

The Phase I Environmental Assessment was prepared in accordance with Proposal and Contract No. 1-14-0208, dated November 12, 2014 between Stradling Yocca Carlson and Rauth, O.C. and PCA and in accordance with the terms and conditions of the contract of for the exclusive use of the Shenglong Group and its investors, assignees, designees, and successors ("Authorized

Parties"). These Authorized Parties intend to rely upon this report as an assessment of the existing environmental condition of the Subject Property for the purpose of deciding whether, and under what conditions, to proceed with an acquisition transaction. The aforementioned Authorized Parties may use and rely on this report provided that they agree to be bound by the same contractual terms and conditions imposed by aforementioned contract of engagement. PCA recommends that any Authorized Party intending to rely upon this report independently determine whether the Scope of Services meets their expectations for their intended transaction.

PCA's professional services were performed using that degree of care and skill ordinarily exercised, under similar circumstances, by reputable due-diligence professionals practicing in the environmental due-diligence consulting field in this or similar localities at this time. No other warranty, expressed or implied, is made as to the professional opinions described in this report. PCA is not responsible or liable for any claims that are associated with the interpretation of the available information. Additionally, PCA is not responsible for any claims from third parties not associated with the Authorized Parties, unless this report is assigned in its entirety to a party acceptable to PCA and who agrees to be bound by the same contractual terms and conditions.

Note: PCA exercised usual and customary professional care in its efforts to assess environmental law/code/regulation compliance for the Subject Property. However, due to the existence of literally thousands of environmental laws, codes, and regulations, PCA cannot provide a definitive opinion concerning compliance with all environmental laws/codes/regulations.

PCA has based its assessment on available historical documentation and published government agency records for the Subject Property, interviews of knowledgeable persons, responses to the AAI Questionnaire, and observations made during the physical reconnaissance of the Subject and Surrounding Properties. Some or all of this information has been reported to PCA from the owner and several commercial and governmental sources including, but not limited to, Environmental Data Resources (EDR). PCA has relied on this reported information and data without further verification or validation of its accuracy.

1.5 Proprietary Notice

This document and its contents are privileged and confidential information and should not be duplicated or copied under any circumstances without the expressed permission of PCA. Any unauthorized reuse of PCA reports or data will be at the unauthorized user's sole risk and liability.

Section 2.0

User Provided Information

PCA has performed this Phase I ESA for Shenglong Group. As such, Shenglong Group is considered the "User" of the report, as defined under ASTM Standard Practice E 1527-13. In order to qualify for one of the Landowner Liability Protections (LLPs) offered by the Small Business Liability Relief and Brownfields Revitalization Act of 2002 (the "Brownfields Amendments"), the User must provide certain information based on their relationship to the purpose of the due diligence.

As part of this Phase I ESA, PCA requested certain information from the User and also the site contact, Mark Tarczynski, Real Estate Broker for the seller. The information requested and associated responses are outlined in Section 2.1 through Section 2.6 below.

2.1 Reason for Performing the Phase I ESA

PCA understands that this assessment was performed for Shenglong Group as a prospective buyer of the Subject Property. As such, this Phase I ESA was conducted in an effort to qualify for the innocent landowner, contiguous property owner, and bona fide prospective purchaser defense to CERCLA liability and performed as an appropriate risk management and due-diligence standard for real estate transactions in accordance with general industry standards, which include ASTM Standard E 1527-13.

2.2 Title Records, Liens, and Property Use Limitations

PCA was provided with a Preliminary Title Report dated November 3, 2014, and prepared by First American Title Company. According to the title report, the Subject Property title is vested in:

D&R Brothers, Inc., a California Corporation, an undivided 79% interest and Emanuel Shaoulian, as trustee of the Shaoulian Revocable Living Trust dated October 1, 2014, an undivided 21% interest as to Parcel One); D&R Brothers, Inc., a California Corporation, an undivided 79% interest and Emanuel Shaoulian, an unmarried man, an undivided 21% interest as to Parcels Two and Three.

With reference to Environmental cleanup liens that are filed or recorded against the Subject Property (40 CFR 312.25), the User was not aware of any environmental cleanup liens against the Subject Property that are filed or recorded under federal, tribal, state or local law. According to the regulatory agency files, no environmental liens have been placed on the Subject Property.

With reference to Activity and land-use limitations (AULs) that are in place on the Subject Property or that have been filed or recorded in a registry (40 CFR 312.26), the User was not aware of any activity and land-use limitations (AULs), such as engineering controls, land-use restrictions or institutional controls that are in place at the site and/or have been filed or recorded in a registry under federal, tribal, state or local law. According to the regulatory agency files, no AULs have

been placed on the Subject Property.

2.3 Specialized Knowledge, Commonly Known and Degree of Obviousness

PCA provided contact information for the Subject Property owner, manager, and/or occupants. With reference to specialized knowledge or experience of the person seeking to qualify for the LLP (40 CFR 312.28), the User does not have specialized knowledge or experience related to the Subject Property or nearby properties.

With reference to commonly known or reasonably ascertainable information about the Subject Property (40 CFR 312.30), the User was not aware of commonly known or reasonably ascertainable information about the Subject Property that would help the environmental professional to identify conditions indicative of releases or threatened releases, such as:

Past uses of the site:

1. Specific chemicals that are present or once were present at the Subject Property;
2. Spills or other chemical releases that have taken place at the Subject Property; and,
3. Environmental cleanups that have taken place at the Subject Property.

With reference to the degree of obviousness of the presence or likely presence of contamination at the Subject Property, and the ability to detect the contamination by appropriate investigation (40 CFR 312.31), the User, based on knowledge and experience related to the Subject Property, was not aware of any obvious indicators that point to the presence or likely presence of contamination at the Subject Property.

PCA requested from the User any other specialized knowledge regarding the environmental conditions associated with the Subject Property. The User did not have any specialized knowledge of RECs or other conditions of environmental concern at the Subject Property.

2.4 Value Reduction for Environmental Issues

With reference to relationship of the purchase price to the fair market value of the Subject Property if it were not contaminated (40 CFR 312.29), the User indicated that, to his knowledge, the purchase price being paid for the Subject Property reasonably reflects its fair market value, and the value has not been reduced due to contamination known or believed to be present at the Subject Property.

Section 3.0 General Site Characteristics

3.1 Subject Property General Description

The Subject Property is located at 1201-1209 and 1229-1235 South Grand Avenue in the City of Los Angeles, California. Major Subject Property characteristics are summarized as follows.

Site Characteristics Summary Table	
Property Characteristics	Observations
Total Number of Buildings/Units	One three-story office building and two surface parking lots.
County	Los Angeles
Legal Description	<p>Parcel One: Lots 8 and 9 of Tract 17663, in the City of Los Angeles, County of Los Angeles, as per map recorded in Book 429, pages 47 and 48 of maps, in the office of the County Recorder of said county.</p> <p>Parcel Two: Lots 11 and 12 of Tract No. 17683, in the City of Los Angeles, County of Los Angeles, as per map recorded in Book 429, pages 47 and 48 of maps, in the office of the County Recorder of said county.</p> <p>Parcel Three: Lot 13 of Tract No. 17683, in the City of Los Angeles, County of Los Angeles, as per map recorded in Book 429, pages 47 and 48 of maps, in the office of County of Recorder of said county.</p>
Assessor's Parcel Numbers	5139-022-008, 5139-022-009, and 5139-022-011
Distance to Major Landmark	Approximately 0.4 miles north of Interstate 10 (Santa Monica) Freeway and 0.6 miles east of Interstate 110 (Pasadena) Freeway.
Current Occupant	Clothing manufacturer, clothing sales store, and construction company office.
Current Use	Commercial

The history and site reconnaissance observations of the Subject Property are further discussed in Sections 5.0 and 6.0, respectively.

3.2 Adjacent Properties

The Subject Property is located within a mixed residential and commercial area of the City of Los Angeles, California. At the time of the site reconnaissance, the properties adjacent to the Subject Property were characterized as:

- North: Immediately north of the Subject Property is 12th Street with a multi-storied tower building with commercial use on the first floor and the remaining floors are in residential use. A surface parking lot is located northeast of the Subject Property.
- East: Immediately east of the Subject Property is South Grand Avenue with a construction of a multi-use residential building under development.
- South: A single store building that houses a watch company lies between Parcels 2 and 3, which are the Subject Property surface parking lots. Commercial buildings lie further south.
- West: An alley lies immediately west of the Subject Property with a three story commercial building beyond.

Section 4.0

Environmental Setting

The following summarizes the general environmental setting of the Subject Property.

4.1 Regional Setting

The Subject Property is situated near latitude 34.0401000 (north) and longitude 118.2633000 (west) at an approximate elevation of 243' above mean sea level. The topography of the Subject Property and vicinity is generally flat, but slopes gently to the southwest, as shown in the USGS Topographic Map for the Hollywood Quadrangle. A topographic map is provided in the Physical Source Settings Summary section of the EDR Radius Map report.

The Subject Property does not reside within a flood zone.

4.2 General Geologic Conditions

The Subject Property is located in the City of Los Angeles, County of Los Angeles, California. This area is part of the Pacific Border physiographic province of the western United States.

The Subject Property is situated within the northern portion of the Los Angeles Basin, a depositional structure measuring approximately 50 by 20 miles. The Los Angeles Basin consists predominantly of Tertiary sedimentary and volcanic rock units. The basement rocks in the Los Angeles region consist of metamorphic and igneous rocks. Miocene age tectonic activity created the central embayment for deposition of materials eroded from the uplifting highlands adjacent to the basin. The basin was eventually filled with sediments, which formed the landmass that exists today.

The Subject Property lies upon Pleistocene-age, non-marine deposits. Shallow soil beneath the Subject Property consists of recent alluvial silt, sand, clay, and gravel. Quaternary age rocks, chiefly of Pleistocene-age, contain almost all of the aquifers now tapped by water wells.

According to the EDR database report, the soils at the Subject Property are identified as Urban Land with a mixture of gravelly-sandy loam, silt loam, and clay.

Fault zones in the vicinity of the Subject Property include the Santa Monica Fault, the Hollywood Fault, and the Inglewood Fault.

4.3 Groundwater Conditions

The Subject Property is located within the Hollywood Groundwater Basin. The Hollywood Groundwater Basin is underlain by late Pleistocene-age Lakewood Formation, which includes the Bellflower aquiclude, Exposition aquifer, and Gage aquifer. Groundwater in this area occurs mainly in the sediments of recent and Pleistocene ages.

No specific depth to groundwater or groundwater flow direction information was provided for the Subject Property. According to recent subsurface investigations, groundwater is present in the vicinity of the Subject Property to be greater than 35' below ground surface (bgs). Based on topography and information provided in the EDR Physical Setting Source Summary, regional groundwater flow is likely to the southwest.

Section 5.0

Government Database Review

5.1 Government Databases Searched

Review of the government environmental databases related to the Subject Property and the nearby area was conducted to identify potential RECs that may be recorded in government database systems or files. Properties that have or may have the potential for existing or future site contamination, environmental liabilities, or the potential for contamination migration to surrounding areas are listed in this report. The information pertaining to the sites on the regulatory databases was obtained from the *EDR Radius Map with GeoCheck* provided by EDR. Databases searched are detailed below. The results of the Subject Property and Surrounding Property listings are summarized in Sections 4.2 and 4.3, respectively.

Federal Database Review

National Priorities List

The National Priorities List (NPL) is the Environmental Protection Agency's database of uncontrolled or abandoned hazardous waste sites identified for priority remedial actions under the Superfund program. A site, to be included on the NPL, must either meet or surpass a predetermined hazard ranking system score, or be chosen as a state's top-priority site, or meet all three of the following criteria: 1) the US Department of Health and Human Services issues a health advisory recommending that people be removed from the site to avoid exposure; 2) EPA determines that the site represents a significant threat, and 3) EPA determines that the remedial action is more cost-effective than removal action. The ASTM-defined search radius for NPL sites is one mile from the Subject Property.

Comprehensive Environmental Response Compensation Liability Information System

The Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) list includes a list of properties/facilities, which are suspected or confirmed to have adversely impacted the environment. The list is comprehensive in that it includes all properties for which an allegation has been made regarding environmental contamination. The ASTM radius for CERCLIS is one-mile from the Subject Property.

Resource Conservation and Recovery Act

The EPA's Resource Conservation and Recovery Act (RCRA) program identifies and tracks hazardous waste from the point of generation to the point of disposal. The RCRA Facilities database is an EPA compilation of reporting facilities that generate, store, transport, treat or dispose of hazardous waste. However, the listing of a site as a hazardous waste generator does not necessarily indicate that a hazardous waste release has occurred or that contamination exists at that address.

CORRACTS

The EPA maintains a database of RCRA facilities, which are undergoing corrective action. A corrective action order is issued pursuant to RCRA Section (h) when there has been a release of hazardous waste or constituents into the environment from a RCRA facility. The ASTM-defined radius for CORRACTS is one mile from the Subject Property.

RCRA- Permitted Treatment, Storage, and Disposal (TSD)

RCRA-TSD facilities are those that treat, store, and/or dispose of hazardous waste. The ASTM-defined search radius for this database is one-half mile from the Subject Property.

RCRA- Large and Small Quantity Generators

A RCRA small quantity generator (SQG) site generates at least 100 kilograms per month, but less than 1,000 kilograms per month of non-acutely hazardous waste. A RCRA large-quantity generator (LQG) generates at least 1,000 kilograms per month of non-acutely hazardous waste or one kilogram per month of acutely hazardous waste. The ASTM-defined search radius for this database is one-quarter mile from the Subject Property.

Emergency Response Notification System

The Emergency Response Notification System (ERNS) is a national database of information or report releases of oil or hazardous substances. The database contains information from spill reports made to the federal authorities including the U.S. EPA, U.S. Coast Guard, and the U.S. Department of Transportation. The ASTM-defined search radius for this database is limited to the Subject Property.

CONSENT

Addresses listed in major legal settlements that establish responsibility and standards for cleanup at NPL (Superfund) sites are released periodically by United States District Courts after settlement by the parties to the litigation matters. The ASTM-defined search radius for this database is one mile from the Subject Property.

RODs

Records of Decision (RODs) documents mandate a permanent remedy at an NPL (Superfund) site containing technical and health information to aid the cleanup. The ASTM-defined search radius for this database is one mile from the Subject Property.

MINES

The MINES database is a record of mine locations maintained by the United States Department of Labor, Mine Safety and Health Administration. The ASTM-defined search radius for this database is one-half mile from the Subject Property.

Toxic Substances Control Act (TSCA)

The TSCA database identifies manufacturers and importers of chemical substances included on the TSCA Chemical Substance Inventory list maintained by the Environmental Protection Agency. The ASTM-defined search radius for this database is limited to the Subject Property.

State Database Review

State Landfill (SWF/LF)

Solid Waste Information System (SWF/LF) records typically contain an inventory of solid waste disposal facilities or landfills that may be active or inactive facilities or open dumps that failed to meet RCRA Section 4004 criteria for solid waste landfills or disposal sites. The ASTM-defined search radius for this database is one-half mile from the Subject Property.

Registered Underground Storage Tanks

Underground storage tanks are regulated under Subtitle 1 of the Resource Conservation and Recovery Act (RCRA). The risk commonly associated with UST sites is based on a possible release of a hazardous substance/waste from underground storage tanks or containers. The primary concerns related to USTs are the potential migration of contamination impacting the Subject Property soil, groundwater, and/or potable water supply. The ASTM-defined search radius for this database is one-quarter mile from the Subject Property.

Leaking Underground Storage Tank Incident Report

Leaking underground storage tank records contain an inventory of reported leaking underground storage tank incidents. The ASTM-defined search radius for this database is one-half mile from the Subject Property.

Voluntary Cleanup Program (VCP)

The Voluntary Cleanup Program (VCP) database includes low threat level properties with either confirmed or unconfirmed releases where the project proponents have requested that the DTSC oversee investigation and/or cleanup activities and have agreed to provide coverage for DTSC activities. The ASTM-defined search radius for this database is one-half mile from the Subject Property.

CO TRUST

The leaking underground storage tank trust sites listing tracks the reimbursement of costs approved to paid eligible applicants. The ASTM-defined search radius for this database is one-half mile from the Subject Property.

Surrounding Property Unique Local, Supplemental, and/or Proprietary Databases

DRYCLEANERS

The Drycleaners database contains a listing of dry cleaning related facilities with EPA identification numbers and includes power laundries, garment pressing, dry cleaning plants, upholstery cleaning, and similar service locations. The ASTM-defined search radius for this database is one-quarter mile from the Subject Property.

Historical Databases

The Historical Gas Station and Dry Cleaners database, compiled by EDR from national collections of business directories, includes, but is not limited to, historical gas stations, filling stations, auto service stations, dry cleaners, and laundry facilities that were available to the EDR researchers.

The findings of these databases are provided in the following sections.

5.2 Subject Property Summary

The Subject Property address was listed on the databases searched in the EDR Report.

- Campus Casual Division was listed in the HAZNET database. The listing is for the removal of approximately 0.84 tons of asbestos-containing materials and disposal at a landfill in 1993.
- Metro Service Station was listed in the EDR US Historical Auto Station database for 1924.

No further information was available for either listing.

Additional information regarding the Subject Property was requested from local agencies. The results of file reviews are summarized in Section 5.2 of this report.

5.3 Surrounding Properties Summary

Fifteen (15), one hundred ninety-four (194) state, and three (3) orphan listings are provided in the EDR Report's summary of government databases. These listings are summarized as the following:

- One (1) site is listed in the CERCLIS database:
 - Democratic National Convention, at 1111 South Figueroa Street, is located approximately 1,291' north-northwest and potentially up-gradient of the Subject Property. This site is also known as the Staples Center and has undergone remediation with the removal of soils impacted with petroleum hydrocarbons, volatile-organic compounds, and metals. The Regional Water Quality Control Board (RWQCB) has granted case closure. Based on distance, remedial actions taken, and case closure, there is a low likelihood that the listed site has negatively affected the Subject Property.

- One (1) site is listed in the CERCLIS-NFRAP database:
 - Johnson Bronze Company, at 1818 South Grand Avenue, is located approximately 2,592' south-southwest and potentially down-gradient of the Subject Property. The USEPA performed a preliminary assessment of the property in 1986-1987 and determined that no further remedial action was necessary in 1986. The case was archived in 1987. Based on the distance, down-gradient location, and agency determination, there is a low likelihood that the listed site has negatively affected the Subject Property.
- Thirteen (13) sites are listed in the RCRIS-SQG database:
 - None of the listed sites are immediately adjacent to the Subject Property.
 - Sites with a reported release of material are listed and discussed in the appropriate sections of this report.
- Seventeen (17) sites are listed in the ENVIROSTOR database:
 - FC Broadway and Hill Street, at 1108 South Hill Street, is located approximately 993' east and potentially up-gradient of the Subject Property. The site had an underground storage tank removed under the oversight of the Los Angeles Fire Department. Historically, the site had vehicle maintenance operations. The site entered into a voluntary cleanup program with the Department of Toxic Substances Control (DTSC) in 2014 and performed a preliminary environmental assessment (PEA). The site is undergoing additional investigation to determine if the soil and soil vapor are impacted with trichloroethylene (TCE), tetrachloroethylene (PCE), ethylbenzene, naphthalene, and xylenes. Based on distance and media impact, there is a low likelihood that the listed site has negatively affected the Subject Property.
 - Eleven (11) other sites are located potentially up-gradient of the Subject Property. These sites are listed on the ENVIROSTOR database for either having tiered permits which allow the sites to treat their wastewater prior to discharge to the sewer system or undergoing PEAs prior to constructing school facilities on the properties. Based on distance and type of listings, there is a low likelihood that the listed sites have negatively affected the Subject Property.
 - Five (5) of the sites are located down gradient and are unlikely to negatively impact the Subject Property.
- Ten (10) sites are listed in the LUST database:
 - Six (6) sites are located potentially up-gradient of the Subject Property and have received case closure. Based on status and distance, these sites are not likely to negatively affect the Subject Property.
 - The remaining sites are located potentially down-gradient and have received case closure. Based on status, distance, and groundwater flow direction, these sites are not likely to negatively affect the Subject Property.
- Seven (7) UST, eleven (11) CA FID UST, four (4) HIST UST, and thirteen (13) SWEEPS sites are listed in the EDR Report:
 - None of the listed sites are immediately adjacent to the Subject Property.

- Sites with a spill or release are discussed in the appropriate databases.
- Four (4) sites are listed in the SLIC database:
 - Staples Arena, at 740-750 West 10th Place, is located approximately 1,850 feet north-northwest and potentially cross-gradient of the Subject Property. According to the EDR report and Geotracker database, the site is undergoing remediation under the oversight of the RWQCB and no further information was available. Based on the distance and cross-gradient location, this site has not likely negatively affected the Subject Property.
 - The remaining sites have received case closure and are not likely to have negatively impacted the Subject Property.
- Two (2) sites are listed in the VCP database:
 - The listed sites were discussed in the ENVIROSTOR section above.
- One (1) site is listed in the HWP database:
 - Atlas Precious Metals, Inc., at 640 South Hill Street, is located approximately 3,805' northeast and potentially up-gradient of the Subject Property. The site recovers precious metals and is an operating facility. The EDR report does not identify any releases or other environmental concerns associated with the listed site. Based on distance and regulatory status, this site has not likely negatively affected the Subject Property.
- Ninety-four (94) sites are listed in the Historical Auto Station database:
 - United Motor Service, Inc. was located at 1225 South Grand Avenue and was located adjacent to the Subject Property. No other information was available regarding the listed site.
 - The remaining sites are not adjacent to the Subject Property and no other information was available regarding the listed sites. Since the area has undergone and continues to undergo a major redevelopment, it is probable that any environmental issues would have been identified and dealt with prior to the redevelopment. There is a low likelihood that the listed sites have negatively affected the Subject Property.
- Unmapped Sites (Orphan Properties)
 - Due to poor or inadequate address information, four (4) sites were not detailed in the EDR Radius Map. Based on the address information provided and additional information determined by online sources, none of the spill, leak, or cleanup orphan sites appears to be near the Subject Property.

Section 6.0

Historical Document Review

To assess whether RECs exist for the site based on historical activities and/or operations at the Subject Property and/or a neighboring property, PCA conducted a review of historical documents, available local agency or departmental records, and available previous investigation reports. The following sections summarize the findings of these document reviews.

6.1 Proprietary Document Review

PCA subcontracted the historical document search to EDR. Databases searched and documents available are summarized as the following:

- A search of the EDR Historic Map Collection was conducted for the Subject Property. The EDR Historic Map Collection is the largest and most extensive private collection of prior-use maps in the United States, with coverage ranging from 1867 through 1994. Sanborn Fire Insurance Maps were provided and reviewed by PCA.
- City Directories have been published for many cities and towns across the United States since the 18th century. For each address within an area, City Directories list the name of each resident or, if a business operates from that address, the name and type of business. While the geographic coverage of City Directories is comprehensive for most major cities, many rural areas and small towns may not be included and many towns and cities have discontinued the practice of issuing City Directories. City Directory coverage was available for the area and is reviewed in the table below.
- Historical aerial photographs of the Subject Property and surrounding area were obtained from EDR. Photographs were provided to and reviewed by PCA. A review of the aerial photographs is provided in the table below.
- Historical topographic maps of the Subject Property and surrounding area were obtained from EDR. A review of the historical topographic maps is provided in the table below.

These documents are summarized as the following:

Historical Sources Summary Table		
Date	Observations	Source
1896, 1900, 1901, 1902, 1920	<p>Subject Property: Due to the scale of the topographic map, it is not possible to discern the Subject Property.</p> <p>Surrounding Properties: Due to the scale of the topographic map, it is not possible to discern the adjacent properties.</p>	Historical Topographic Map
1888, 1890, 1894	<p>Subject Property: The Subject Property is not depicted on the Sanborn Map.</p> <p>Surrounding Properties: The property to the northeast (corner of Grand Avenue and 12th Street) is depicted as the Los Angeles Cable Railroad Company and the properties to the east of South Grand Avenue are depicted as residential dwellings. The property to the southeast of the Subject Property is listed as a nursery. The other adjacent properties are not depicted on the Sanborn Map.</p>	Sanborn Map

Historical Sources Summary Table		
Date	Observations	Source
1906	Subject Property: The Subject Property is depicted as Fiesta Park. Surrounding Properties: The surrounding properties to the north are depicted as apartments and a church. The properties to the east are depicted as residential dwellings. The other adjacent properties are not depicted on the Sanborn Map.	Sanborn Map
1920-1929	Subject Property: The 1201 S. Grand Avenue property is listed as Metro Service Station. Surrounding Properties: The 1225 S. Grand Avenue property is listed as United Motor Service and Durant Motor Cars. Other surrounding properties are in commercial usage.	City Directories
1923	Subject Property: The 1201 S. Grand Avenue property appears as a park with a building structure at the northeast corner of the property. The 1229 S. Grand Avenue property appears developed with a commercial building structure. Surrounding Properties: The surrounding properties appear developed with commercial building structures.	Aerial Photograph
1928	Subject Property: The Subject Property appears similar to the previous aerial photograph. Surrounding Properties: The surrounding properties appear similar to the previous aerial photograph.	Aerial Photograph
1928	Subject Property: The Subject Property is depicted as "Urban Development". Surrounding Properties: The surrounding properties are depicted as "Urban Development".	Historical Topographic Map
1930-1939	Subject Property: The 1201 S. Grand Avenue property is listed as Felix Winslow Chevrolet Automobiles and Truck Sales. Surrounding Properties: The 1225 S. Grand Avenue property is listed as United Motors Service. Other surrounding properties are in commercial usage.	City Directories
1938	Subject Property: The Subject Property appears developed with a large building structure on the 1201 S. Grand Avenue site. The remainder of the Subject Property appears similar to the previous aerial photograph. Surrounding Properties: The surrounding properties appear similar to the previous aerial photograph.	Aerial Photograph
1940-1949	Subject Property: The 1201 S. Grand Avenue property is listed as Felix Winslow Chevrolet Automobiles and Truck Sales. Surrounding Properties: The 1225 S. Grand Avenue property is listed as Brunswick dealers of pool tables, and bowling alley supplies. Other surrounding properties are in commercial usage.	City Directories
1948	Subject Property: The Subject Property appears similar to the previous aerial photograph. Surrounding Properties: The surrounding properties appear similar to the previous aerial photograph.	Aerial Photograph
1950-1959	Subject Property: The 1201 S. Grand Avenue property is listed as Felix Chevrolet Company and Shammass Finance Company. Surrounding Properties: The 1225 S. Grand Avenue property is listed as traveling goods businesses. Other surrounding properties are in commercial usage.	City Directories
1950, 1953	Subject Property: The 1201 S. Grand Avenue property is depicted as auto sales and service and equipment servicing. Surrounding Properties: The surrounding properties to the west include a metal furniture sales shop, machine shop, and auto brake shop; to the north are a church and apartments; to the east are a garment manufacturer and a plastic novelties shop; and to the south are apartments.	Sanborn Map
1952	Subject Property: The Subject Property appears similar to the previous aerial photograph. Surrounding Properties: The surrounding properties appear similar to the previous aerial photograph.	Aerial Photograph
1953	Subject Property: The Subject Property appears similar to the previous topographic map. Surrounding Properties: The surrounding properties appear similar to the previous topographic map.	Historical Topographic Map

Historical Sources Summary Table		
Date	Observations	Source
1955	Subject Property: The 1201 S. Grand Avenue property appears similar to the previous Sanborn Map. Surrounding Properties: The surrounding properties appear similar to the previous Sanborn Map.	Sanborn Map
1958	Subject Property: The 1201 S. Grand Avenue property appears similar to the previous Sanborn Map. Surrounding Properties: The surrounding properties appear similar to the previous Sanborn Map with the additional of a gun manufacturer located on the east side of Grand Avenue.	Sanborn Map
1960, 1962, 1963	Subject Property: The Subject property appears similar to the previous Sanborn Map with the exception that the auto sales have been replaced with an electronics assembling facility and an imported products warehouse. Surrounding Properties: The surrounding properties appear similar to the previous Sanborn Map with the exception that the apartments to the north have been removed and replaced with parking lots and the former church is now a motel.	Sanborn Map
1960-1969	Subject Property: The Subject Property is not listed in the city directories searched. Surrounding Properties: The surrounding properties are listed in commercial usage.	City Directories
1964	Subject Property: The Subject Property appears similar to the previous aerial photograph. Surrounding Properties: The surrounding properties appear similar to the previous aerial photograph.	Aerial Photograph
1966	Subject Property: The Subject Property appears similar to the previous topographic map. Surrounding Properties: The surrounding properties appear similar to the previous topographic map.	Historical Topographic Map
1967, 1968, 1970	Subject Property: The Subject Property consists of a parking lot, uniform manufacturing, and clothing manufacturing. Surrounding Properties: The surrounding properties appear similar to the previous Sanborn Map.	Sanborn Map
1970-1979	Subject Property: The 1201 S. Grand Avenue property is listed with businesses in the clothing manufacturing. The 1229 S. Grand Avenue property is listed as Boss Group Companies and Commercial Uniform Company. Surrounding Properties: The surrounding properties are listed in commercial usage.	City Directories
1972	Subject Property: The 1201 S. Grand Avenue property appears similar to the previous aerial photograph. The 1229 S. Grand Avenue property is depicted as a surface parking lot. Surrounding Properties: The surrounding properties to the west, east, and south appear similar to the previous aerial photograph. The properties to the north and northeast are depicted as surface parking lots.	Aerial Photograph
1972	Subject Property: The Subject Property appears similar to the previous topographic map. Surrounding Properties: The surrounding properties appear similar to the previous topographic map.	Historical Topographic Map
1981	Subject Property: The Subject Property appears similar to the previous topographic map. Surrounding Properties: The surrounding properties appear similar to the previous topographic map.	Historical Topographic Map
1985	Subject Property: The Subject Property appears similar to the previous aerial photograph. Surrounding Properties: The surrounding properties appear similar to the previous aerial photograph.	Aerial Photograph
1989	Subject Property: The Subject Property appears similar to the previous aerial photograph. Surrounding Properties: The surrounding properties appear similar to the previous aerial photograph except for the property to the east which is depicted as a surface parking lot.	Aerial Photograph
1994	Subject Property: The Subject Property appears similar to the previous aerial photograph. Surrounding Properties: The surrounding properties appear similar to the previous aerial photograph.	Aerial Photograph

Historical Sources Summary Table		
Date	Observations	Source
1994	Subject Property: The Subject Property appears similar to the previous topographic map. Surrounding Properties: The surrounding properties appear similar to the previous topographic map.	Historical Topographic Map
2000-2013	Subject Property: The 1201 S. Grand Avenue property is listed with businesses in the clothing manufacturing. Surrounding Properties: The 1225 S. Grand Avenue property is listed with commercial entities.	City Directories
2002 and 2005	Subject Property: The Subject Property appears similar to the previous aerial photograph. Surrounding Properties: The surrounding properties appear similar to the previous aerial photograph.	Aerial Photograph
2009, 2010, and 2012	Subject Property: The Subject Property appears developed in its present-day condition. Surrounding Properties: The surrounding properties appear developed in their present-day condition.	Aerial Photograph

6.2 Local Agency Records Review

Based on the listings provided in the EDR report review of government databases, PCA submitted requests for file review at local agencies. The agencies contacted and the results of file reviews are discussed in the following sections.

6.2.1 Local Agencies

Based on the listings provided in the EDR report review of government databases, PCA submitted requests for information for the Subject Property and selected surrounding properties at local agencies.

According to agency representatives, available records are summarized as the following:

Local Agency Records Review		
Agency	Subject Property Records	Surrounding Property Records
Regional Water Quality Control Board, Los Angeles, California	According to the RWQCB and the Geotracker database, there are no files for the Subject Property.	Reviewed and discussed in Section 5.3 above.
Department of Toxic Substances Control, Chatsworth and Cypress, California	According to the DTSC and the Envirostor database, there are no files for the Subject Property.	Reviewed and discussed in Section 5.3 above.
City of Los Angeles Building Department	According to the Building Department records, the current building at the Subject Property was constructed in 1931.	Not reviewed.
City of Los Angeles Fire Department	According to the Fire Department file clerk, there are no files for environmental concerns for the Subject Property.	Not reviewed.

6.3 Previous Investigation Documentation Review

PCA was not provided with any previous environmental investigation documents to review.

6.4 Summary of Site and Vicinity History/Land Use

Based on available historical documents, and local agency records, the history of the Subject Property is summarized as follows.

- The current building improvements on the Subject Property comprise a three-story commercial building that was constructed in 1931.

Historical sources for nearby properties were also reviewed and are summarized as follows.

- The Subject Property is located within a mixed residential and commercial area of the City of Los Angeles that was developed as early as 1888.

PCA has not identified "significant" data gaps in the information for the inquiry, which would require further assessment to determine impact on the conclusions in this report.

Section 7.0

Site Reconnaissance Observations

7.1 Personnel Interviews

At the time of the site visit, PCA spoke with Mr. Mark Tarczynski, real estate broker for the seller of the Subject Property, regarding his understanding of the history or and use of the Subject Property. Mr. Tarczynski was not aware of any restrictions on activity or use limitations (AULs) identified for the Subject Property, and there are no reported environmental liens for the Subject Property. The EDR Report and agency file reviews did not indicate any AULs or environmental liens. Comments of Mr. Tarczynski have been incorporated into the appropriate areas of this report.

7.2 Subject Property Reconnaissance Observations

On November 18, 2014, PCA performed a visual reconnaissance of the Subject Property and surrounding vicinity. At the time of the site reconnaissance, the following observations were noted at the Subject Property.

Site Feature Summary Table		
Feature / Characteristic	Y/N	Comments
Underground Storage Tanks (USTs)	N	
Aboveground Storage Tanks (ASTs)	N	
Hazardous Chemicals (including petroleum and pesticides)	Y	
Other or Unidentified Drums and Containers	N	
Septic Tanks	N	
Drainage Systems	N	
Sumps	N	
Clarifiers	N	
Hoists or Lifts	Y	Two hydraulic elevators – one freight elevator and one personnel elevator.
Dumping or Filling Activities	N	
Vapor Intrusion	N	
Floor Drains	N	
Materials Spills	N	

Site Feature Summary Table		
Feature / Characteristic	Y/N	Comments
Monitor/Supply/ Disposal Wells	N	
Odors	N	
Air Emissions	N	
Unusually Stained Pavement Or Flooring	N	
Pits, Ponds, Lagoons	N	
Pools Of Liquid	N	
Roads And Trails With No Apparent Purpose	N	
Stained Or Disturbed Soil	N	
Stressed Vegetation	N	
High Voltage Power Lines/ Magnetic Fields	N	
Waste Water Generation	N	
Electrical Transformers	N	
Evidence of Historical Features	N	
Evidence of Historical Processes Or Material Usage/Storage	N	

7.2.1 Historical Materials of Concern

Polychlorinated Biphenyls (PCBs)

Polychlorinated Biphenyls (PCBs) were used as coolants and insulators in electrical transformers beginning in 1929. Exposure to PCBs has since been found to cause liver ailments, skin lesions, tumors, and growth and reproductive problems. Use of PCBs was regulated in 1977. No records or evidence were identified indicating the presence of PCBs on the Subject Property; therefore, PCBs are not an issue of concern.

Suspect Asbestos-Containing Materials

While the use of asbestos in the manufacture of most building materials has not been fully prohibited by federal law, the use of asbestos, for the most part, has voluntarily been discontinued since the late 1970s. Some non-friable materials, such as roofing material and floor coverings (floor tile and mastic) may have been manufactured with asbestos materials and may have been used into the early 1980s.

Based on the date of construction of the building improvements at the Subject Property (1931), it is possible that asbestos-containing building materials (ACM) were used during the construction and/or maintenance of the building improvements at the Subject Property.

On November 18, 2014, PCA performed a limited screening for asbestos by retrieving four (4) samples of suspect building materials from the Subject Property. No sampling was performed of the roofing materials so as to not damage its integrity. These samples were transported under chain of custody to *LA Testing Laboratory* located at 520 Mission Street in South Pasadena, California. *LA Testing* is a state-certified laboratory. The asbestos analysis of bulk samples was tested via EPA 600/R-93-116 Method using Polarized Light Microscopy.

Material is considered asbestos-containing when asbestos represents one-tenth of one percent (>0.1%) or more of the material's components (California Code of Regulations, Title 8, Section 1529). The results of the limited ACM sampling are summarized in the following table.

Limited ACM Laboratory Sampling Results

Sample Number	Material Description	Location	Asbestos by PLM	Friable
A1	Spray-on insulation material	2 nd floor - lobby	15% Chrysotile	Yes
A2	Spray-on insulation material	2 nd floor - lobby	20% Chrysotile	Yes
A3	Wallboard	1 st floor - mezzanine	None detect	No
A4	Pipe wrap	1 st floor – mezzanine	50% Chrysotile	Yes

Laboratory data sheets are provided as an attachment. As shown in the table above, laboratory analysis revealed the following:

- Friable asbestos-containing materials were discovered in the spray-on insulation material on the open beams in the lobby of the second floor, and exposed pipe wrap on the 1st floor mezzanine. These materials were observed to be in a good condition.

Lead-based Paint

Lead was a major ingredient in paint pigment prior to and through the 1940s. While other pigments were used in the 1950s, the use of lead in paint continued until the mid-1970s. In 1978, the Consumer Products Safety Commission banned paint and other surface-coating materials, which are lead-containing paint.

Based on the date of construction of the building improvements at the Subject Property (1931), it is possible that lead-based paints were used during the construction and/or maintenance of the building improvements at the Subject Property

PCA did not perform any sampling of painted surfaces for lead-based paint analysis.

Lead in Drinking Water

The USEPA sets drinking water standards and has determined that lead is a health concern at certain exposure levels. Materials that contain lead have frequently been used in the construction of water supply distribution systems, and plumbing systems in private home and other buildings. The most commonly found materials include service lines, pipes, brass and bronze fixtures, and solders and fluxes. Lead in these materials can contaminate drinking water as a result of the corrosion that takes place when water comes into contact with those materials.

EPA's national primary drinking water regulations requires all public water systems to optimize corrosion control to minimize lead contamination results from the corrosion of plumbing materials. EPA has established an action level of 15 parts per billion (ppb) for lead in drinking water. Any water system that continues to exceed the action level after installation of corrosion control and/or source water treatment must eventually replace all lead service lines contributing in excess of 15 ppb of lead to drinking water. Any water system that exceeds the action level must also undertake a public education program to inform users of ways they can reduce their exposure to potentially high levels of lead in drinking water.

According to the City of Los Angeles, the water provided to their customers meets the federal and state primary and secondary drinking water standards.

7.2.2 Utilities

According to the city of Los Angeles, the following utilities likely service the area:

- Water – *Los Angeles Water and Power*
- Sewer – *Los Angeles Sanitation District*
- Gas – *The Gas Company*
- Power – *Los Angeles Water and Power*

7.2.3 Oil and Gas Wells and Pipelines

Wells can act as potential conduits for the migration of contamination, unless they have been properly abandoned (i.e., filled and plugged) in such a manner as to prevent the conducting of hazardous material into the groundwater aquifers. Oil or gas wells or pipelines were not identified on the Subject Property during the site reconnaissance, and were not depicted on the Munger Maps nor listed on file with the California Department of Oil, Gas, and Geothermal Resources. The nearest oil well is located approximately 1/8th mile south of the Subject Property. This well is reportedly operated by Chevron Corporation.

7.2.4 Public Water Wells

Public water wells were not observed on the Subject Property during the site reconnaissance, nor were they listed in the EDR Radius Map Report.

7.2.5 Sensitive Environmental Receptors

Primary concerns associated with sensitive receptors and wetlands are:

- Federal and state environmental regulations often limit an owner's ability to modify the a property when sensitive receptors or wetlands are potentially impacted; and
- The potential of a release or discharge from a facility impacting a sensitive receptor or wetland.

Sensitive environmental receptors, such as wetlands, historical landmarks, or endangered species were not identified at or within the Subject Property or in the EDR Report.

7.2.6 Radon

Radon is a gas that can seep into structures constructed in areas with soils containing uranium. Radon travels through soil and enters the structure through cracks and holes in basement walls or floor drains, or other openings. Based on the location of the Subject Property, according to information provided by the USEPA, radon levels in the City of Los Angeles are within the USEPA action level of 4.0 picocuries per liter (Zone 2).

7.2.7 Mold

Mold and/or fungi growth generally occurs on cellulose-based material, such as wood or drywall paper, that has been inundated with excess moisture. The presence of mold and/or fungi growth is normally an indication of a plumbing, roofing, other leak, and/or water source that results in the abnormal presence of moisture. It is possible that significant fungal spore growth inside walls, insulation, attic spaces, or other areas can exist and not be visible on the finished surfaces of interior building spaces. PCA did not (i) perform a mold/fungi inspection, (ii) perform any building material surface mold sampling, or (iii) perform air sampling for mold spores at the Subject Property as part of this Phase I. However, PCA did not observe any obvious signs of mold growth at the Subject Property during the site reconnaissance.

7.2.8 Engineering Controls

At the time of the site reconnaissance, no environmental engineering controls were observed at the Subject Property.

7.3 Vapor Encroachment Screening

ASTM Standard E 2600-10 Standard Guide for Vapor Encroachment Screening (VES) on Property Involved in Real Estate Transactions was used for conducting a VES for the Subject Property. The purpose of the screening is to determine whether a Vapor Encroachment Condition (VEC) exists from chemicals of concern (COC) that may migrate as vapors onto a property as a result of contaminated soil and groundwater on or near the Subject Property. The screening involves a two-tiered approach to assess VEC risk as described below.

7.3.1 VES Tier 1 – Search Distance Test/Chemicals of Concern Test

The search distance test involves a review of the regulatory database report and available historical records to make a determination if any *known or suspect potentially contaminated* properties exist within the Area of Concern (AOC). High-risk sites are typically current and former gas stations, former and current dry cleaners, manufactured gas plants, and industrial sites (Brownfields). The AOC is defined as any up-gradient sites within the ASTM 1527 Standard search distance and any cross- or down-gradient sites within 1/3 mile for solvents and petroleum products.

If the contamination at the known or potentially contaminated site within the AOC consists of COCs, then a potential Vapor Encroachment Conditions (pVEC) exists and Tier II is recommended. If no known or potentially contaminated sites with COCs exist within the AOC, no further inquiry is necessary.

- No sites were identified in the Radius Map Report and historical research within the AOC that were considered to pose a pVEC at the Subject Property based on the Tier I evaluation. Thus, it was not necessary to perform a Tier II assessment.

7.4 Neighboring Property Reconnaissance Observations

Visual observations of adjoining properties were made from the vantage point of the Subject Property, as well as from public right-of-ways to determine the potential impact of these sites on the Subject Property. The following table summarizes neighboring property observations.

Neighboring Property Summary Table	
Property Characteristics	Observations
Surrounding Property General Description	The Subject Property is located in a commercial/residential area of the City of Los Angeles.
Neighboring Properties Listed In EDR Radius Report	The neighboring properties listed in the EDR Radius Report are discussed in greater detail in Section 4.0 of this report.
Groundwater-Monitoring Wells	None observed.
Underground Features	None observed.
Evidence of Subsurface Investigation	None observed.

Section 8.0 Conclusions

8.1 Summary

The Subject Property is located at 1201-1209 and 1229-1235 South Grand Avenue in the City of Los Angeles, California. The site is occupied by a three-story office building and two surface parking lots. Additional Subject Property characteristics are summarized as follows.

- Based on historical sources:
 - The current building improvements at the Subject Property were constructed in 1931 on a property that previously contained a park and an auto service station.
- The current Subject Property address is listed in the EDR Report.
 - Campus Casual Division was listed in the HAZNET database. The listing is for the removal of approximately 0.84 tons of asbestos-containing materials and disposal at a landfill in 1993.
 - Metro Service Station was listed in the EDR US Historical Auto Station database for 1924. No further information was available for this listing.
- No environmental liens or AULs are listed for the Subject Property.
- A limited asbestos assessment was performed of suspect asbestos-containing materials. Friable asbestos-containing materials were discovered in the spray-on insulation material on the open beams in the lobby of the second floor and exposed pipe wrap on the 1st floor mezzanine. These materials were observed to be in a good condition.

Surrounding properties characteristics are summarized as follows.

- The Subject Property is located within a residential and commercial area of the City of Los Angeles that was developed as early as 1988.
 - Fifteen (15) federal, one hundred ninety-four (194) state, and three (3) orphan listings are provided in the EDR Report's summary of government databases. Based on information provided in the EDR Report, the listed properties are not likely to negatively affect the Subject Property based on listing type, distance, groundwater flow direction, and depth to groundwater.
- Based on topographic gradient, surface water and groundwater in the vicinity of the Subject Property is expected to flow to the southwest. No specific depth to groundwater or groundwater flow direction information was provided for the Subject Property; however, according to recent subsurface investigations in the area, groundwater is present in the vicinity of the Subject Property at greater than 35' below ground surface (bgs).

PCA has not identified "significant" data gaps in the information collected for the inquiry, which would require further assessment to determine impact on the findings in this report.

8.2 Findings and Conclusions

PCA has performed a Phase I Environmental Site Assessment in general conformance with the scope and limitations of ASTM Practice E 1527-13 for the Subject Property. Potential on- and off-site issues identified during this assessment are summarized as follows.

8.2.1 Potential On-Site Issues

Recognized Environmental Conditions (RECs), Historical Recognized Environmental Conditions (HREC), De Minimis Conditions, and Controlled Recognized Environmental Conditions (CREC) were not identified for the Subject Property.

8.2.2 Potential Off-Site Issues

RECs, Historical Recognized Environmental Conditions (HREC), De Minimis Conditions, and Controlled Recognized Environmental Conditions (CREC) were not identified in connection with off-site properties.

8.3 Opinions and Recommendations

Based on the foregoing, as well as representations made by individuals interviewed for this report, no further assessment recommended. However, PCA does recommend establishing an "Operations and Maintenance Program" to manage the asbestos-containing materials identified onsite.

Section 9.0 References

Published References

Environmental Data Resources, Inc. November 14, 2014. Radius Map with GeoCheck.

Environmental Data Resources, Inc. November 14, 2014. Historical Map Report.

Environmental Data Resources, Inc. November 17, 2014. City Directory Report.

Environmental Data Resources, Inc. November 18, 2014. Aerial Photographs.

Environmental Data Resources, Inc. November 14, 2014. Historical Topographic Maps.

Environmental Data Resources, Inc. November 18, 2014. Environmental Lien Search Report.

Environmental Data Resources, Inc. November 14, 2014. Property Tax Map Report.

Other Resources

Regional Water Quality Control Board, Los Angeles Region, Los Angeles, California

California Department of Toxic Substances Control (DTSC), Cypress and Glendale Office

City of Los Angeles Building Department, Los Angeles, California

City of Los Angeles Fire Department, Los Angeles, California.

California Department of Conservation, Department of Oil, Gas, and Geothermal Resources

United States Environmental Protection Agency – Radon Research Program

California Geological Survey