

PHASE I ENVIRONMENTAL
SITE ASSESSMENT
VACANT PROPERTY
AIRPORT 37 INDUSTRIAL PARK
LOTS 8, 9, 10
ARLINGTON, WASHINGTON

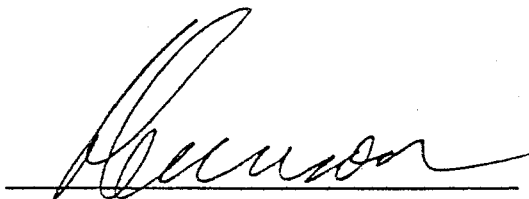
E-7062

January 15, 1996

PREPARED FOR
SUNRISE USA, INC.



Wendy C. Stroschein
Environmental Scientist



Robert S. Levinson, P.E.
Principal

Earth Consultants, Inc.
1805 - 136th Place Northeast, Suite 201
Bellevue, Washington 98005
(206) 643-3780

TABLE OF CONTENTS

	<u>PAGE</u>
EXECUTIVE SUMMARY	1
1.0 INTRODUCTION	2
1.1 Scope of Services	2
1.2 Site Description	3
2.0 SUBSURFACE CONDITIONS	4
2.1 Geology	4
2.2 Groundwater	4
3.0 SITE RECONNAISSANCE	5
3.1 Site Observations	5
3.1.1 Transformers	6
3.1.2 Asbestos-Containing Material (ACM)	6
3.1.3 Chemical Storage Areas	6
3.2 Survey of Adjacent Properties	6
4.0 SITE HISTORY RESEARCH	7
4.1 Historical Site Use	7
4.2 Historical Off-Site Use	8
5.0 REGULATORY AGENCY RECORDS REVIEW	9
5.1 Subject Property	9
5.2 Surrounding Properties	10
5.2.1 National Priorities List (NPL)	10
5.2.2 CERCLIS List	10
5.2.3 Hazardous Materials Handlers	10
5.2.4 Toxics Cleanup Program (TCP) List	10
5.2.5 Underground Storage Tank List	11
5.2.6 Leaking Underground Storage Tank (LUST) List	12
5.2.7 Landfills	12
6.0 FINDINGS AND CONCLUSIONS	14
7.0 STANDARD LIMITATIONS	15
8.0 LIST OF REFERENCES	16

PLATES

Plate 1	Vicinity Topographic Map
Plate 2	Vicinity Street Map
Plate 3	Site Plan

APPENDICES

Appendix A	Site Photographs
Appendix B	Chain-of-Title Documentation

EXECUTIVE SUMMARY

The following is a summary of our findings concerning potential environmental issues identified during our assessment of the subject property. This summary should be used for introductory purposes and the reader should refer to the report for further clarification.

The subject property is located on the south side of 199th Street Northeast between 60th Avenue Northeast and 63rd Avenue Northeast in Arlington, Washington. The site consists of undeveloped property which is currently vacant of structures, and encompasses approximately five and six-tenths (5.6) acres. Development in the vicinity of the subject property consists of single-family residences (SFRs), commercial properties, transfer stations/landfills, vacant properties, and woodland.

ECI has performed a Phase I Environmental Site Assessment of the subject property in conformance with the scope and limitations of ASTM Practice E-1527. This assessment has revealed no evidence of recognized environmental conditions in connection with this property except for the following:

- The Baxter North Woodwaste Landfill site located on adjacent property east (upgradient) of the subject site.

Earth Consultants, Inc. (ECI) has completed a Phase I Environmental Site Assessment (ESA) on Airport Industrial Park, Lots 8, 9 and 10, located in Arlington, Washington. This investigation was performed by ECI for Sunrise USA, Inc. in accordance with ECI's October 18, 1995 proposal, which was authorized by Mr. Melvin Brody, President of BBS International, Inc., on December 11, 1995. This report summarizes the project approach and findings.

1.1 Scope of Services

ECI conducted this Phase I ESA to evaluate the potential for contamination on the subject property resulting from past or present activities. The scope of work for this study was limited to the following tasks:

- A review of readily available information from various sources with respect to historical use of the property and its surroundings;
- A visual reconnaissance of the subject property, along with photographic documentation of selected points of interest;
- Reviews of:
 1. U.S. Environmental Protection Agency (EPA) National Priorities List (NPL) - List of Superfund sites.
 2. EPA CERCLIS (CERCLIS information System) List, which documents sites known to be contaminated.
 3. The EPA Resource Conservation Recovery Act (RCRA) Notifiers List, which lists businesses generating, transporting, treating, storing, or disposing of hazardous wastes as part of their operations.
 4. EPA Emergency Response Notification System (ERNS) List - list of EPA responses to sudden or accidental releases of hazardous substances to the environment.
 5. Washington Department of Ecology (Ecology) Toxic Cleanup Program (TCP) Lists, including Hazardous Sites List, Site Registers, and Contaminants and Confirmed and Suspected Sites (CSCS) Reports, which documents sites in Washington that are currently confirmed or suspected of being contaminated at levels exceeding state regulatory criteria.
 6. Ecology's Underground Storage Tank (UST) List.
 7. Ecology's Leaking Underground Storage Tank (LUST) List.
 8. Snohomish County Active and Abandoned Landfill Information.

- Preparation of this written report.

The scope of the project did not include an audit of environmental regulatory compliance issues or permits.

1.2 Site Description

The subject property is located south of 199th Street Northeast, between 60th Avenue Northeast and 63rd Avenue Northeast, in Arlington, Washington. The site encompasses approximately five and six-tenths (5.6) acres. The subject site is located approximately one mile southwest of the Arlington city limits, in the Northeast Quarter of Section 15, Township 31 North, Range 5 East. Development in the vicinity of the subject site consists of a mixture of single-family residences (SFRs), commercial properties, solid waste transfer stations/landfills, vacant properties, and woodland.

The rectangular shaped site is relatively level and has a ground surface elevation of approximately 120 feet above mean sea level. The subject property is currently undeveloped and covered with grass and brush.

The subject property is bordered by 199th Street Northeast to the north. The site is bound on the east and west by 63rd Avenue Northeast, and 60th Avenue Northeast, respectively. Vacant, grass and brush covered properties, similar to the subject property, are situated north and west across the paved roadways of 199th Street Northeast and 60th Avenue Northeast. The North Snohomish County Solid Waste Transfer Station and vacant brush covered property border the subject site to the south. The Baxter North Woodwaste Landfill occupies the adjacent property east of the subject site.

The approximate location of the subject site is shown on Plate 1, Vicinity Topographic Map, and Plate 2, Vicinity Street Map. A general layout of the site and surrounding properties is presented on Plate 3, Site Plan. Site photographs are included as Appendix A. Chain-of-Title Documentation for the site is presented in Appendix B.

2.0 SUBSURFACE CONDITIONS

2.1 Geology

The referenced Geologic Map of Snohomish County indicates that the site is underlain by the geological unit known as Quaternary Marysville Sand Member (QVRM). QVRM consists mostly of well-drained, stratified to massive glacial outwash sand, some fine gravel, and some areas of silt and clay. The sediments were deposited by meltwater of the Vashon glacier. The unit is at least 20 meters thick.

ECI observed subsurface conditions at the subject site during test pit excavations for a geotechnical engineering study on January 2, 1996. The test pits were excavated to a maximum depth of twelve (12) feet. ECI encountered native soil consisting of brown, poorly graded sand with gravel to a depth of twelve (12) feet below existing ground surface.

2.2 Groundwater

No groundwater seepage was observed in any of the test pits excavated on January 2, 1996 during ECI's geotechnical engineering study. Information in the Snohomish County health Department files indicated the depth to groundwater at an adjacent site was approximately thirty (30) to forty (40) feet.

Based on topography in the vicinity of the site, local surface drainage features, and visual observations, the inferred groundwater flow direction at the subject site is from the east/southeast towards the west/northwest. Actual groundwater conditions may vary due to site specific subsurface conditions and local surface hydrology.

3.0 SITE RECONNAISSANCE

On December 15, 1995, an ECI representative visited the subject property to look for evidence that the site has been environmentally impacted by past or on-going activities. The focus of our reconnaissance was to identify obvious visual signs of potential environmental contamination caused by current and/or historical property activities. The site layout is shown on the Site Plan, Plate 3. Photographs of selected features at the site are included in Appendix A.

Our site reconnaissance included identifying the use and storage of hazardous substances, the potential presence of underground storage tanks (USTs), signs of stressed vegetation, stained soils, and illegal dumping. We also walked the perimeter of the subject property to observe adjacent properties to determine their land use, and how it might potentially affect the subject property.

3.1 Site Observations

The subject property was fenced and consists of three lots: Lot 8, Lot 9, and Lot 10, which are part of the Airport 37 Industrial Park. Lot 8 encompasses approximately two (2) acres; Lots 9 and 10 each encompass approximately one and eight-tenths (1.8) acres.

Utilities including sanitary sewer lines, domestic water lines, and electrical power lines, are located underground along 199th St. Northeast and 60th Avenue Northeast, located north and west of the subject property.

The subject property is covered with low to medium tall scotch broom and brush, sparse blackberry vines, and very small to small deciduous and pine trees. The ground cover consists mainly of gravel with sparse grass. Shallow drainage swales, approximately ten (10) feet wide by three (3) feet deep, are situated along the west and south borders of Lot 8, and along the common boundary between Lots 8 and 9, and Lots 9 and 10.

A small skid-mounted, wooden, equipment storage shed was observed in the southwest corner of Lot 10 (Photo 5). Construction debris including wood debris, bricks, two empty five gallon buckets, chain link fencing, black plastic tubing, fiberglass insulation, and a compressed air sprayer was strewn on the ground surface surrounding the shed. An open 55-gallon drum containing similar construction debris was observed northeast of the equipment storage shed. Other construction debris, including plastic sheeting, lumber, and paper litter were observed scattered throughout the site.

A rectangular, concrete structure, measuring approximately seven (7) feet wide by fifteen (15) feet long by one (1) foot thick, was observed south of the equipment storage shed (Photo 6). This concrete structure appeared to be a building foundation that had been moved from its original position.

ECI did not observe visual evidence that hazardous materials had been spilled or dumped on the subject site. No surface stains or stressed vegetation was observed on the subject site. We did not observe evidence of underground storage tanks at the subject site.

3.1.1 Transformers

No transformers were observed at the subject site.

3.1.2 Asbestos-Containing Material (ACM)

No suspect ACM materials were observed at the subject site.

3.1.3 Chemical Storage Areas

No designated chemical storage areas were observed to be located on the subject property.

3.2 Survey of Adjacent Properties

The subject property is bordered by 199th Street Northeast to the north, by 63rd Avenue Northeast to the east, and 60th Avenue Northeast to the west. Vacant, grass and brush covered properties, similar to the subject property, are situated north and west across the paved roadways of 199th Street Northeast and 60th Avenue Northeast.

The North Snohomish County Solid Waste Transfer Station is situated on the adjacent property south of the Airport Industrial Park Lots 9 and 10. The transfer station is at a higher elevation than the subject site. The grounds surrounding the transfer station are paved with some landscaping along the north boundary of the transfer station property. Vacant brush covered property at approximately the same elevation as the subject site borders Lot 8 to the south.

The Baxter North Woodwaste Landfill occupies the adjacent property east of the subject site. The Baxter North Landfill is covered with grass and is approximately ten feet higher in elevation than the subject site. The perimeter of the landfill site is surrounded by a chain-link fence. ECI observed monitoring wells along the perimeter of the landfill site, within the chain-link fencing.

The monitoring wells located at the Baxter Woodwaste Landfill site indicate possible environmental monitoring activities at this adjacent site.

ECI did not observe any other obvious signs of contamination on adjacent properties during our site reconnaissance. Current land uses for the adjacent properties are indicated on the Site Plan, Plate 3.

ECI researched the history of land use activities on and immediately surrounding the subject property to identify former land use that may have adversely affected soil and groundwater. For the purposes of this research we reviewed the following:

- Aerial photographs dated 1947, 1955, 1967, 1976, 1981, 1985, 1989, and 1993.
- Chain-of-Title Report, prepared by Transamerica Title Insurance Company.
- Snohomish County Real Property Assessment Records.
- Interviews with people knowledgeable with respect to historical land use in the site vicinity.

4.1 Historical Site Use

The subject property appears wooded and undeveloped on the 1947 aerial photograph. No apparent changes were observed on the subject property in the 1955, 1967, and 1976 aerial photographs. By 1981, the subject property had been logged-off and cleared of trees, and a dirt haul road traversed the site from Cemetery Road located approximately 300 feet northwest of the site, to 63rd Avenue Northeast. By 1987, clearing and grading of the subject property had been completed, and 199th Street, 60th Avenue Northeast, and 63rd Avenue Northeast had been constructed.

The chain-of-title documentation indicates that the subject property was owned by private individuals from 1948 until 1961. In October 1961, Pacific Denkmann Company, a tree farming business, purchased the subject property as a portion of a 40 acre parcel. According to Mr. Duane Weston of Pacific Denkmann Company, when they purchased the property the parcel was covered with young timber. As far as Mr. Weston can recall, Pacific Denkmann Co. did not harvest any timber or conduct any other on-site activities, and the site remained wooded during their ownership of the property.

Greenacres, Inc., a land holding company, purchased the 40-acre parcel from Pacific Denkmann Company in December 1968. ECI was not able to locate any parties associated with Greenacres, Inc. According to Ms. MaryAnn Monty of Ramo, Inc., the Company who purchased the property from Greenacres, Inc. in January 1978, the site was wooded and undeveloped at the time Ramo, Inc. purchased the property. Mr. Ralph Monty the owner of Ramo, Inc. informed ECI that Ramo, Inc. and Kerr-Belmark Construction owned the property as a partnership from January to April 1978. In April 1978, Ramo, Inc. bought Kerr-Belmark Construction's interest in the property. According to Mr. Monty, Ramo, Inc. cleared a roadway from Cemetery Road south onto the property, but did not conduct any other on-site activities. The site remained wooded during Ramo, Inc.'s ownership of the property.

The chain-of-title indicates that Airport 37 Investors acquired the property in 1978. In 1990, the subject property was purchased by Delta Properties.

In the 1947 aerial photograph, land use in the vicinity of the subject site was primarily wooded and rural residential/agricultural. In 1947, adjacent properties north, south, and west of the subject property consisted of undeveloped woodland. In the 1947 aerial photograph, a gravel pit operation appeared to be located in the northeast corner of the east adjacent property. No apparent changes were observed on the adjacent properties in the 1955 and 1967.

In the 1976 aerial photograph, the east adjacent property had been logged-off and piles of felled trees covered the east portion of the property. By 1981, adjacent properties north, south, and west had been logged-off and cleared of trees. In the 1981 aerial photograph, the felled trees had been removed from the east adjacent property.

By 1987, clearing and grading of the adjacent properties north, south, and west had been completed. By 1989, the current transfer station had been constructed on the south adjacent property.

We reviewed the following regulatory agency database lists to obtain environmental information related to the subject property and for off-site properties adjacent to properties located within a one mile radius of the subject site. The mileage distance after each listing refers to the radius area which was reviewed for this ESA.

- EPA Emergency Response Notification System (ERNS) - List of EPA responses to sudden or accidental releases of hazardous substances to the environment (subject property);
- EPA National Priorities List (NPL) - List of Superfund sites (1.0 mile);
- EPA Region 10 CERCLIS - List of site currently being reviewed by the EPA (0.5 mile);
- EPA Region 10 RCRA Treatment, Storage, Disposal (TSD) Facility Notifiers List - List of hazardous waste TSD facilities (1.0 mile);
- EPA Region 10 RCRA Notifiers List - List of generators, transporters, and disposers of hazardous waste (adjacent properties);
- Ecology's Toxics Cleanup Program (TCP) List - List of sites other than leaking underground storage tank sites that are being cleaned up under the Model Toxics Control Act or are currently being investigated by Ecology, including Hazardous Sites List, Site Registers, and Confirmed and Suspected Contaminated Sites Reports (1.0 mile);
- Ecology's Underground Storage Tank (UST) Registration List - List of underground storage tanks registered in the State of Washington (adjacent properties);
- Ecology's Leaking UST (LUST) Site List - List of registered leaking USTs in the State of Washington (0.5 mile);
- Snohomish County Solid Waste Disposal Sites documentation (0.5 mile).

Under the currently applicable federal, state, and local regulations, owners of property contaminated by hazardous or regulated substances may be liable for cleanup actions, even though the substances have migrated onto their property from off-site sources. Furthermore, costly cleanup actions may be required under Washington's Model Toxics Control Act (MTCA) if site soils, sediments, surface water, and/or groundwater contain hazardous or regulated substances at levels that exceed MTCA criteria.

5.1 Subject Property

The subject property was not listed on the ERNS database or any of the other regulatory agency database lists. There are no known underground storage tanks on the subject site.

5.2 Surrounding Properties

5.2.1 National Priorities List (NPL)

There are no NPL sites listed within one mile of the subject property.

5.2.2 CERCLIS List

There are no CERCLIS sites listed within one-half mile of the subject site.

5.2.3 Hazardous Materials Handlers

There were no RCRA TSD facilities listed within one mile of the subject site. No adjacent sites are listed as RCRA generators.

5.2.4 Toxics Cleanup Program (TCP) List

There are five sites within one mile of the subject site that appear on Ecology's Hazardous Sites and/or Confirmed and Suspected Contaminated Sites lists. The approximate locations of the TCP sites are shown on the Vicinity Street Map, Plate 2. Information for the TCP sites follows.

- 1) Site Name: Christianson Company
Site Address: 7415 - 204th Street Northeast
Arlington, Washington
Proximity: 0.7 mile northeast
- 2) Site Name: G. H. Cook Company
Site Address: 19114 - 61st Avenue Northeast
Arlington, Washington
Proximity: 0.5 mile south
- 3) Site Name: J. H. Baxter & Company
Site Address: 6520 - 188th Street Northeast
Arlington, Washington
Proximity: 0.7 mile south
- 4) Site Name: Unocal Bulk Plant/Arlington
Site Address: 211th Place Northeast and Lebanon Street
Arlington, Washington
Proximity: 0.8 mile northeast
- 5) Site Name: Arlington/Marysville Landfill
Site Address: Arlington Airport
Arlington, Washington
Proximity: 0.4 mile southwest

Based on an inferred groundwater flow direction from the east/southeast towards the west/northwest, TCP sites No. 1 and No. 4, the Christianson Company and the Unocal Bulk Plant, are located cross-gradient from the subject site, and do not appear to represent an environmental concern to the subject property.

Based on an inferred groundwater flow direction from the east/southeast towards the west/northwest, TCP sites Numbers 2, 3 and 5 (G. H. Cook Company, J. H. Baxter & Company, and the Arlington/Marysville Landfill) are located potentially upgradient to the subject site.

ECI reviewed file information for the G. H. Cook Company and the J. H. Baxter & Company sites at Ecology's Northwest Regional Office. Ecology's file information indicates that soil contamination was found at the G. H. Cook Company site (TCP Site No. 2) on March 23, 1990. According to Ecology file information, Ecology personnel visited the G. H. Cook Company site and offered remedial solutions to the owner of the company. On October 29, 1990 Ecology received a letter from the owner of the G. H. Cook Company indicating that they had proceeded with the soil cleanup and the problems had been corrected. Based on the media impacted (soil), the distance of the G. H. Cook Company site from the subject site, and the inferred remedial status, the G. H. Cook Company site does not appear to represent an environmental concern to the subject property.

Information in Ecology's files concerning the J. H. Baxter & Company site (TCP Site No. 3) indicates that soil and groundwater contamination have been confirmed at this site, which is currently awaiting remedial action. The groundwater flow direction has been identified as being toward the northwest. File information indicates that groundwater contaminated with pentachlorophenol extends beyond the site's northwest property boundary. The data suggests that the concentrations of pentachlorophenol in groundwater are increasing over time. However, based on a groundwater flow direction toward the northwest, and the distance of the J. H. Baxter & Company site from the subject site, it does not appear likely that the groundwater contamination at the J. H. Baxter & Company site has impacted the subject site.

Information contained in the Snohomish County Public Health Department files indicates that the Arlington/Marysville Landfill (TCP Site No. 5) was established prior to 1951 and operated as a burning landfill. Irritating fumes were noted during a 1977 fire at the landfill. This landfill was closed in 1980 and capped with soil. The Snohomish County Health Department inspects the Arlington/Marysville landfill site yearly. Ecology and Environment, Inc. inspected the Arlington/Marysville landfill in June 1987. Ecology and Environmental, Inc., stated that, based on information gathered during the site inspection, the Arlington/Marysville landfill posed little threat to public health and the environment. The files contained no information indicating any recognized environmental conditions at the Arlington/Marysville landfill site.

5.2.5 Underground Storage Tank List

No adjacent sites are listed as having underground storage tanks.

5.2.6 Leaking Underground Storage Tank (LUST) List

There is one LUST site located within one-half mile of the subject site. The approximate location of this LUST site is shown on the Vicinity Street Map, Plate 2. Information for the LUST sites follows.

- 1) Site Name: Cuz Concrete Products
Site Address: 19521 - 63rd Avenue Northeast
Arlington, Washington
Proximity: 0.3 mile south

Based on the inferred groundwater flow direction from the east/southeast towards the west/northwest, this LUST site, Cuz Concrete Products, is located up gradient to the subject site. Information in the LUST database identified soil as the media impacted at the Cuz Concrete Products site. Remediation has been reported as completed at this LUST site. Based on the remedial status of this LUST site, the media impacted, and the distance of this LUST site from the subject site, this LUST site does not appear to represent an environmental concern to the subject property.

5.2.7 Landfills

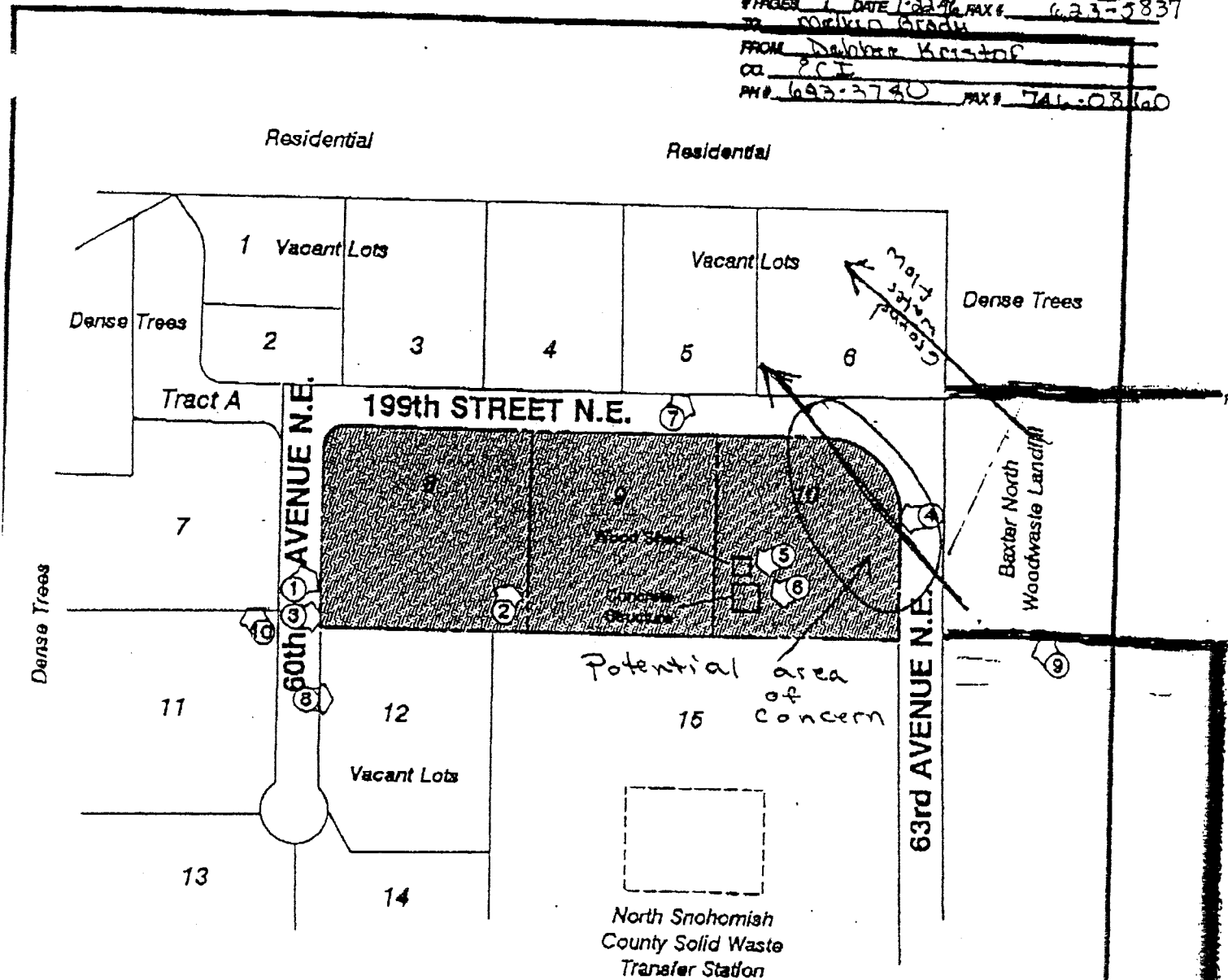
There are two active landfills and two closed landfills located within one-half mile of the subject property. A solid waste transfer station is located adjacent to the subject property. Information for these landfill sites follows.

- 1) Site Name: Northwest Hardwoods Woodwaste Landfill
Site Address: 20015 - 67th Avenue Northeast
Arlington, Washington
Proximity: 0.3 mile northeast
- 2) Site Name: North Snohomish County Transfer Station
Site Address: 19600 - 63rd Avenue Northeast
Arlington, Washington
Proximity: adjacent, south
- 3) Site Name: Phoenix Organic Products, Inc.
Site Address: 19819 - 67th Avenue Northeast
Arlington, Washington
Proximity: 0.3 mile east
- 4) Site Name: Arlington/Marysville Municipal Solid Waste Landfill (Closed)
Site Address: Arlington Airport
Arlington, Washington
Proximity: 0.4 mile southwest





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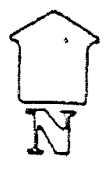
FAX MEMO

#PAGES 1 DATE 1-22-96 FAX# 623-5837
TO: Melvin Brady
FROM: Deborah Kristof
cc: PCT
PH# 623-3740 FAX# 746-0860



LEGEND

-  Photo Number and Direction of View
-  Lot Number
-  Existing Building
-  Subject Site



Not To Scale
Based on information in our files, it appears that the Potential area of concern is the North East Portion of lot 10



Earth Consultants Inc.
Geotechnical Engineers, Geologists & Environmental Scientists

Site Plan
Airport 37 Industrial Park - Lots 8, 9 & 10
Snohomish County, Washington

5) Site Name: Baxter North Woodwaste Landfill (Closed)
Site Address: 19600 - 67th Avenue Northeast
Arlington, Washington
Proximity: 0.3 mile east

Based on an inferred groundwater flow direction from the east/southeast towards the west/northwest, Landfill site No. 1, the Northwest Hardwoods Woodwaste Landfill, is located cross-gradient to the subject site and does not appear to represent an environmental concern to the subject property. The closed Arlington landfill site, discussed in Section 5.2.4 (TCP Sites) above, also does not appear to represent an environmental threat to the site.

Based on an inferred groundwater flow direction from the east/southeast towards the west/northwest, the North Snohomish County Transfer Station (Site 2), the Phoenix Organic Products, Inc. site (Site 3), and the Baxter North Woodwaste Landfill (Site 5) are potentially located up-gradient from the subject site.

Snohomish County Health Department documentation indicates that the North Snohomish County Transfer Station (Landfill Site No. 2), began operations in 1988. No information contained in the Health Department files indicated any recognized environmental conditions at the North Snohomish County Transfer Station site. File information indicated that Phoenix Organic Products, Inc. (Landfill Site No. 3) is a commercial composting facility, which handles yard and garden waste only. There were no recognized environmental conditions documented for the Phoenix Organic Products, Inc. site. Based on the Health Department's file information for these two sites, the North Snohomish County Transfer Station and the Phoenix Organic Products, Inc. sites do not appear to represent an environmental concern to the subject property.

Information contained in the Snohomish County Health Department files for the Baxter North Woodwaste Landfill site (Landfill Site No. 5) indicates that the site of this private-use woodwaste landfill facility was previously utilized as a sand and gravel pit. File information indicates that the landfill operations began prior to 1970. The groundwater flow direction at the Baxter Landfill site has been determined to be toward the northwest and the subject site. Groundwater test data indicate that manganese and arsenic are present in groundwater beneath the landfill site at concentrations greater than the Department of Ecology's Model Toxics Control Act Method B Cleanup Levels. The downgradient limits of the elevated arsenic and manganese concentration does not appear to have been determined. Therefore, the file information does not eliminate the possibility that the Baxter North Woodwaste Landfill site has or may impact groundwater beneath the subject site.

According to Mr. Mike Young of the Snohomish County Health Department, it is against Ecology regulations to place a water well within 1,000 feet of a landfill.

6.0 FINDINGS AND CONCLUSIONS

ECI has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E-1527 of Lots 8, 9 and 10 of the Airport 37 Industrial Park, located south of 199th Street Northeast in Arlington, Washington. This assessment has revealed no evidence of recognized environmental conditions in connection with this property, except the following:

- The Baxter North Woodwaste Landfill site located adjacent east of the subject site.

Information contained in the Health Department files did not eliminate the possibility that arsenic and manganese impacted groundwater, originating from this closed woodwaste landfill, is present beneath the subject site.

7.0 STANDARD LIMITATIONS

In preparing this report, ECI has reviewed historical records, interviewed public and private individuals as indicated in this document, reviewed regulatory agency files/databases, and observed property and surrounding property conditions. ECI has examined and relied on written documents, and oral statements made by others. ECI has not conducted an independent examination of facts contained in referenced materials and statements. ECI has assumed the genuineness of the documents and the information provided in the documents or statements is true and accurate.

ECI has conducted this project and prepared this report in accordance with generally accepted professional practices for the nature and conditions of the work completed in the same or similar localities, at the time the work was performed. ECI shall not be responsible for conditions or consequences arising from relevant facts that were concealed, withheld, or not fully disclosed at the time this work was performed. ECI recognizes that facts or conditions referenced in this report may change over time and the conclusions and recommendations set forth herein are applicable only to the facts and conditions described in this report at this time. Conclusions and recommendations were made within the operative constraints of the scope of work, budget, and schedule for this project. This report is not meant to represent a legal opinion. No other warranty, expressed or implied, is made.

This report is intended for the exclusive use of Sunrise USA, Inc. and their representatives for specific application to the subject property. Any future consultations or other services to third parties related to this project requires written authorization from Sunrise USA, Inc. Any such ECI provided services to third parties is new work requiring formal agreement with the third party and will be performed in accordance with the formal agreement.

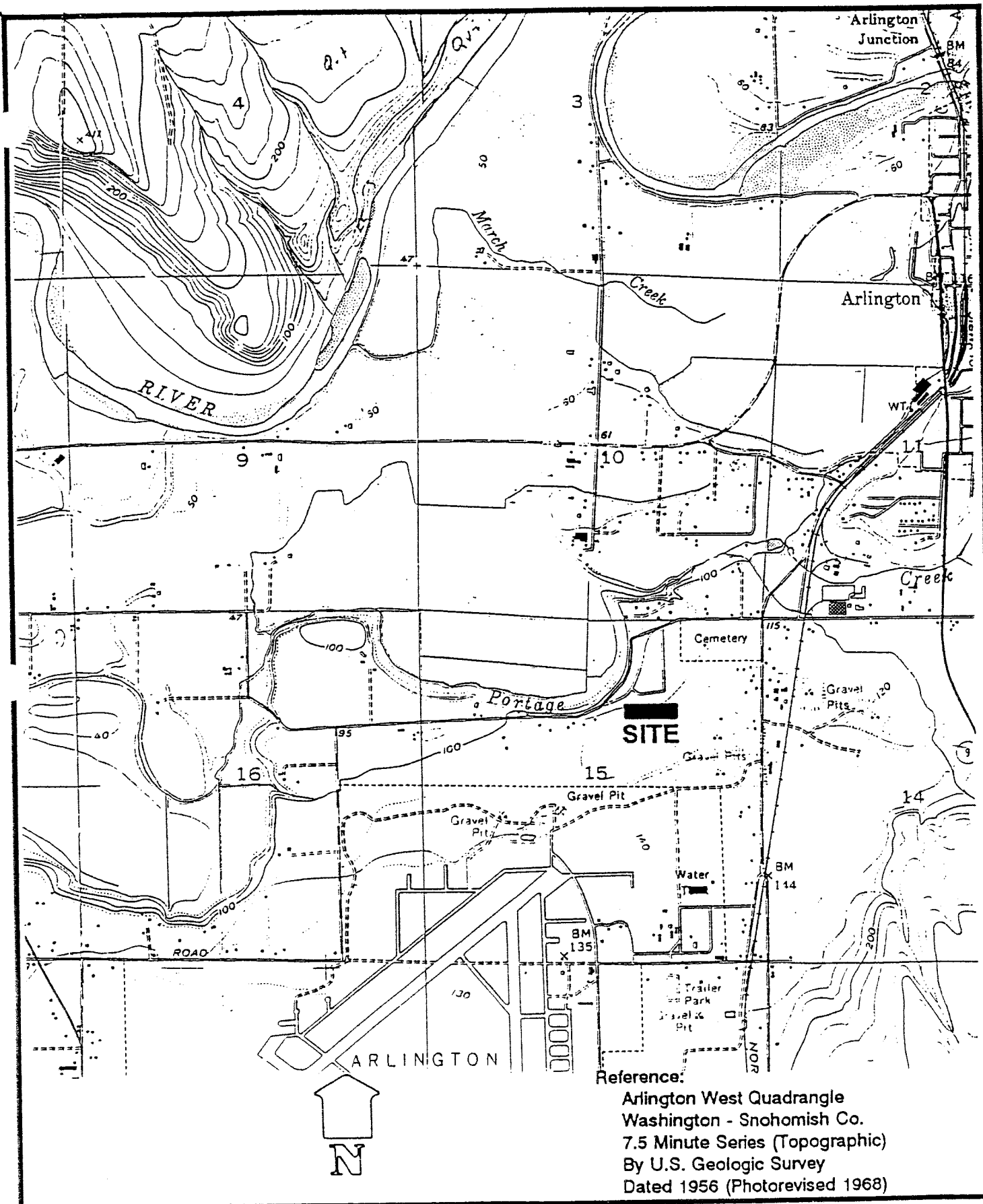
Our work did not include sampling and testing of soil, groundwater, surface water, drinking water, asbestos, or radon vapor.

8.0 LIST OF REFERENCES

- 1) U.S. Environmental Protection Agency Region 10, Superfund Sites in the Pacific Northwest, 8/22/95.
- 2) U.S. Environmental Protection Agency Superfund Program, CERCLIS, Region 10, Site Event Listing, 10/20/95.
- 3) U.S. Environmental Protection Agency RCRA Notifiers List, Region 10, 10/11/95.
- 4) U.S. Environmental Protection Agency ERNS Lists, Arlington, Washington, 1987-1995.
- 5) Washington State Department of Ecology Toxic Cleanup Program - Hazardous Sites List, 08/22/95; Confirmed and Suspected Contaminated Sites list, 11/13/95; and Site Registers, 11/21/95 through 1/02/96.
- 6) Washington State Department of Ecology, Listing of Registered Underground Storage Tanks, 06/19/95.
- 7) Washington State Department of Ecology, Leaking Underground Storage Tank Sites, 11/14/95.
- 8) Snohomish Health District, Solid Waste Sites of Record, 04/15/94.
- 9) Aerial photographs dated 1947, 1955, 1967, 1976, 1981, 1985, 1993; Walker and Associates, Seattle Office.
- 10) USGS Topographic Map, Arlington West, Washington, 1956, revised 1968.
- 11) Snohomish County Property Tax Assessment Records for Tax #7463-000-008-0007, 7463-000-009-0006, 7463-000-010-0003.
- 12) Geologic Map of the Arlington West Quadrangle, Snohomish County, Washington, 1985.
- 13) Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process; American Society for Testing and Materials (ASTM), 1916 Race Street, Philadelphia, PA 19103; E-1527-94, June 1994.
- 14) Chain-of-Title Document, Order No. 526323.CH, Transamerica Title Insurance Company, 2939 Colby Avenue, Everett, Washington, 98104.
- 15) Ecology and Environmental, Inc., Site Inspection Report for Arlington/Marysville Landfill, Arlington, #TDDF10--8704-01, dated 6/87.

LIST OF REFERENCES, Continued

- 16) Sweet, Edwards and Associates, Inc., Operations, Closure and Post-Closure Plans, J.H. Baxter North Woodwaste Landfill, Arlington, Washington, #999-08.02, dated 11/87.
- 17) Emcon, Summary Report - Groundwater Sample Results 1994, J.H. Baxter North Woodwaste Landfill, #0191-001.03, dated 7/12/95.
- 18) Ecology file information, G. H. Cook Company, reviewed 1/8/96.
- 19) Ecology file information, J. H. Baxter Company, review 1/8/96.
- 20) Woodward-Clyde Consultants, Soil and Ground Water Investigation, Arlington, Washington (J.H. Baxter Co.) Wood Treating Facility, #temp05/dw02.per, dated 12/90.
- 21) Telephone conversations between Mr. Duane Weston of Pacific Denkmann Company and Ms. Wendy Stroschein of ECI, 01/10/96, 01/11/96.
- 22) Telephone conversation between Ms. MaryAnn Monty of Ramo, Inc. and Ms. Wendy Stroschein of ECI, 01/10/96.
- 23) Telephone conversation between Mr. Ralph Monty of Ramo, Inc. and Ms. Wendy Stroschein of ECI, 01/12/96.



Earth Consultants Inc.
 Geotechnical Engineers, Geologists & Environmental Scientists

Vicinity Topographic Map
 Airport 37 Industrial Park - Lots 8, 9 & 10
 Snohomish County, Washington

Proj. No. 7062

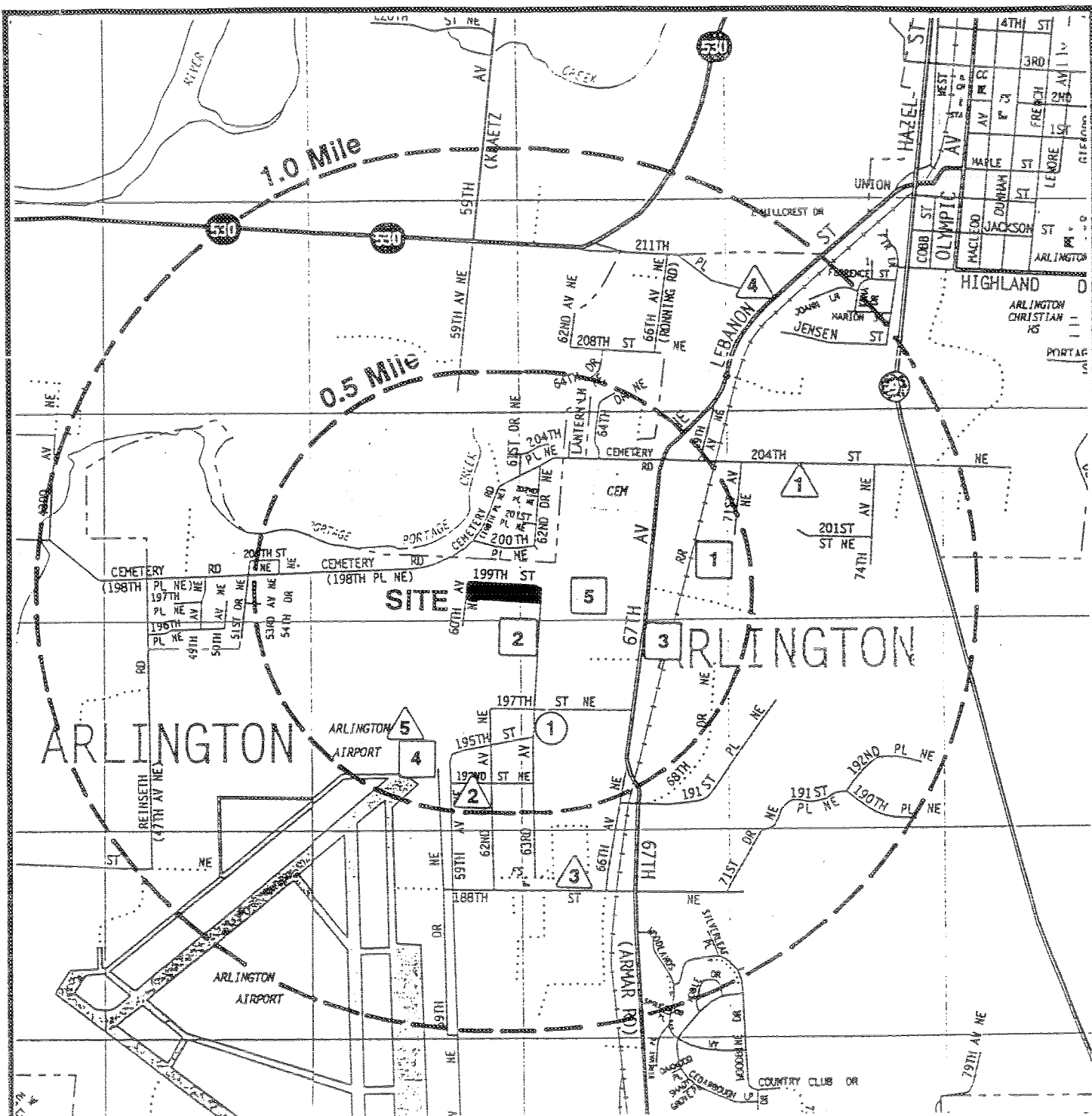
Drwn. GLS

Date Dec. '95

Checked WS

Date 12/29/95

Plate 1



LEGEND

- △ TPC Site
- LUST Site
- Landfills



Reference:

Snohomish County / Maps 316 & 317
By Thomas Brothers Maps
Dated 1993



Earth Consultants Inc.
Geotechnical Engineers, Geologists & Environmental Scientists

Vicinity Street Map
Airport 37 Industrial Park - Lots 8,9 & 10
Snohomish County, Washington

Proj. No. 7062

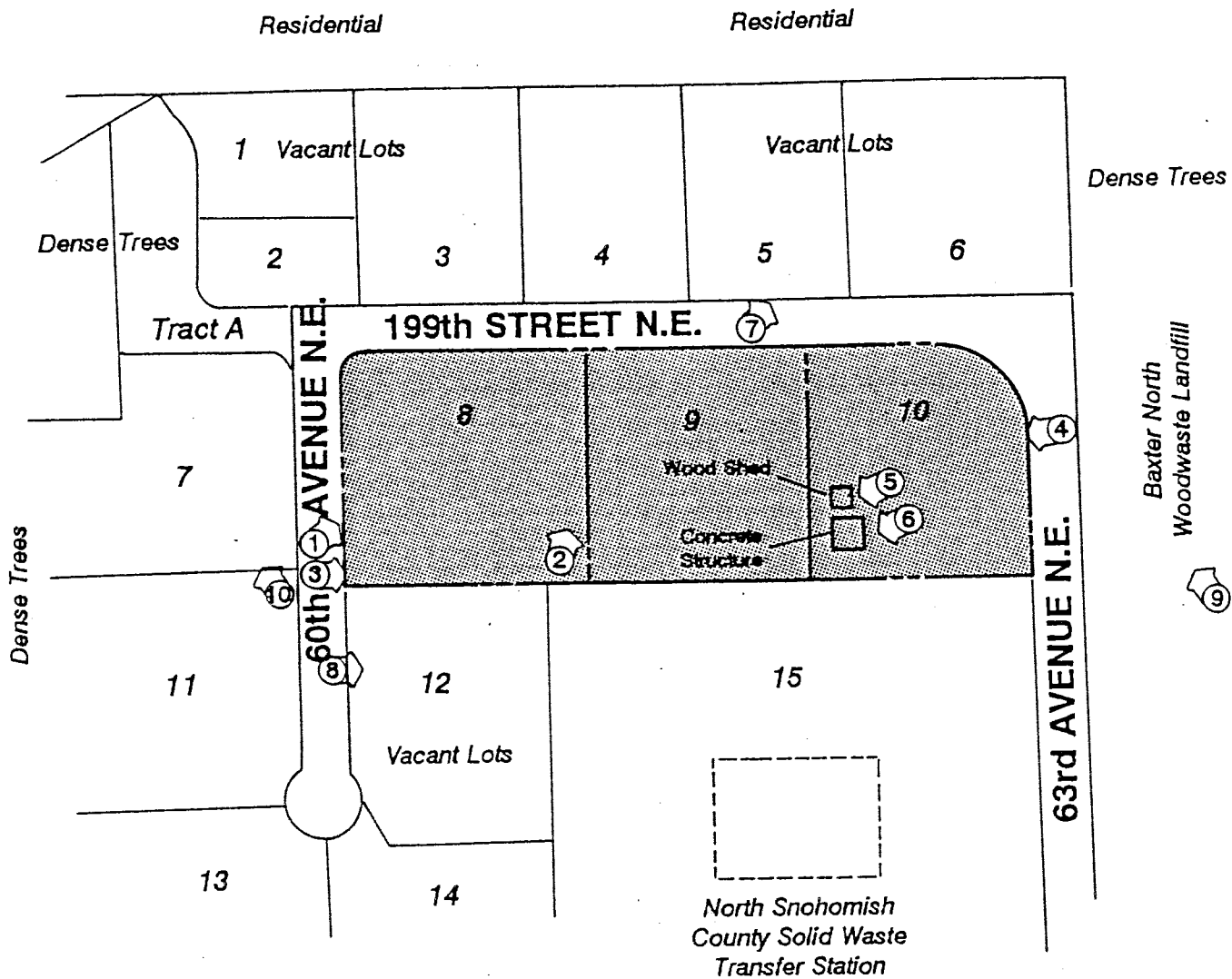
Drwn. GLS

Date Dec. '95

Checked WS

Date 12/29/95

Plate 2



LEGEND



Photo Number and
Direction of View

9

Lot Number



Existing Building



Subject Site



Not-To-Scale



Earth Consultants Inc.
Geotechnical Engineers, Geologists & Environmental Scientists

Site Plan
Airport 37 Industrial Park - Lots 8,9 & 10
Snohomish County, Washington

Proj. No. 7062

Drwn. GLS

Date Dec. '95

Checked WS

Date 12/29/95

Plate 3

Appendix A
Site Photographs



Photo 1 Subject Site - east portion of Lot 8.



Photo 2 Drainage swale between Lots 8 and 9.

Photos Dated 12/15/95

E-7062

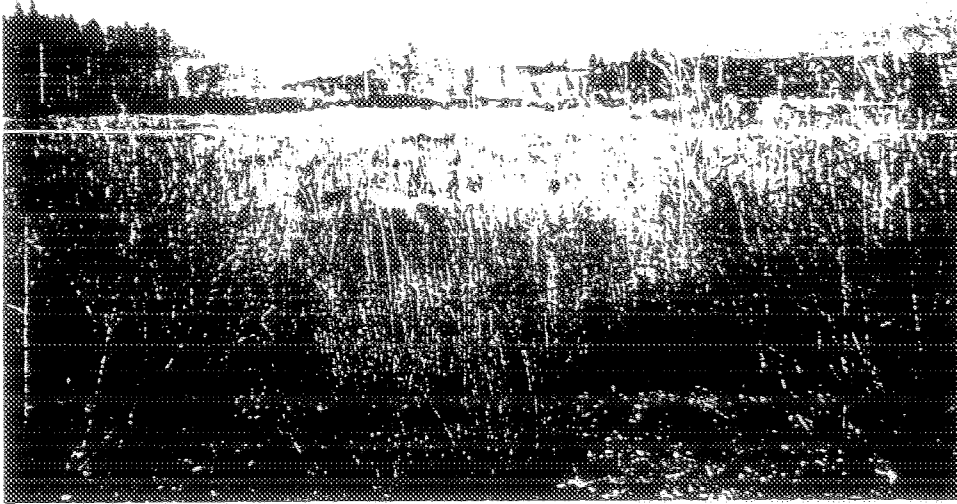


Photo 3 Subject Site looking east.

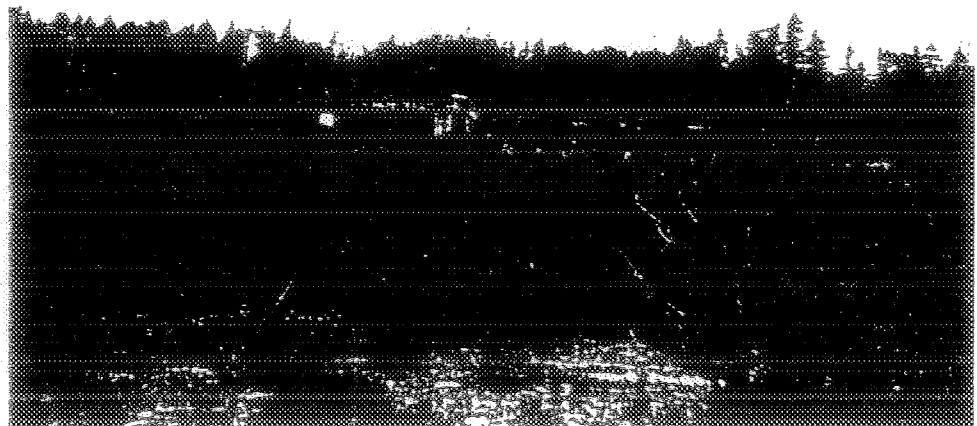


Photo 4 Subject Site looking west.

Photos Dated 12/15/95

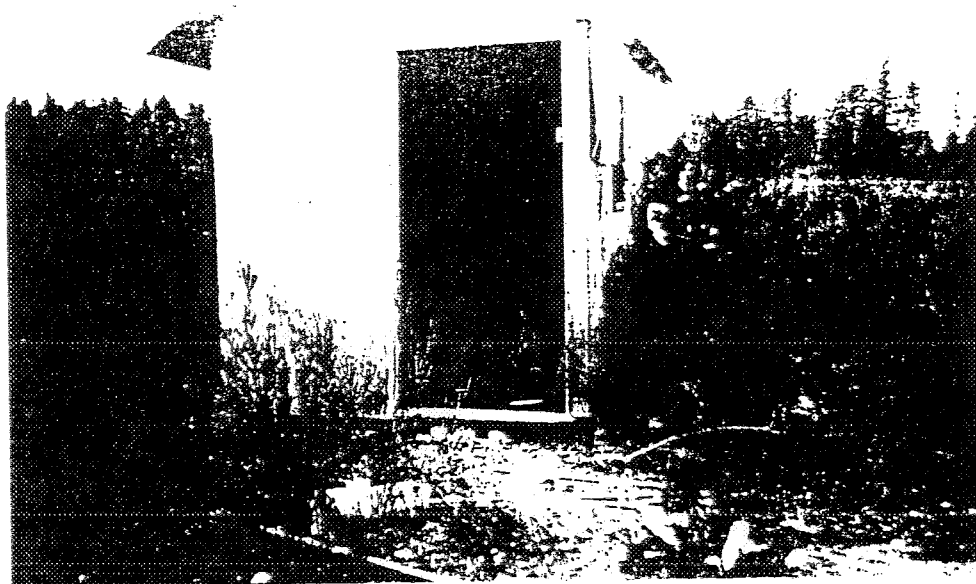


Photo 5 Wood Shed and construction debris in southwest portion of Lot 10.

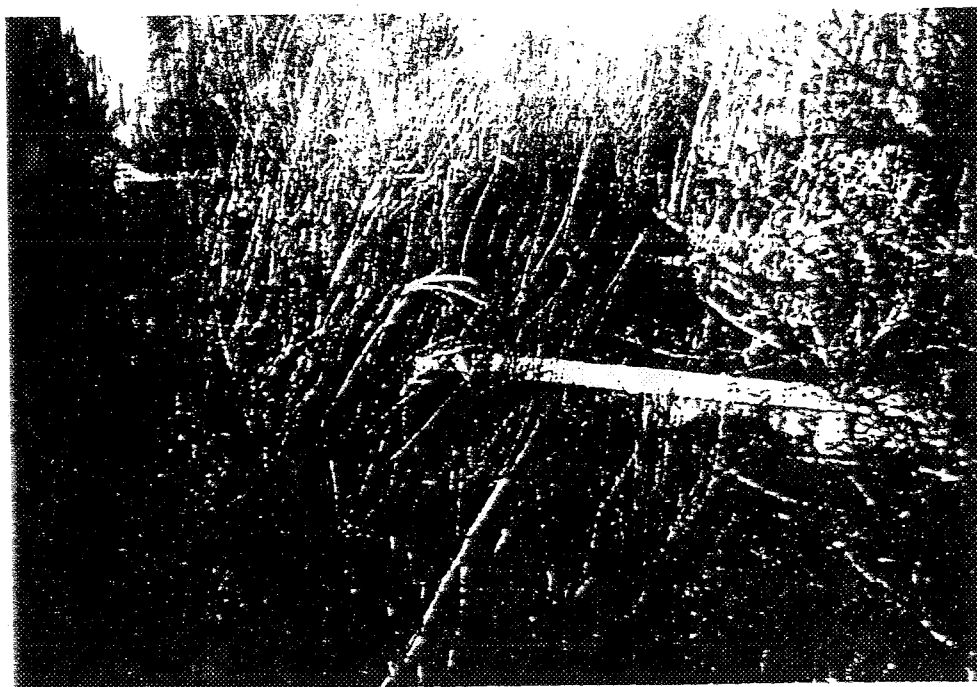


Photo 6 Concrete Structure - southwest portion of Lot 10.

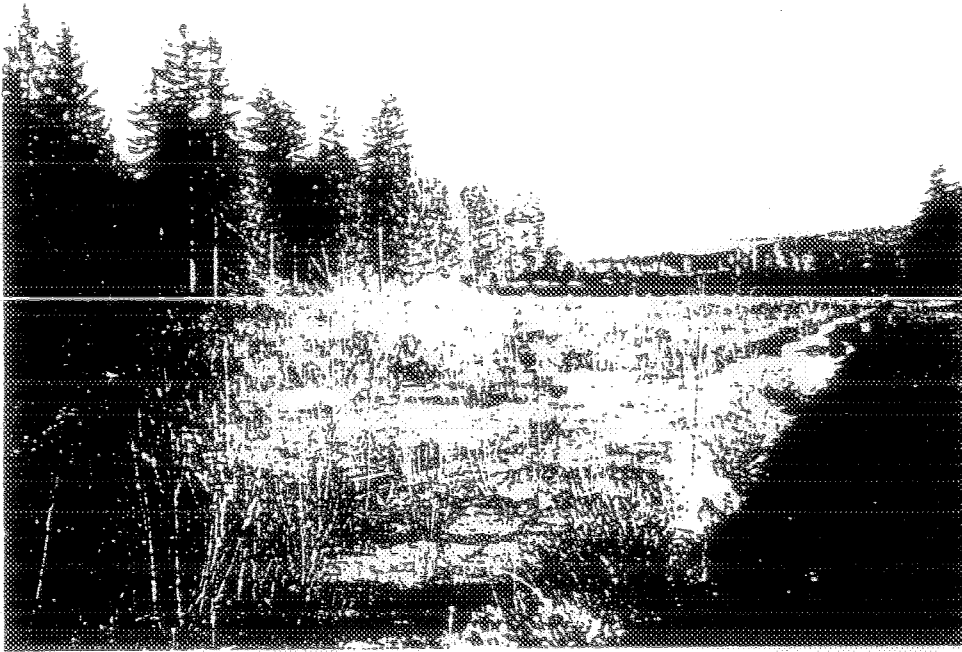


Photo 7 Adjacent property north.

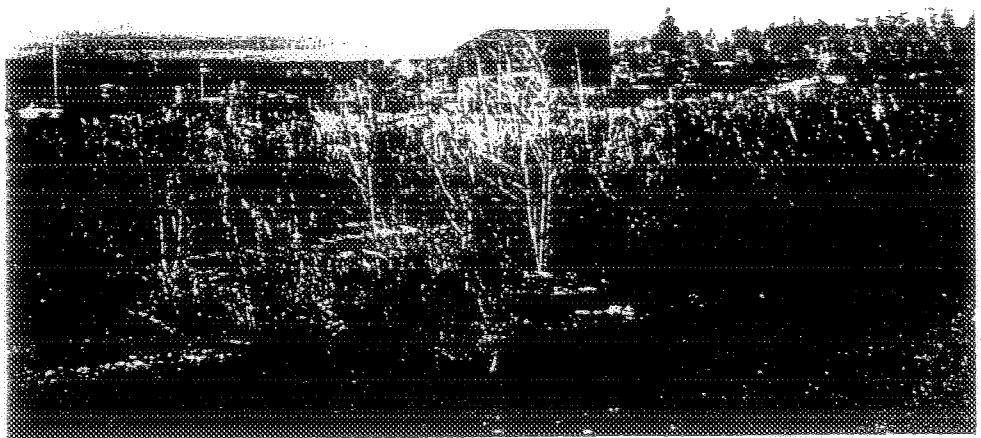


Photo 8 Adjacent property south.

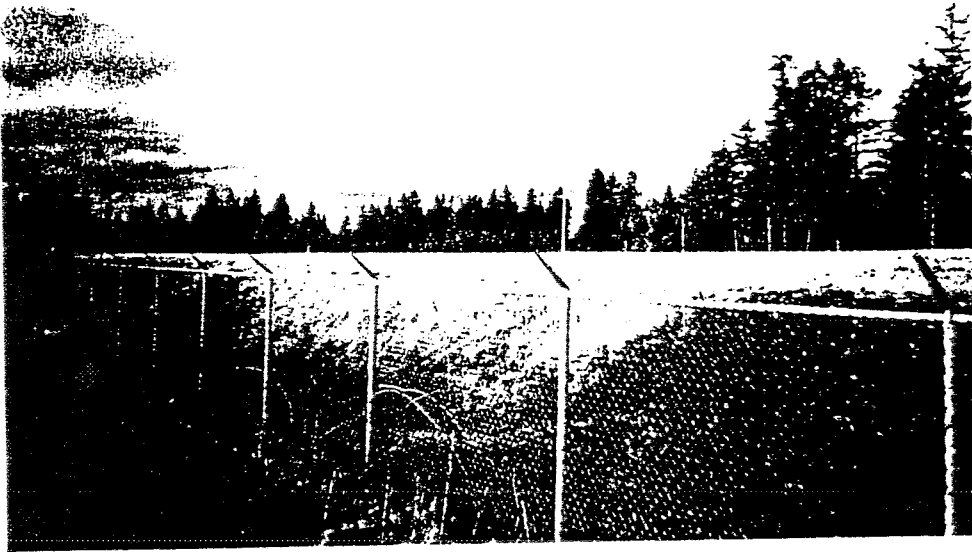


Photo 9 Adjacent property east.



Photo 10 Adjacent property west.

Appendix B

Chain-of-Title Documentation

TRANSAMERICA TITLE INSURANCE COMPANY
2939 COLBY AVENUE
EVERETT, WASHINGTON 98201

Prepared for:

BBS International
720 Olive Way, Suite 1025
Seattle, WA 98101
Attn: Lisa Pizzuto

Charge : \$150.00
Sales Tax: 11.85
Total : \$161.85

Order No.: 526323.CH

C H A I N O F T I T L E C E R T I F I C A T E

Subject to the terms and conditions set forth in the attached Application, executed by the Applicant on December 13, 1995, which Application is attached hereto and made a part hereof, including, without limitation, the definitions of terms used in this Certificate, the Company hereby certifies to the Applicant that the following identified and attached documents constitute all of the Designated Documents requested in the Application.

Designated Documents:

1. RECORDING NO.: 898024
 RECORDING DATE: November 16, 1948
 DOCUMENT: Quit Claim Deed
 GRANTOR: Julia Birckenmeier
 GRANTEE: Bernadette G. Birckenmeier and Aileen Iris
 Carter

2. RECORDING NO.: 1051713
 RECORDING DATE: January 29, 1953
 DOCUMENT: Warranty Deed
 GRANTOR: Marion Hutchinson, Mildred Birckenmeier
 Aileen B. Carter and Bernadette G
 Birckenmeier
 GRANTEE: Erling Stolesen and Martha Stolesen
 husband and wife and Erling Espedal an
 Sigrund Espedal, husband and wife

3. RECORDING NO.: 1493099
 RECORDING DATE: October 31, 1961
 DOCUMENT: Statutory Warranty Deed
 GRANTOR: Erling Stolesen and Martha Stolesen, hi
 wife and Erling Espedal and Sigrun
 Espedal, his wife
 GRANTEE: Pacific Denkmann Company, a corporation

RECORDING NO.: 2071161
RECORDING DATE: December 30, 1968
DOCUMENT: Real Estate Contract
GRANTOR: Pacific Denkmann Company, a Washington Corporation
GRANTEE: Greenacres, Inc., a Washington Corporation

5. RECORDING NO.: 2097325
RECORDING DATE: June 10, 1969
DOCUMENT: Real Estate Contract
GRANTOR: Greenacres, Inc., a Washington Corporation
GRANTEE: Lloyd G. Barker and Emily Barker, his wife, and Spencer S. Smith and Ruth E. Smith, his wife

6. RECORDING NO.: 2154949
RECORDING DATE: July 16, 1970
DOCUMENT: Statutory Warranty Deed
GRANTOR: Pacific Denkmann Company, a Washington Corporation
GRANTEE: Greenacres, Inc., a Washington Corporation

7. RECORDING NO.: 2314079
RECORDING DATE: September 26, 1973
DOCUMENT: Statutory Warranty Deed
GRANTOR: Pacific Denkmann Company, a Washington Corporation
GRANTEE: Greenacres, Inc., a Washington Corporation

8. RECORDING NO.: 2326032
RECORDING DATE: January 17, 1974
DOCUMENT: Quit Claim Deed
GRANTOR: Lloyd G. Barker and Emily Barker, his wife, and Spencer S. Smith and Ruth E. Smith, his wife
GRANTEE: Greenacres, Inc., a Washington Corporation

9. RECORDING NO.: 2330850
RECORDING DATE: March 5, 1974
DOCUMENT: Real Estate Contract
GRANTOR: Greenacres Investment Corp., a Washington Corporation, formerly Greenacres, Inc.
GRANTEE: Lloyd L. Larsen and Irene Larsen, his wife

10. RECORDING NO.: 7801300113
RECORDING DATE: January 30, 1978
DOCUMENT: Real Estate Contract
GRANTOR: Lloyd L. Larsen and Irene Larsen, husband and wife
GRANTEE: Ramo, Inc., a Washington Corporation, and Kerr-Belmark Construction, a partnership, each 50% undivided interest

11.	RECORDING NO.:	7804030060
	RECORDING DATE:	April 3, 1978
	DOCUMENT:	Purchaser's Assignment of Contract and Deed
	GRANTOR:	Kerr-Belmark Construction, a partnership, as to 50% undivided interest
	GRANTEE:	Ramo, Inc., a Washington Corporation
12.	RECORDING NO.:	7806090238
	RECORDING DATE:	June 9, 1978
	DOCUMENT:	Amend Real Estate Contract
	GRANTOR:	Lloyd L. Larsen and Irene Larsen, husband and wife
	GRANTEE:	Ramo, Inc., a Washington Corp.
13.	RECORDING NO.:	7808180024
	RECORDING DATE:	August 18, 1978
	DOCUMENT:	Real Estate Contract
	GRANTOR:	Ramo, Inc., a Washington corporation
	GRANTEE:	Airport 37 Investors, a partnership
14.	RECORDING NO.:	7905230206
	RECORDING DATE:	May 23, 1979
	DOCUMENT:	Statutory Warranty Deed
	GRANTOR:	Greenacres Investment Corporation, a Washington Corporation, formerly Greenacres, Inc.
	GRANTEE:	Lloyd L. Larsen and Irene Larsen, husband and wife
15.	RECORDING NO.:	7907030041
	RECORDING DATE:	July 3, 1979
	DOCUMENT:	Statutory Warranty Deed
	GRANTOR:	Lloyd L. Larsen and Irene Larsen, husband and wife
	GRANTEE:	Kerr-Belmark Construction, and Ramo, Inc. each 50% undivided interest
16.	RECORDING NO.:	8206220136
	RECORDING DATE:	June 22, 1982
	DOCUMENT:	Notice of Intention to Declare Forfeiture of and Cancel Real Estate Contract
	GRANTOR:	Ramo, Inc., a Washington Corporation
	GRANTEE:	Airport 37 Investors, a partnership
17.	RECORDING NO.:	8206220137
	RECORDING DATE:	June 22, 1982
	DOCUMENT:	Notice of Declaration of Forfeiture and Cancellation of Real Estate Contract
	GRANTOR:	Ramo, Inc., a Washington Corporation
	GRANTEE:	Airport 37 Investors, a partnership

RECORDING NO.: 8610220065
RECORDING DATE: October 22, 1986
DOCUMENT: Deed and Purchaser's Assignment of Real Estate Contract
GRANTOR: Airport 37 Investors, a limited partnership
GRANTEE: Investors 24, Inc., a Washington corporation

19. RECORDING NO.: 8809120327
RECORDING DATE: September 12, 1988
DOCUMENT: Statutory Warranty Deed
GRANTOR: Ramo, Inc., a Washington Corporation
GRANTEE: Airport 37 Investors, a partnership

20. RECORDING NO.: 9010240133
RECORDING DATE: October 24, 1990
DOCUMENT: Statutory Warranty Deed
GRANTOR: Investors 24, Inc., a Washington Corporation
GRANTEE: Delta Properties, a Washington General Partnership

the certification provided by this Certificate is not valid, and the Company shall have no liability hereunder unless:

- a) The Application referred to above is attached hereto; and
- b) this Certificate is executed by an officer or other designated employee of the Company. AGENTS OR OTHER PERSONS NOT DIRECTLY EMPLOYED BY THE COMPANY HAVE NO AUTHORITY TO BIND THE COMPANY UNDER THIS CERTIFICATE.

Effective Date: December 8, 1995, at 8:00 A.M.

TRANSAMERICA TITLE INSURANCE COMPANY

BY Kerry Wise
For service on this order call:
252-1156 or Fax # 259-0526
Kerry Wise, Title Officer

cc: Earth Consultants
1805 136th Place NE
Suite 201
Bellevue, WA 98005
Attn: Deborah J. Kristof

DISTRIBUTION

E-7062

2 Copies

Sunrise USA, Inc.
c/o BBS International, Inc.
720 Olive Way
Suite 1025
Seattle, Washington 98101

Attention: Ms. Lisa Pizzuto