

APPENDIX H

PHASE I ENVIRONMENTAL SITE ASSESSMENT REPORT

PARTNER

Engineering and Science, Inc.



PHASE I ENVIRONMENTAL SITE ASSESSMENT REPORT

Rutledge Parcel

26065 Byers Road
Menifee, California 92585

Report Date: August 30, 2021
Partner Project No. 21-333053.1



Prepared for:

Capstone Advisors
1545 Faraday Avenue
Carlsbad, California 92008

August 30, 2021

Mark Hayden
Capstone Advisors
1545 Faraday Avenue
Carlsbad, California 92008

Subject: Phase I Environmental Site Assessment
Rutledge Parcel
26065 Byers Road
Menifee, California 92585
Partner Project No. 21-333053.1

Dear Mark Hayden:

Partner Engineering and Science, Inc. (Partner) is pleased to provide the results of the *Phase I Environmental Site Assessment* (Phase I ESA) report of the abovementioned address (the "subject property"). This assessment was performed in conformance with the scope and limitations as detailed in the ASTM Practice E1527-13 Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process.

This assessment included a site reconnaissance as well as research and interviews with representatives of the public, property ownership, site manager, and regulatory agencies. An assessment was made, conclusions stated, and recommendations outlined.

We appreciate the opportunity to provide environmental services to you. If you have any questions concerning this report, or if we can assist you in any other matter, please contact me at (310) 662-8852.

Sincerely,



Leo Bertolino
Relationship Manager

EXECUTIVE SUMMARY

Partner Engineering and Science, Inc. (Partner) has performed a Phase I Environmental Site Assessment (ESA) in accordance with the scope of work and limitations of ASTM Standard Practice E1527-13, the Environmental Protection Agency Standards and Practices for All Appropriate Inquiries (AAI) (40 CFR Part 312) and set forth by Capstone Advisors for the property located at 26065 Byers Road in Menifee, Riverside County, California (the "subject property"). The Phase I Environmental Site Assessment is designed to provide Capstone Advisors with an assessment concerning environmental conditions (limited to those issues identified in the report) as they exist at the subject property.

Property Description

The subject property is located on the southwest corner of the intersection of Byers Road and Kuffel Road within a rural residential area of Riverside County. Please refer to the table below for further description of the subject property:

Subject Property Data

Address:	26065 Byers Road, Menifee, California
Property Use:	Rural Residential
Land Acreage (Ac):	4.77 Ac
Number of Buildings:	Three manufactured homes, one garage, several small manufactured shed buildings and a small solar energy farm
Number of Floors:	One
Gross Building Area (SF):	Not defined
Date of Construction:	2002 (per County Assessor)
Assessor's Parcel Number (APN):	330190013
Type of Construction:	Wood-Framed (garage only)
Current Tenants:	Residential tenants
Site Assessment Performed By:	Tatjana McCondichie of Partner
Site Assessment Conducted On:	August 25, 2021

The subject property is currently occupied by residential tenants for rural residential use. The subject property is occupied by three manufactured homes, one garage, several small manufactured shed buildings, a small solar energy farm and occupied by residential tenants. In addition to the current structures, the subject property is also improved with livestock pens for chickens, ducks and horses.

According to available historical sources, the subject property was formerly undeveloped as early as 1901; developed agriculturally developed from at least 1938 to 1978; vacant land between 1985 and 2002; and developed with the current structures in 2002. Tenants on the subject property include residential listings from 2005 to present.

The immediately surrounding properties consist of rural residences to the north across Kuffel Road; vacant land to the south; rural residences to the east across Byers Road; and vacant land to the west.

According to information obtained from the Regional Water Quality Control Board and topographic map interpretation, the depth to groundwater in the vicinity of the subject property is inferred to be approximately 60 to 90 feet below ground surface (bgs) and groundwater flow is inferred to be toward the north-northeast.

Findings

A *recognized environmental condition (REC)* refers to the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: due to 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. The following was identified during the course of this assessment:

- Partner did not identify any recognized environmental conditions during the course of this assessment.

A *controlled recognized environmental condition (CREC)* refers to a REC resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority, with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls. The following was identified during the course of this assessment:

- Partner did not identify any controlled recognized environmental conditions during the course of this assessment.

A *historical recognized environmental condition (HREC)* refers to 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. The following was identified during the course of this assessment:

- Partner did not identify any historical recognized environmental conditions during the course of this assessment.

An *environmental issue* refers to environmental concerns identified by Partner, which do not qualify as RECs; however, warrant further discussion. The following was identified during the course of this assessment:

- Partner did not identify any environmental issues during the course of this assessment.

Conclusions, Opinions and Recommendations

Partner has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E1527-13 of 26065 Byers Road in the City of Menifee, Riverside County, California (the "subject property"). Any exceptions to, or deletions from, this practice are described in Section 1.5 of this report.

This assessment has revealed no evidence of recognized environmental conditions or environmental issues in connection with the subject property. Based on the conclusions of this assessment, Partner recommends no further investigation of the subject property at this time.

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1.0 INTRODUCTION

Partner Engineering and Science, Inc. (Partner) has performed a Phase I Environmental Site Assessment (ESA) in conformance with the scope and limitations of ASTM Standard Practice E1527-13 and the Environmental Protection Agency Standards and Practices for All Appropriate Inquiries (AAI) (40 CFR Part 312) for the property located at 26065 Byers Road in Menifee, Riverside County, California (the "subject property"). Any exceptions to, or deletions from, this scope of work are described in the report.

1.1 Purpose

The purpose of this ESA is to identify existing or potential Recognized Environmental Conditions (as defined by ASTM Standard E1527-13) affecting the subject property that: 1) constitute or result in a material violation or a potential material violation of any applicable environmental law; 2) impose any material constraints on the operation of the subject property or require a material change in the use thereof; 3) require clean-up, remedial action or other response with respect to Hazardous Substances or Petroleum Products on or affecting the subject property under any applicable environmental law; 4) may affect the value of the subject property; and 5) may require specific actions to be performed with regard to such conditions and circumstances. The information contained in the ESA Report will be used by Client to: 1) evaluate its legal and financial liabilities for transactions related to foreclosure, purchase, sale, loan origination, loan workout or seller financing; 2) evaluate the subject property's overall development potential, the associated market value and the impact of applicable laws that restrict financial and other types of assistance for the future development of the subject property; and/or 3) determine whether specific actions are required to be performed prior to the foreclosure, purchase, sale, loan origination, loan workout or seller financing of the subject property.

This ESA was performed to permit the *User* to satisfy one of the requirements to qualify for the innocent landowner, contiguous property owner, or bona fide prospective purchaser limitations on scope of Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) (42 U.S.C. §9601) liability (hereinafter, the "*landowner liability protections*," or "*LLPs*"). ASTM Standard E1527-13 constitutes "*all appropriate inquiry* into the previous ownership and uses of the *property* consistent with good commercial or customary practice" as defined at 42 U.S.C. §9601(35)(B).

1.2 Scope of Work

The scope of work for this ESA is in accordance with the requirements of ASTM Standard E1527-13. This assessment included: 1) a property and adjacent site reconnaissance; 2) interviews with key personnel; 3) a review of historical sources; 4) a review of regulatory agency records; and 5) a review of a regulatory database report provided by a third-party vendor. Partner contacted local agencies, such as environmental health departments, fire departments and building departments in order to determine any current and/or former hazardous substances usage, storage and/or releases of hazardous substances on the subject property. Additionally, Partner researched information on the presence of activity and use limitations (AULs) at these agencies. As defined by ASTM E1527-13, AULs are the legal or physical restrictions or limitations on the use of, or access to, a site or facility: 1) to reduce or eliminate potential exposure to hazardous substances or petroleum products in the soil or groundwater on the subject property; or 2) to prevent activities that could interfere with the effectiveness of a response action, in

order to ensure maintenance of a condition of no significant risk to public health or the environment. These legal or physical restrictions, which may include institutional and/or engineering controls (IC/ECs), are intended to prevent adverse impacts to individuals or populations that may be exposed to hazardous substances and petroleum products in the soil or groundwater on the property.

If requested by Client, this report may also include the identification, discussion of, and/or limited sampling of asbestos-containing materials (ACMs), lead-based paint (LBP), mold, and/or radon.

1.3 Limitations

Partner warrants that the findings and conclusions contained herein were accomplished in accordance with the methodologies set forth in the Scope of Work. These methodologies are described as representing good commercial and customary practice for conducting an ESA of a property for the purpose of identifying recognized environmental conditions. There is a possibility that even with the proper application of these methodologies there may exist on the subject property conditions that could not be identified within the scope of the assessment or which were not reasonably identifiable from the available information. Partner believes that the information obtained from the record review and the interviews concerning the subject property is reliable. However, Partner cannot and does not warrant or guarantee that the information provided by these other sources is accurate or complete. The conclusions and findings set forth in this report are strictly limited in time and scope to the date of the evaluations. The conclusions presented in the report are based solely on the services described therein, and not on scientific tasks or procedures beyond the scope of agreed-upon services or the time and budgeting restraints imposed by the Client. No other warranties are implied or expressed.

Some of the information provided in this report is based upon personal interviews, and research of available documents, records, and maps held by the appropriate government and private agencies. This report is subject to the limitations of historical documentation, availability, and accuracy of pertinent records, and the personal recollections of those persons contacted.

This practice does not address requirements of any state or local laws or of any federal laws other than the all appropriate inquiry provisions of the LLPs. Further, this report does not intend to address all of the safety concerns, if any, associated with the subject property.

Environmental concerns, which are beyond the scope of a Phase I ESA as defined by ASTM include the following: ACMs, LBP, radon, and lead in drinking water. These issues may affect environmental risk at the subject property and may warrant discussion and/or assessment; however, are considered non-scope issues. If specifically requested by the Client, these non-scope issues are discussed in Section 6.3.

1.4 User Reliance

Capstone Advisors engaged Partner to perform this assessment in accordance with an agreement governing the nature, scope and purpose of the work as well as other matters critical to the engagement. All reports, both verbal and written, are for the sole use and benefit of Capstone Advisors. Either verbally or in writing, third parties may come into possession of this report or all or part of the information generated as a result of this work. In the absence of a written agreement with Partner granting such rights, no third parties shall have rights of recourse or recovery whatsoever under any course of action against Partner, its officers, employees, vendors, successors or assigns. Any such unauthorized user shall

be responsible to protect, indemnify and hold Partner, Client and their respective officers, employees, vendors, successors and assigns harmless from any and all claims, damages, losses, liabilities, expenses (including reasonable attorneys' fees) and costs attributable to such Use. Unauthorized use of this report shall constitute acceptance of and commitment to these responsibilities, which shall be irrevocable and shall apply regardless of the cause of action or legal theory pled or asserted. Additional legal penalties may apply.

1.5 Limiting Conditions

The findings and conclusions contain all of the limitations inherent in these methodologies that are referred to in ASTM E1527-13.

Specific limitations and exceptions to this ESA are more specifically set forth below:

- Interviews with past owners, operators and occupants were not reasonably ascertainable and thus constitute a data gap. Based on information obtained from other historical sources (as discussed in Section 3.0), this data gap is not expected to alter the findings of this assessment.
- Partner requested information relative to deed restrictions and environmental liens, a title search, and completion of a pre-survey questionnaire from the Report User. This information was not provided at the time of the assessment.
- Partner submitted Freedom of Information Act (FOIA) requests to Riverside County Department of Environmental Health (RCDEH) for information pertaining to hazardous substances, underground storage tanks, releases, inspection records, etc. for the subject property. As of this writing, this agency has not responded to Partner's request. Based on information obtained from other historical sources, this limitation is not expected to alter the overall findings of this assessment.

2.0 SITE DESCRIPTION

2.1 Site Location and Legal Description

The subject property at 26065 Byers Road in Menifee, California is located on the southwest corner of the intersection of Byers Road and Kuffel Road. According to the Riverside County Assessor records, the subject property is legally described as "4.77 ACRES IN LOT 804 MB 014/091 ROMOLA FARMS 9 Lot 804 Subdivision Name ROMOLA FARMS 9 Acres 004.77 Lot Type Lot Rec Map Type Map Book Map Plat B 014 Map Plat P 091 Serial Number A2FL22109041A HCD 249779 Serial Number A2FL22109041B HCD 249780 Serial Number AZFL421A11171LP12 Decal Number LBG8098 HCD 282999 Serial Number AZFL421B11171LP12 HCD 282300 Serial Number ACSC7V710465JA Decal Number 8819047 HCD 185959".

Please refer to Figure 1: Site Location Map, Figure 2: Site Plan, Figure 3: Topographic Map, and Appendix A: Site Photographs for the location and site characteristics of the subject property.

2.2 Current Property Use

The subject property is currently occupied by residential tenants for rural residential use. The subject property is occupied by three manufactured homes, one garage, several small manufactured shed buildings, a small solar energy farm and occupied by residential tenants. In addition to the current structures, the subject property is also improved with livestock pens for chickens, ducks and horses.

The subject property is designated for Economic Development Corridor -Northern Gateway development by the City of Menifee.

The subject property was not identified in the regulatory database report of Section 4.2.

2.3 Current Use of Adjacent Properties

The subject property is located within a mixed rural residential area of Riverside County. During the vicinity reconnaissance, Partner observed the following land use on properties in the immediate vicinity of the subject property:

Immediately Surrounding Properties

North: Kuffel Road beyond which are rural residences

South: Vacant land

East: Byers Road beyond which are rural residences

West: Vacant land

No adjacent properties were identified in the regulatory database report of Section 4.2.

2.4 Physical Setting Sources

2.4.1 Topography

The United States Geological Survey (USGS) *Romoland, California* Quadrangle 7.5-minute series topographic map was reviewed for this ESA. According to the contour lines on the topographic map, the subject property is located at approximately 1,430 feet above mean sea level (MSL). The contour lines in the area of the subject property indicate the area is sloping toward the north-northeast. Specific subject property features are not depicted on the 2012 map edition reviewed for this assessment.

A copy of the most recent topographic map is included as Figure 3 of this report.

2.4.2 Hydrology

According to topographic map interpretation, groundwater in the vicinity of the subject property is inferred to flow toward the north-northeast. The nearest surface water in the vicinity of the subject property is the San Jacinto River located approximately 0.7 miles northwest of the subject property. No settling ponds, lagoons, surface impoundments, wetlands or natural catch basins were observed at the subject property during this assessment.

According to available information, the subject property is served by an onsite well, as well as a public water system, operated by the Elsinore Valley Municipal Water District (EVMWD). The sources of public water for the EVMWD are from a mix of local groundwater, surface water and imported water.

Information specific to the subject property regarding the depth to groundwater and direction of groundwater flow was not available for the subject area. However, according to information obtained from online research through the State Water Resources Control Board, According to a previous subsurface investigation conducted on nearby properties, the depth to groundwater in the vicinity of the subject property is anticipated to be approximately 60 to 90 feet below ground surface (bgs).

2.4.3 Geology/Soils

The subject property is situated within the Santa Ana River Valley of the Peninsular Ranges geomorphic province of the State of California. The uppermost geologic formation underlying the soils at the subject property is the Quaternary Alluvium. The Quaternary Alluvium comprises the underlying stratigraphy and consists mostly of sand, silt and clay deposited in fluvial environments. The thickness of the Quaternary Alluvium is estimated to be over 200 feet. The Quaternary Alluvium is underlain by the Pleistocene and older formations.

Based on information obtained from the USDA Natural Resources Conservation Service Web Soil Survey online database, the subject property is mapped as the Buchenau, Las Posas and Porterville series. The Buchenau series have very dark gray, moderately alkaline, calcareous medium textured A horizons and grayish brown, moderately alkaline and calcareous, medium to moderately fine B2 horizons that overlie a strongly lime cemented hardpan at moderate depth. The Las Posas series consists of moderately deep, well drained soils that formed in material weathered from basic igneous rocks. Las Posas soils are on mountainous uplands and have slopes of 5 to 50 percent. The mean annual precipitation is about 16 inches and the mean annual air temperature is about 62 degrees F. The Porterville series consists of deep, well drained soils that formed in fine textured alluvial material from basic and metabasic igneous rock. Porterville soils are on fans and foothills and have slopes of 0 to 15 percent. The mean annual precipitation is about 13 inches and the mean annual air temperature is about 62 degrees F.

2.4.4 Flood Zone Information

Partner performed a review of the Flood Insurance Rate Map, published by the Federal Emergency Management Agency. According to Community Panel Numbers 06065C2055H dated August 18, 2014, the

subject property appears to be located in an unshaded Zone X, defined as an area located outside of the 100-year and 500-year flood plains.

3.0 HISTORICAL INFORMATION

Partner obtained historical use information about the subject property from a variety of sources. A chronological listing of the historical data found is summarized in the table below:

Historical Use Information

Period/Date	Source	Description/Use
1901	Topographic Map	Undeveloped/Natural land
1938-1978	Aerial Photographs, Interviews	Agricultural land
1985-2002	Aerial Photographs	Vacant land
2002-Present	Aerial Photographs, Assessor Records, City Directories, Interviews, Onsite Observations	Rural residential

Tenants on the subject property include residential listings from 2005 to present.

The subject property parcel was historically used for agricultural purposes. There is a potential that agricultural related chemicals such as pesticides, herbicides, and fertilizers, may have been used and stored onsite. The subject property is either paved over or covered by building structures that minimize direct contact to any potential remaining concentrations in the soil. Additionally, during previous site development activities, near surface soils (where residual agricultural chemical concentrations would have most likely been present, if at all) were generally mixed with fill material or disturbed during grading. Also, it is common that engineered fill material is placed over underlying soils as part of the development activities. Furthermore, it is likely that residual agricultural chemicals (if any) would have likely degraded since the site was last utilized for agricultural purposes. These additional variables serve to further reduce the potential for exposure to residual agricultural chemicals (if any). Based on these reasons, Partner concludes that the possible former use of agricultural chemicals is not expected to represent a significant environmental concern at this time.

No additional potential environmental concerns were identified in association with the current or former use of the subject property.

3.1 Aerial Photograph Review

Partner obtained available aerial photographs of the subject property and surrounding area from Environmental Data Resources (EDR) on August 16, 2021. The following was observed on the subject property and adjacent properties during the aerial photograph review:

Date:	1938, 1949, 1953, 1961, 1967, 1974, 1978	Scale:	1"=500'
Subject Property:	Agricultural land		
North:	Agricultural land		
South:	Agricultural land		
East:	Agricultural land		
West:	Agricultural land		

Date:	1985, 1989, 1994, 1997	Scale:	1"=500'
Subject Property:	Appears as vacant land		
North:	Appears to be occupied by rural residences across a roadway		
South:	Appears as vacant land		
East:	Appears as vacant land		

Date:	1985, 1989, 1994, 1997	Scale:	1"=500'
West:	Appears as vacant land		

Date:	2002	Scale:	1"=500'
Subject Property:	No significant changes visible		
North:	No significant changes visible		
South:	No significant changes visible		
East:	Appears to be occupied by a rural residence across a roadway		
West:	No significant changes visible		

Date:	2006, 2009, 2012, 2016	Scale:	1"=500'
Subject Property:	Appears to be occupied by the current modular home structures		
North:	Appears to be occupied by rural residences across a roadway		
South:	No significant changes visible		
East:	Appears to be occupied by a rural residence across a roadway		
West:	No significant changes visible		

Copies of select aerial photographs are included in Appendix B of this report.

3.2 Fire Insurance Maps

Partner reviewed the collection of Sanborn Fire insurance maps from EDR on August 16, 2021. Sanborn map coverage was not available for the subject property.

A copy of the Sanborn Map No Coverage Letter is included in Appendix B of this report.

3.3 City Directories

Partner reviewed historical city directories obtained from EDR on August 16, 2021 for past names and businesses that were listed for the subject property and adjacent properties. The findings are presented in the following table:

City Directory Search for 26065 Byers Road (Subject Property)	
Year(s)	Occupant Listed
1973-	No Listings
2005	
2010	Residential Listing
2014	Residential Listing
2017	Residential Listing

Based on the city directory review, no environmentally sensitive listings were identified for the subject property address.

City Directory Search for Adjacent Properties	
Year(s)	Occupant Listed
1973-	No Listings
1992	
1995	Residential Listing
2000	Residential Listing
2005	Residential Listing
2010	Residential Listing

City Directory Search for Adjacent Properties

Year(s)	Occupant Listed
2014	Residential Listing
2017	Residential Listing

Based on the city directory review, no environmentally sensitive listings were identified for the adjacent property addresses.

Copies of reviewed city directories are included in Appendix B of this report.

3.4 Historical Topographic Maps

Partner reviewed historical topographic maps obtained from EDR on August 16, 2021. The following was observed on the subject property and adjacent properties during the topographic map review:

Date: 1901, 1942, 1943, 1947, 1953, 1973, 1979

Subject Property:	Undeveloped
North:	Undeveloped
South:	Undeveloped
East:	Undeveloped
West:	Undeveloped

Copies of reviewed topographic maps are included in Appendix B of this report.

4.0 REGULATORY RECORDS REVIEW

4.1 Regulatory Agencies

4.1.1 State Department

Regulatory Agency Data

Name of Agency:	California Environmental Protection Agency (Cal/EPA)
Point of Contact:	Online: https://siteportal.calepa.ca.gov/nsite/map/help
Agency Address:	1001 I Street, Sacramento, California 95814
Agency Phone Number:	(916) 323-2514
Date of Contact:	August 17, 2021
Method of Communication:	Online
Summary of Communication:	No records regarding hazardous substance use, storage or releases, or the presence of USTs and AULs on the subject property were on file with the CalEPA.

4.1.2 Health Department

Regulatory Agency Data

Name of Agency:	Riverside County Department of Environmental Health (RCDEH)
Point of Contact:	NA
Agency Address:	4065 County Circle Drive-Room 104, Perris, California
Agency Phone Number:	(951) 358-5055
Date of Contact:	August 17, 2021
Method of Communication:	Online Request
Summary of Communication:	As of the date of this report, Partner has not received a response from the RCDEH for inclusion in this report.

4.1.3 Air Pollution Control Agency

Regulatory Agency Data

Name of Agency:	Air Quality Management District (AQMD)
Point of Contact:	N/A
Agency Address:	21865 Copley Dr, Diamond Bar, California
Agency Phone Number:	(909) 396-2000
Date of Contact:	August 17, 2021
Method of Communication:	Online
Summary of Communication:	No Permits to Operate (PTO), Notices of Violation (NOV), or Notices to Comply (NTC) or the presence of AULs, dry cleaning machines, or USTs were on file for the subject property with the AQMD.

4.1.4 Regional Water Quality Agency

Regulatory Agency Data

Name of Agency:	Regional Water Quality Control Board (RWQCB)
Point of Contact:	Laura Gallardo
Agency Address:	320 W. 4 th St, Los Angeles, California
Agency Phone Number:	(213) 576-6600
Date of Contact:	August 17, 2021
Method of Communication:	Online

Regulatory Agency Data

Summary of Communication: No records regarding hazardous substance use, storage or releases, or the presence of USTs and AULs on the subject property were on file with the RWQCB.

4.1.5 Department of Toxic Substances Control

Regulatory Agency Data

Name of Agency: California Department of Toxic Substances Control (DTSC)
Point of Contact: N/A
Agency Address: 5796 Corporate Avenue, Cypress, California
Agency Phone Number: (714) 484-5300
Date of Contact: August 17, 2021
Method of Communication: Online
Summary of Communication: No records regarding hazardous substance use, storage or releases, or the presence of USTs and AULs on the subject property were on file with the DTSC.

4.1.6 Building Department

Regulatory Agency Data

Name of Agency: City of Menifee Building and Safety Department
Point of Contact: Records Clerk
Agency Address: 29844 Haun Rd, Menifee, CA 92586
Agency Phone Number: (951) 672-6777
Date of Contact: August 17, 2021
Method of Communication: Faxed Request
Summary of Communication: As of the date of this report, Partner has not received a response from the MBD for inclusion in this report.

4.1.7 Planning Department

Regulatory Agency Data

Name of Agency: Menifee Planning Department (RPD)
Point of Contact: Records Clerk
Agency Address: 29844 Haun Rd, Menifee, CA 92586
Agency Phone Number: (951) 672-6777
Date of Contact: August 17, 2021
Method of Communication: Online
Summary of Communication: According to records reviewed, the subject property is zoned Economic Development Corridor -Northern Gateway development by the City of Menifee.

4.1.8 Oil & Gas Exploration

Regulatory Agency Data

Name of Agency: California Division of Oil, Gas and Geothermal Resources (DOGGR)
Point of Contact: N/A
Agency Address: 801 K Street, Sacramento, California
Agency Phone Number: (916) 322-1080
Date of Contact: August 17, 2021

Regulatory Agency Data

Method of Communication: Online
Summary of Communication: According to CalGEM, no oil and/or gas wells are located on or adjacent to the subject property.

4.1.9 Assessor's Office

Regulatory Agency Data

Name of Agency: Riverside County Assessor (RCA)
Point of Contact: N/A
Agency Address: 2720 Gateway Drive, Perris, California
Agency Phone Number: (951) 955-6200
Date of Contact: August 17, 2021
Method of Communication: Online
Summary of Communication: According to records reviewed, the subject property is identified by Assessor Parcel Number (APN) 330190013, which contains a total of 4.77-acres. Three structures, noted to be a 2002 Fleetwood, a 2004 Fleetwood, and a 2017 Skyline mobile home were brought onto the property as residential structures in 2002.

4.2 Mapped Database Records Search

Information from standard federal, state, county, and city environmental record sources was provided by Environmental Data Resources, Inc. (EDR). Data from governmental agency lists are updated and integrated into one database, which is updated as these data are released. The information contained in this report was compiled from publicly available sources and the locations of the sites are plotted utilizing a geographic information system, which geocodes the site addresses. The accuracy of the geocoded locations is approximately +/-300 feet.

Using the ASTM definition of migration, Partner considers the migration of hazardous substances or petroleum products in any form onto the subject property during the evaluation of each site listed on the radius report, which includes solid, liquid, and vapor.

4.2.1 Regulatory Database Summary

Radius Report Data

Database	Search Radius (mile)	Subject Property	Adjacent Properties	Sites of Concern
Federal NPL or Delisted NPL Site	1.00	N	N	N
Federal CERCLIS Site	0.50	N	N	N
Federal CERCLIS-NFRAP Site	0.50	N	N	N
Federal RCRA CORRACTS Facility	1.00	N	N	N
Federal RCRA TSDF Facility	0.50	N	N	N
Federal RCRA Generators Site (LQG, SQG, CESQG)	0.25	N	N	N
Federal IC/EC Registries	0.50	N	N	N
Federal ERNS Site	Subject Property	N	N/A	N/A
State/Tribal Equivalent NPL	1.00	N	N	N
State/Tribal Equivalent CERCLIS	1.00	N	N	N

Radius Report Data

Database	Search Radius (mile)	Subject Property	Adjacent Properties	Sites of Concern
State/Tribal Landfill/Solid Waste Disposal Site	0.50	N	N	N
State/Tribal Leaking Storage Tank Site	0.50	N	N	N
State/Tribal Registered Storage Tank Sites (UST/AST)	0.25	N	N	N
State/Tribal Voluntary Cleanup Sites (VCP)	0.50	N	N	N
State/Tribal Spills	0.50	N	N	N
Federal Brownfield Sites	0.50	N	N	N
State Brownfield Sites	0.50	N	N	N
EDR MGP	1.00	N	N	N
EDR US Hist Auto Station	0.125	N	N	N
EDR US Hist Cleaners	0.125	N	N	N

4.2.2 Subject Property Listings

The subject property is not identified in the regulatory database report.

4.2.3 Adjacent Property Listings

The adjacent properties are not identified in the regulatory database report.

Based on the findings, vapor migration is not expected to represent a significant environmental concern at this time.

4.2.4 Sites of Concern Listings

No sites of concern are identified in the regulatory database report.

Based on the findings, vapor migration is not expected to represent a significant environmental concern at this time.

4.2.5 Orphan Listings

No orphan listings are identified in the regulatory database report.

A copy of the regulatory database report is included in Appendix C of this report.

5.0 USER PROVIDED INFORMATION AND INTERVIEWS

In order to qualify for one of the *Landowner Liability Protections (LLPs)* offered by the Small Business Liability Relief and Brownfields Revitalization Act of 2001 (the *Brownfields Amendments*), the *User* must conduct the following inquiries required by 40 CFR 312.25, 312.28, 312.29, 312.30, and 312.31. The *User* should provide the following information to the *environmental professional*. Failure to provide this information could result in a determination that *all appropriate inquiries* is not complete. The *User* is asked to provide information or knowledge of the following:

- Review Title and Judicial Records for Environmental Liens and AULs
- Specialized Knowledge or Experience of the User
- Actual Knowledge of the User
- Reason for Significantly Lower Purchase Price
- Commonly Known or *Reasonably Ascertainable* information
- Degree of Obviousness
- Reason for Preparation of this Phase I ESA

Fulfillment of these user responsibilities is key to qualification for the identified defenses to CERCLA liability. Partner requested our Client to provide information to satisfy User Responsibilities as identified in Section 6 of the ASTM guidance.

Pursuant to ASTM E1527-13, Partner requested the following site information from Capstone Advisors (User of this report).

User Responsibilities

Item	Provided By User	Not Provided By User	Discussed Below	Does Not Apply
AAI User Questionnaire			X	
Title Records, Environmental Liens, and AULs			X	
Specialized Knowledge			X	
Actual Knowledge			X	
Valuation Reduction for Environmental Issues			X	
Identification of Key Site Manager	Section 5.1.3			
Reason for Performing Phase I ESA	Section 1.1			
Prior Environmental Reports			X	
Other				X

5.1 Interviews

5.1.1 Interview with Owner

Mr. Michael Rutledge, subject property owner, was not aware of any pending, threatened, or past litigation relevant to hazardous substances or petroleum products in, on, or from the subject property; any pending, threatened, or past administrative proceedings relevant to hazardous substances or

petroleum products in, on, or from the subject property; or any notices from a governmental entity regarding any possible violation of environmental laws or possible liability relating to hazardous substances or petroleum products.

According to Mr. Rutledge, the subject property was developed in 2006 for rural residential use. Prior to that, the subject property was developed agriculturally. Mr. Rutledge further stated that there are no USTs, ASTs, clarifiers, oil/water separators, groundwater monitoring wells, or hazardous substance use/storage/generation on the subject property to the best of his knowledge. According to Mr. Rutledge, the subject property is equipped with three septic tanks (one for each modular home) as well as a fresh water well. Additionally, the subject property is connected to the municipal water system.

5.1.2 Interview with Report User

Please refer to Section 5.2 below for information requested from the Report User.

5.1.3 Interview with Key Site Manager

Mr. Michael Rutledge was also identified as the key site manager. Refer to Section 5.1.1 for additional information.

5.1.4 Interviews with Past Owners, Operators and Occupants

Interviews with past owners, operators and occupants were not reasonably ascertainable and thus constitute a data gap.

5.1.5 Interview with Others

As the subject property is not an abandoned property as defined in ASTM 1527-13, interview with others were not performed.

5.2 User Provided Information

5.2.1 Title Records, Environmental Liens, and AULs

Partner was not provided with title records or environmental lien and AUL information for review as part of this assessment.

5.2.2 Specialized Knowledge

No specialized knowledge of environmental conditions associated with the subject property was provided by the User at the time of the assessment.

5.2.3 Actual Knowledge of the User

No actual knowledge of any environmental lien or AULs encumbering the subject property or in connection with the subject property was provided by the User at the time of the assessment.

5.2.4 Valuation Reduction for Environmental Issues

No knowledge of valuation reductions associated with the subject property was provided by the User at the time of the assessment.

5.2.5 Commonly Known or Reasonably Ascertainable Information

The User did not provide information that is commonly known or *reasonably ascertainable* within the local community about the subject property at the time of the assessment.

5.2.6 Previous Reports and Other Provided Documentation

No previous reports or other pertinent documentation was provided to Partner for review during the course of this assessment.

6.0 SITE RECONNAISSANCE

The weather at the time of the site visit was sunny and clear. Refer to Section 1.5 for limitations encountered during the field reconnaissance and Sections 2.1 and 2.2 for subject property operations. The table below provides the site assessment details:

Site Assessment Data

Site Assessment Performed By: Tatjana McCondichie
Site Assessment Conducted On: August 25, 2021

The table below provides the subject property personnel interviewed during the field reconnaissance:

Site Visit Personnel for 26065 Byers Road (Subject Property)

Name	Title/Role	Contact Number	Site Walk* Yes/No
Michael Rutledge	Key Site Manager	(858) 232-5694	Yes

* Accompanied Partner during the field reconnaissance activities and provided information pertaining to the current operations and maintenance of the subject property

No potential environmental concerns were identified during the onsite reconnaissance.

6.1 General Site Characteristics

6.1.1 Solid Waste Disposal

Solid waste generated at the subject property is disposed of in residential trash cans. An independent solid waste disposal contractor removes solid waste from the subject property. No evidence of illegal dumping of solid waste was observed during the Partner site reconnaissance.

6.1.2 Sewage Discharge and Disposal

Sanitary discharges from the subject property are directed to an onsite septic system, as further discussed in Section 6.1.7.

6.1.3 Surface Water Drainage

Storm water is removed from the subject property primarily by direct percolation into the soils at the property.

The subject property does not appear to be a designated wetland area, based on information obtained from the United States Department of Fish and Wildlife; however, a comprehensive wetlands survey would be required in order to formally determine actual wetlands on the subject property. No surface impoundments, wetlands, natural catch basins, settling ponds, or lagoons are located on the subject property. No drywells were identified on the subject property.

6.1.4 Source of Heating and Cooling

Heating and cooling systems as well as domestic hot water equipment are fueled by electricity and natural gas provided by onsite solar panels and an onsite propane AST, respectively.

6.1.5 Wells and Cisterns

No aboveground evidence of wells or cisterns was observed during the site reconnaissance.

6.1.6 Wastewater

Domestic wastewater generated at the subject property is disposed by means of the onsite septic system. No industrial process is currently performed at the subject property.

6.1.7 Septic Systems

The subject property is equipped with three septic tanks for sanitary waste generated in the onsite residences. As these septic systems service the residences only, and there are no industrial processes currently or historically, the presence of the septic system is not expected to represent a significant environmental concern.

6.1.8 Additional Site Observations

No additional general site characteristics were observed during the site reconnaissance.

6.2 Potential Environmental Hazards

6.2.1 Hazardous Substances and Petroleum Products Used or Stored at the Site

No evidence of the use of reportable quantities of hazardous substances was observed on the subject property. Small quantities of general maintenance supplies were found to be properly labeled and stored at the time of the assessment with no signs of leaks, stains, or spills. The storage and use of maintenance supplies does not appear to pose a significant threat to the environmental integrity of the subject property at this time.

6.2.2 Aboveground & Underground Hazardous Substance or Petroleum Product Storage Tanks (ASTs/USTs)

No evidence of current or former ASTs or USTs was observed during the site reconnaissance.

6.2.3 Evidence of Releases

No spills, stains or other indications that a surficial release has occurred at the subject property were observed.

6.2.4 Polychlorinated Biphenyls (PCBs)

No potential PCB-containing equipment (transformers, oil-filled switches, hoists, lifts, dock levelers, hydraulic elevators, etc.) was observed on the subject property during Partner's reconnaissance.

6.2.5 Strong, Pungent or Noxious Odors

No strong, pungent or noxious odors were evident during the site reconnaissance.

6.2.6 Pools of Liquid

No pools of liquid were observed on the subject property during the site reconnaissance.

6.2.7 Drains, Sumps and Clarifiers

No drains, sumps, or clarifiers, other than those associated with storm water removal, were observed on the subject property during the site reconnaissance.

6.2.8 Pits, Ponds and Lagoons

No pits, ponds or lagoons were observed on the subject property.

6.2.9 Stressed Vegetation

No stressed vegetation was observed on the subject property.

6.2.10 Additional Potential Environmental Hazards

No additional environmental hazards, including landfill activities or radiological hazards, were observed.

6.3 Non-ASTM Services

6.3.1 Asbestos-Containing Materials (ACMs)

Asbestos is the name given to a number of naturally occurring, fibrous silicate minerals mined for their useful properties such as thermal insulation, chemical and thermal stability, and high tensile strength. The Occupational Safety and Health Administration (OSHA) regulation 29 CFR 1926.1101 requires certain construction materials to be presumed to contain asbestos, for purposes of this regulation. All thermal system insulation (TSI), surfacing material, and asphalt/vinyl flooring that are present in a building that have not been appropriately tested are "presumed asbestos-containing material" (PACM).

The subject property buildings were constructed in 2006 and are modular structures. As such, an asbestos evaluation was not required by the Client's scope of services.

6.3.2 Lead-Based Paint (LBP)

Lead is a highly toxic metal that affects virtually every system of the body. LBP is defined as any paint, varnish, stain, or other applied coating that has 1 mg/cm² (or 5,000 ug/g or 0.5% by weight) or more of lead. Congress passed the Residential Lead-Based Paint Hazard Reduction Act of 1992, also known as "Title X", to protect families from exposure to lead from paint, dust, and soil. Under Section 1017 of Title X, intact LBP on most walls and ceilings is not considered a "hazard," although the condition of the paint should be monitored and maintained to ensure that it does not become deteriorated. Further, Section 1018 of this law directed the Housing and Urban Development (HUD) and the US EPA to require the disclosure of known information on LBP and LBP hazards before the sale or lease of most housing built before 1978.

It is unlikely that LBP is present in buildings constructed after 1977. Therefore, due to the age of the subject property buildings, it is unlikely that LBP is present.

As such, an lead-based paint evaluation was not required by the Client's scope of services.

6.3.3 Radon

Radon is a colorless, odorless, naturally occurring, radioactive, inert, gaseous element formed by radioactive decay of radium (Ra) atoms. The US EPA has prepared a map to assist National, State, and local organizations to target their resources and to implement radon-resistant building codes. The map divides the country into three Radon Zones, according to the table below:

EPA Radon Zones		
EPA Zones	Average Predicted Radon Levels	Potential
Zone 1	Exceed 4.0 pCi/L	Highest
Zone 2	Between 2.0 and 4.0 pCi/L	Moderate
Zone 3	Less than 2.0 pCi/L	Low

It is important to note that the EPA has found homes with elevated levels of radon in all three zones, and the US EPA recommends site-specific testing in order to determine radon levels at a specific location. However, the map does give a valuable indication of the propensity of radon gas accumulation in structures.

Radon sampling was not conducted as part of this assessment. Review of the US EPA Map of Radon Zones places the subject property in Zone 2. Based upon the radon zone classification, radon is not considered to be a significant environmental concern.

6.3.4 Lead in Drinking Water

According to available information, the subject property is served by an onsite well, as well as a public water system, operated by the Elsinore Valley Municipal Water District (EVMWD). The sources of public water for the EVMWD are from a mix of local groundwater, surface water and imported water. Partner was not provided water quality testing reports for the onsite water well. In addition, according to the Elsinore Valley Municipal Water District (EVMWD) 2020 Annual Water Quality Report, water supplied to the subject property is in compliance with all State and Federal regulations pertaining to drinking water standards, including lead and copper. Water sampling was not conducted to verify water quality.

6.3.5 Mold

Molds are microscopic organisms found virtually everywhere, indoors and outdoors. Mold will grow and multiply under the right conditions, needing only sufficient moisture (e.g. in the form of very high humidity, condensation, or water from a leaking pipe, etc.) and organic material (e.g., ceiling tile, drywall, paper, or natural fiber carpet padding).

Partner observed accessible, interior areas for the subject property building for significant evidence of mold growth with the exceptions detailed in Section 1.5 of this report; however, this ESA should not be used as a mold survey or inspection. Additionally, this limited assessment was not designed to assess all areas of potential mold growth that may be affected by mold growth on the subject property. Rather, it is intended to give the client an indication as to whether or not conspicuous (based on observed areas) mold growth is present at the subject property. This evaluation did not include a review of pipe chases, mechanical systems, or areas behind enclosed walls and ceilings.

No obvious indications of water damage or mold growth were observed during Partner's visual assessment.

6.4 Adjacent Property Reconnaissance

The adjacent property reconnaissance consisted of observing the adjacent properties from the subject property premises. No items of environmental concern were identified on the adjacent properties during the site assessment, including hazardous substances, petroleum products, ASTs, USTs, evidence of releases, PCBs, strong or noxious odors, pools of liquids, sumps or clarifiers, pits or lagoons, stressed vegetation, or any other potential environmental hazards.

7.0 FINDINGS AND CONCLUSIONS

A *recognized environmental condition (REC)* refers to the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: due to 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. The following was identified during the course of this assessment:

- Partner did not identify any recognized environmental conditions during the course of this assessment.

A *controlled recognized environmental condition (CREC)* refers to a REC resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority, with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls. The following was identified during the course of this assessment:

- Partner did not identify any controlled recognized environmental conditions during the course of this assessment.

A *historical recognized environmental condition (HREC)* refers to 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. The following was identified during the course of this assessment:

- Partner did not identify any historical recognized environmental conditions during the course of this assessment.

An *environmental issue* refers to environmental concerns identified by Partner, which do not qualify as RECs; however, warrant further discussion. The following was identified during the course of this assessment:

- Partner did not identify any environmental issues during the course of this assessment.

Conclusions, Opinions and Recommendations

Partner has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E1527-13 of 26065 Byers Road in the City of Menifee, Riverside County, California (the "subject property"). Any exceptions to, or deletions from, this practice are described in Section 1.5 of this report.

This assessment has revealed no evidence of recognized environmental conditions or environmental issues in connection with the subject property. Based on the conclusions of this assessment, Partner recommends no further investigation of the subject property at this time.

8.0 SIGNATURES OF ENVIRONMENTAL PROFESSIONALS

Partner has performed a Phase I Environmental Site Assessment of the property located at 26065 Byers Road in Menifee, Riverside County, California in conformance with the scope and limitations of the protocol and the limitations stated earlier in this report. Exceptions to or deletions from this protocol are discussed earlier in this report.

By signing below, Partner declares 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. Partner has the specific qualifications based on education, training, and experience to assess a *property* of the nature, history, and setting of the subject *property*. Partner has developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

Prepared By:



Tatjana McCondichie
Environmental Professional

Reviewed By:



Ashley Pizzello
Senior Author/Environmental Professional

9.0 REFERENCES

Reference Documents

American Society for Testing and Materials, Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process, ASTM Designation: E1527-13.

Environmental Data Resources (EDR), Radius Report, August 2021

Federal Emergency Management Agency, Federal Insurance Administration, National Flood Insurance Program, Flood Insurance Map, accessed via internet, August 2021

United States Department of Agriculture, Natural Resources Conservation Service, accessed via internet, August 2021

United States Department of Agriculture, Natural Resources Conservation Service, Web Soil Survey, accessed via the internet, August 2021

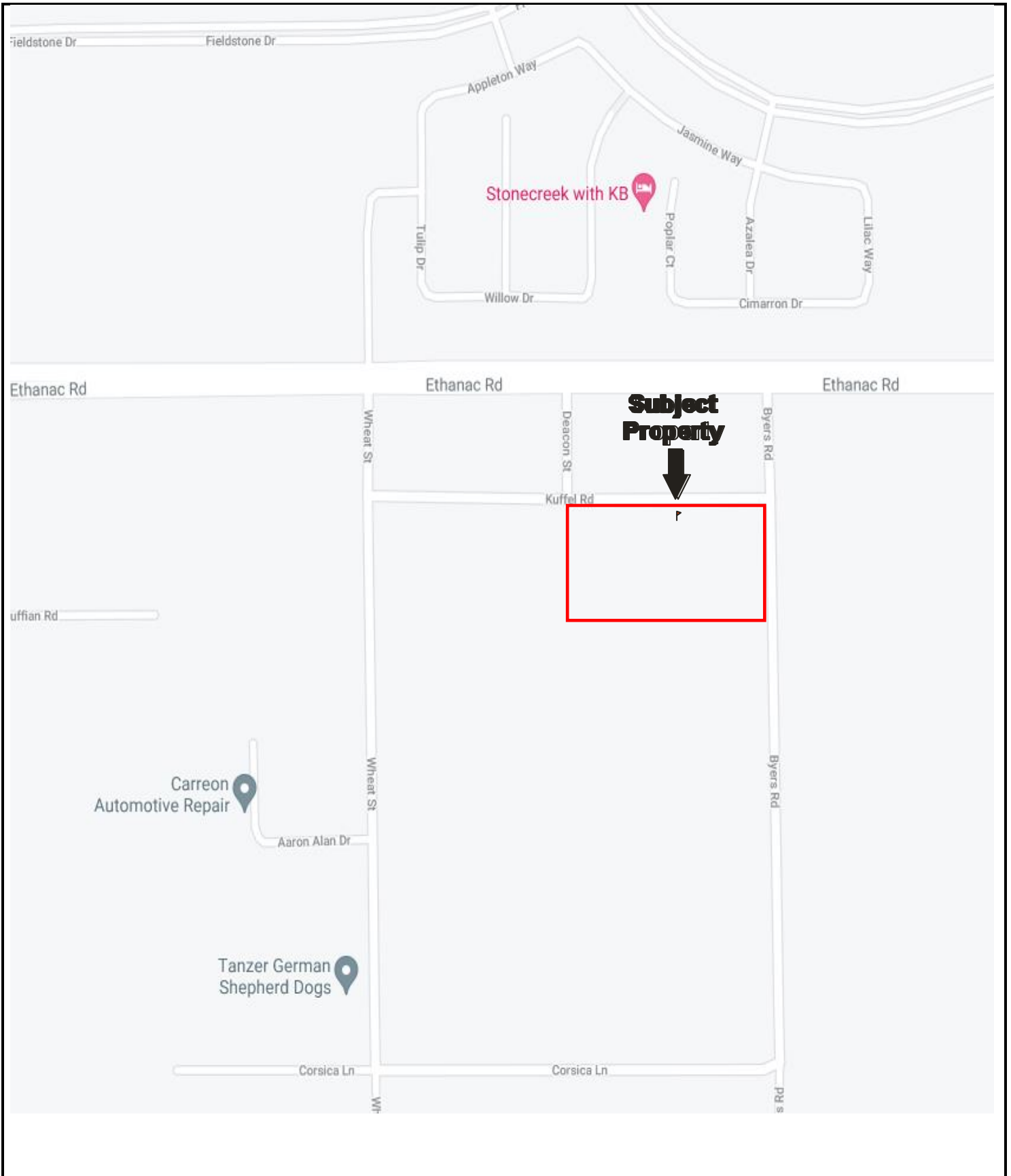
United States Environmental Protection Agency, EPA Map of Radon Zones (Document EPA-402-R-93-071), accessed via the internet, August 2021

United States Geological Survey, accessed via the Internet, August 2021

United States Geological Survey Topographic Map 1995, 7.5-minute series, accessed via internet, August 2021

FIGURES

- 1 SITE LOCATION MAP**
- 2 SITE PLAN**
- 3 TOPOGRAPHIC MAP**



Drawing Not To Scale

KEY:
Subject Property 

FIGURE 1: SITE LOCATION MAP
Project No. 21-333053.1



**GROUNDWATER
FLOW**



KEY:

Subject Property



FIGURE 2: SITE PLAN
Project No. 21-333053.1



USGS 7.5 Minute Romoland, California Quadrangle
 Revised: 2012

KEY:
 Subject Property 

FIGURE 3: TOPOGRAPHIC MAP
 Project No. 21-333053.1

