



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

Northwest Regional Office • 3190 160th Ave SE • Bellevue, WA 98008-5452 • 425-649-7000
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July 25, 2017

Mr. Matt Segrest
Alamo Manhattan Bellevue LLC
2808 Fairmount Street
Dallas, TX 75201

Re: No Further Action at the following Site:

- **Site Name:** Alamo Manhattan Main Street
- **Site Address:** 10505 Main Street, Bellevue, WA 98004
- **Facility/Site No.:** 5245
- **Cleanup Site ID:** 12266
- **VCP Project No.:** NW2811

Dear Mr. Segrest:

The Washington State Department of Ecology (Ecology) received your request for an opinion on your independent cleanup of the Alamo Manhattan Main Street facility (Site). This letter provides our opinion. We are providing this opinion under the authority of the Model Toxics Control Act (MTCA), Chapter 70.105D RCW.

Issue Presented and Opinion

Is further remedial action necessary to clean up contamination at the Site?

NO. Ecology has determined that no further remedial action is necessary to clean up contamination at the Site.

This opinion is dependent on the continued performance and effectiveness of the post-cleanup controls and monitoring specified below.

This opinion is based on an analysis of whether the remedial action meets the substantive requirements of MTCA, Chapter 70.105D RCW, and its implementing regulations, Chapter 173-340 WAC (collectively “substantive requirements of MTCA”). The analysis is provided below.



Description of the Site

This opinion applies only to the Site described below. The Site is defined by the nature and extent of contamination associated with the following releases:

- Benzene, ethylbenzene, xylenes, total petroleum hydrocarbons (TPH) as gasoline (TPHg), TPH as diesel (TPHd), TPH as oil (TPHo), tetrachloroethene (PCE), and naphthalene in Soil.
- Benzene, TPHg, TPHd, TPHo, and PCE in Ground Water.

Enclosure A includes a detailed description and diagrams of the Site, as currently known to Ecology.

Please note a parcel of real property can be affected by multiple sites. At this time, we have no information that the parcel associated with this Site is affected by other sites.

Basis for the Opinion

This opinion is based on the information contained in the following documents:

1. Riley Group, *Phase I Environmental Site Assessment Report, Aaron Brothers Retail Property, 10505, 10507, 10509, and 10525 Main Street, Bellevue, Washington*, March 21, 2012.
2. Riley Group, *Phase II Subsurface Investigation Report, Proposed Main Street Development, 10505 to 10509 and 10515 to 10525 Main Street, Bellevue, Washington*, July 24, 2012.
3. Riley Group, *Additional Groundwater Monitoring Well Installation and Sampling Report, Proposed Main Street Development, 10505 to 10509 and 10515 to 10525 Main Street, Bellevue, Washington*, June 19, 2013.
4. Riley Group, *Phase I Environmental Site Assessment Update, Main Street Development Property, 10505 to 10525 Main Street, Bellevue, Washington*, June 26, 2013.
5. Riley Group, *Excavation Work Plan, Main Street Development, 10505 to 10525 Main Street, Bellevue, Washington*, July 17, 2013.

6. Riley Group, *Remedial Action Report, Main Street Apartments Development, 10505 Main Street, Bellevue, Washington*, June 13, 2014.
7. Riley Group, *Groundwater Characterization Work Plan, Main Street Apartments Development, 10505 Main Street, Bellevue, Washington*, October 30, 2014.
8. Riley Group, *Groundwater Characterization Report, Alamo Manhattan Main Street, 10505 Main Street, Bellevue, Washington*, July 22, 2015.
9. Department of Ecology, *Further Action Opinion Letter, VCP Site NW2811, Alamo Manhattan Main Street*, June 6, 2016.
10. Riley Group, *Method B Groundwater Evaluation Technical Memorandum, Alamo Manhattan Main Street*, July 21, 2016.
11. Riley Group, *Response to Ecology June 6, 2016 Opinion Letter, Technical Memorandum, Alamo Manhattan Main Street*, August 11, 2016.
12. Riley Group, *Supplemental Remedial Investigation Work Plan, Alamo Manhattan Main Street*, August 11, 2016.
13. Riley Group *Revised Supplemental Remedial Investigation Report, Alamo Manhattan Main Street*, January 18, 2017.
14. Riley Group *Focused Feasibility Study and Disproportionate Cost Analysis, Alamo Manhattan Main Street*, January 18, 2017.
15. Riley Group, *Technical Memorandum, Groundwater Evaluation, Main Street Apartments Development, VCP No. NW2811*, May 12, 2017.

The reports listed above will be kept in the Central Files of the Northwest Regional Office of Ecology (NWRO) for review by appointment only. Appointments can be made by calling the NWRO resource contact at 425-649-7235 or sending an email to nwro_public_request@ecy.wa.gov.

This opinion is void if any of the information contained in those documents is materially false or misleading.

Analysis of the Cleanup

Ecology has concluded that **no further remedial action** is necessary to clean up contamination

at the Site. That conclusion is based on the following analysis:

1. Characterization of the Site.

Ecology has determined your characterization of the Site is sufficient to establish cleanup standards and select a cleanup action. The Site is described above and in **Enclosure A**.

The lateral and vertical extent of impacted soil and ground water have been adequately defined upon completion of several investigations and cleanup actions conducted from 2012 through 2017. Soil analytical results of confirmation samples were below MTCA Method A cleanup levels, with the exception of two areas of the remedial excavation area where cleanup of soils with concentrations above Method A was not feasible due to geotechnical constraints of the building excavation. These two areas are addressed by the Environmental Covenant, as discussed below in this letter.

Analytical results from ground water samples collected from Site monitoring wells were below Method B cleanup levels calculated for TPHd in ground water using established Ecology procedures, for four consecutive quarterly sampling events. All other contaminants of concern in ground water were documented to be below applicable cleanup levels.

2. Establishment of cleanup standards.

Ecology has determined that cleanup levels and points of compliance you established for the Site meet the substantive requirements of MTCA.

Soil

Cleanup Levels: The Site does not meet the MTCA definition of an industrial property; therefore, soil cleanup levels suitable for unrestricted land use are appropriate. Soil cleanup levels based on leaching (protection of ground water) and protection of direct contact are appropriate. The MTCA Method A cleanup levels for benzene, ethylbenzene, xylenes, TPHg, TPHd, TPHo, PCE, and naphthalene are considered appropriate for soil at the Site and are protective of human health and the environment.

Soil cleanup levels protective of terrestrial ecological receptors are not necessary because the Site meets the following Terrestrial Ecological Evaluation (TEE) exclusion criteria (WAC 173-340-7491):

- All soil contamination is at least 15 feet below the surface;
- All contaminated soil is covered by a physical barrier (a building); and

- There is less than 1.5 acres of contiguous undeveloped land on or within 500 feet of the Site and the Site does not contain any of the chemicals listed in Section 7491.

Point of Compliance: For soil cleanup levels based on the protection of ground water, the standard point of compliance is defined as Site-wide throughout the soil profile and may extend below the water table. This is the appropriate point of compliance for the Site.

Ground Water

Cleanup Levels: MTCA Method A cleanup levels for benzene, TPHg, TPHo, and PCE are the applicable ground water cleanup levels for this Site. The Ecology *Worksheet for Calculating Potable Groundwater Cleanup Levels* was used to calculate Method B cleanup levels for TPHd in ground water, using volatile and extractable petroleum hydrocarbon fraction data from laboratory analysis of ground water samples.

Point of Compliance: The standard point of compliance for ground water is throughout the Site, from the uppermost level of the saturated zone extending vertically to the lowest depth that could potentially be affected.

3. Selection of cleanup action.

Ecology has determined the cleanup action you selected for the Site meets the substantive requirements of MTCA.

The cleanup selected consisted of excavation, removal, and off-Site disposal of soil with concentrations of chemicals of concern greater than MTCA cleanup levels, during excavation of the building foundation. The selected cleanup action was documented in the feasibility study and disproportionate cost analysis, and meets applicable minimum requirements for cleanup actions stipulated in WAC 173-340-360: protect human health and the environment, comply with cleanup standards, use permanent solutions, and provide for reasonable restoration times.

4. Cleanup.

Ecology has determined the cleanup you performed meets the cleanup standards established for the Site. This determination is dependent on the continued performance and effectiveness of the post-cleanup controls and monitoring specified below.

Five underground storage tanks (USTs) and a septic tank were encountered and decommissioned as part of building foundation construction and remedial action work completed at the Site during August through October 2013. Soil was excavated at the Site to depths of an elevation of approximately 42 to 50 feet below ground surface (bgs) prior to construction of the apartment building. A total of 1,434 tons of the excavated, contaminated soil was removed from the Site and transported for off-Site disposal at licensed facilities. Confirmation soil samples were collected following the excavation work, as described in the 2014 Remedial Action Report and discussed in the June 2016 opinion letter by Ecology.

The following residual soil contamination remains at the Site and is addressed in the Environmental Covenant (see **Enclosure B**):

- Soil with TPHd concentrations above MTCA Method A cleanup levels, between 42 and 50 feet bgs in remedial excavation Area 3.
- Soil with TPHd and tetrachloroethene (PCE) concentrations above MTCA Method A cleanup levels, at a depth of approximately 36 feet bgs at the location of former monitoring well MW-4.

Post-Cleanup Controls and Monitoring

Post-cleanup controls and monitoring are remedial actions performed after the cleanup to maintain compliance with cleanup standards. This opinion is dependent on the continued performance and effectiveness of the following:

1. Compliance with institutional controls.

Institutional controls prohibit or limit activities that may interfere with the integrity of engineered controls or result in exposure to hazardous substances. The following institutional control is necessary at the Site:

- Containment of soil. The remedial action for the Site is based on containing contaminated soil under an existing cap consisting of a concrete garage floor slab situated at the ground level of the underground parking garage associated with the Main Street Apartments building. The floor slab is situated at approximately elevation 78 feet above mean sea level (msl). Contaminated soil locations are situated on the southwestern portion of the Property. The primary purpose of this cap is to minimize the potential for contact with contaminated soil.

To implement this control, an Environmental Covenant has been recorded on the following parcel of real property in King County:

- 5223300005

Ecology approved the Environmental Covenant, which was recorded by King County on June 27, 2017. A copy of the Environmental Covenant is included in **Enclosure B**.

2. Operation and maintenance of engineered controls.

Engineered controls prevent or limit movement of, or exposure to, hazardous substances. The following engineered control is necessary at the Site:

- Periodic inspections to confirm the integrity of the concrete garage floor slab.

Ecology has approved the Operation, Maintenance, Inspection, and Contingency Plan you submitted for this engineered control. A copy of the plan (Exhibit E to the Environmental Covenant) is included in **Enclosure C**.

3. Performance of confirmational monitoring.

Confirmational monitoring is necessary at the Site to verify the long-term effectiveness of the cleanup. The monitoring data will be used by Ecology during periodic reviews of post-cleanup conditions. Ecology has approved the Groundwater Monitoring Plan you submitted. A copy of the monitoring plan (Exhibit F to the Environmental Covenant) is included in **Enclosure D**.

Periodic Review of Post-Cleanup Conditions

Ecology will conduct periodic reviews of post-cleanup conditions at the Site approximately every 5 years to ensure that they remain protective of human health and the environment. If Ecology determines, based on a periodic review, that further remedial action is necessary at the Site, then Ecology will withdraw this opinion.

Listing of the Site

Based on this opinion, Ecology will remove the Site from our Confirmed and Suspected Contaminated Sites List.

Limitations of the Opinion

1. Opinion does not settle liability with the state.

Liable persons are strictly liable, jointly and severally, for all remedial action costs and for all natural resource damages resulting from the release or releases of hazardous substances at the Site. This opinion **does not**:

- Resolve or alter a person's liability to the state.
- Protect liable persons from contribution claims by third parties.

To settle liability with the state and obtain protection from contribution claims, a person must enter into a consent decree with Ecology under RCW 70.105D.040(4).

2. Opinion does not constitute a determination of substantial equivalence.

To recover remedial action costs from other liable persons under MTCA, one must demonstrate that the action is the substantial equivalent of an Ecology-conducted or Ecology-supervised action. This opinion does not determine whether the action you performed is substantially equivalent. Courts make that determination. *See* RCW 70.105D.080 and WAC 173-340-545.

3. State is immune from liability.

The state, Ecology, and its officers and employees are immune from all liability, and no cause of action of any nature may arise from any act or omission in providing this opinion. *See* RCW 70.105D.030(1)(i).

Termination of Agreement

Thank you for cleaning up the Site under the Voluntary Cleanup Program (VCP). This opinion terminates the VCP Agreement governing this project (#NW2811).

Mr. Matt Segrest
July 25, 2017
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For more information about the VCP and the cleanup process, please visit our web site: www.ecy.wa.gov/programs/tcp/vcp/vcpmain.htm. If you have any questions about this opinion or the termination of the Agreement, please contact me by phone at 425-649-7257 or e-mail at michael.warfel@ecy.wa.gov.

Sincerely,



Michael R. Warfel, Site Manager
NWRO Toxics Cleanup Program

MW: NM

Enclosures (4): A – Description and Diagrams of the Site
 B – Environmental Covenant, King County Tax Parcel 5223300005
 C – Operation, Maintenance, Inspection, and Contingency Plan
 D – Groundwater Monitoring

cc: Jerry Sawetz, Riley Group
 Sonia Fernandez, VCP Coordinator, Ecology
 Matt Alexander, VCP Financial Manager, Ecology

Enclosure A

Description and Diagrams of the Site

Site Description

This section provides Ecology's understanding and interpretation of Site conditions, and is the basis for the opinions expressed in the body of the letter.

Site: The Site is defined by benzene, ethylbenzene, xylenes, total petroleum hydrocarbons (TPH) as gasoline (TPHg), TPH as diesel (TPHd), TPH as oil (TPHo), tetrachloroethene (PCE), and naphthalene releases in soil. The Site is also defined as benzene, TPHg, TPHd, TPHo, and PCE releases in ground water. The Site is located at 10505 Main Street in Bellevue, Washington (the Property) on King County tax parcel number 5223300005, which covers 1.45 acres (**Figure 1**). Two former tax parcels (5223300005 and 5223300015) were combined to form this current parcel (**Figure 2**).

Area and Property Description: The Property is located in downtown Bellevue (see **Figure 1**). The Property is bounded by 105th Avenue SE on the west, Main Street on the north, 107th Avenue SE on the east, and a multi-unit residential building on the south. The Property is presently occupied by a six-story wood-frame apartment building with 260 units and two levels of underground parking that was constructed in 2014.

Site History: Historical Property uses included the following businesses since the mid-1940s:

- Automobile sales and repair.
- Gasoline service stations.
- Oil fuel sales.
- Photo processing.
- Residential dry cleaning.
- Pet supply store.
- Restaurant.

Sources of Contamination: The following potential and documented sources of soil and ground water contamination were identified by due diligence assessments, subsurface investigations, and remedial excavations (see **Figure 2**):

- Former Parcel 5223300015, western 1/3 of Property:
 - Dry cleaning machine.
 - Floor drains and septic tank.
 - 2,000-gallon gasoline underground storage tank (UST), pump island dispenser, and associated piping.

- Former Parcel 5223300005, eastern 2/3 of Property:
 - Three 1,000-gallon fuel USTs, a 500-gallon UST, pump island dispensers, underground fuel piping, and two underground hydraulic hoists associated with a former service station and auto repair facility.
 - 500-gallon heating oil UST.
 - 900- and 660-gallon USTs associated with a former fueling area.
 - Oil/water separator.

Physiographic Setting: The Site is situated on the northern terminus of a ridge that trends north-south parallel to Lake Washington to the west. The land surface at the Site slopes from south to the northwest, north, and northeast, between approximate elevations of 120 feet to 80 feet above mean sea level (msl).

Surface/Storm Water System: The nearest surface water body is Meydenbauer Bay (an inlet of Lake Washington) located approximately 2,000 feet west of the Site (see **Figure 1**). Storm water in the vicinity of the Site is collected in catch basins on City of Bellevue streets.

Ecological Setting: The Site is located in a developed area adjacent to the downtown core of Bellevue and is surrounded by commercial and residential land uses. The Property is primarily covered by impervious surfaces (apartment building roof and sidewalks), with bordering landscaped areas. The surrounding area is developed commercial and residential land uses.

Geology: Borings and monitoring wells drilled on the Site encountered 25 to 37 feet of dense to very dense silty fine sand, on top of a very dense silty sand to sandy silt that was observed to a depth of 60 feet below ground surface (bgs), the maximum depth explored.

Ground Water: Subsurface explorations drilled at the Site prior to construction of the present apartment building encountered ground water at depths of 45 to 50 feet bgs. Ground water data from two former monitoring wells drilled prior to December 2014 (MW-3 and MW-4; see **Figure 3**) indicated a likely ground water flow direction to the northwest.

Monitoring wells MW5, RW1, and RW2 were installed in 2013 and 2014 to further assess ground water flow conditions. After ground water level data indicated that MW5 was likely in a cross-gradient location with respect to Site contamination sources, MW6 was installed in August 2016 to serve as an additional monitoring well.

Monitoring wells RW1, RW2, and MW6 were installed below the lower level of the underground parking garage beneath the apartment building, which is at an elevation of approximately 78 feet above msl. Data from this monitoring well network indicates ground water flow directions to the north-northeast and east in the vicinity of monitoring wells RW1 and RW2, and to the southwest in the vicinity of monitoring well MW6 (see **Figure 3**).

Release and Extent of Contamination: In 2013, soil with TPHd and PCE concentrations above MTCA Method A cleanup levels were detected at a depth of approximately 36 feet bgs in soil samples from the MW-4 borehole. Ground water samples collected from MW-4 in May and

June 2013 showed concentrations of benzene above Method A cleanup levels. Locations of pre-remediation subsurface explorations are shown on **Figure 2**. Subsequent sampling conducted during subsurface investigations and remedial excavations completed at the Site confirmed the release of the other chemicals noted above in the Site definition.

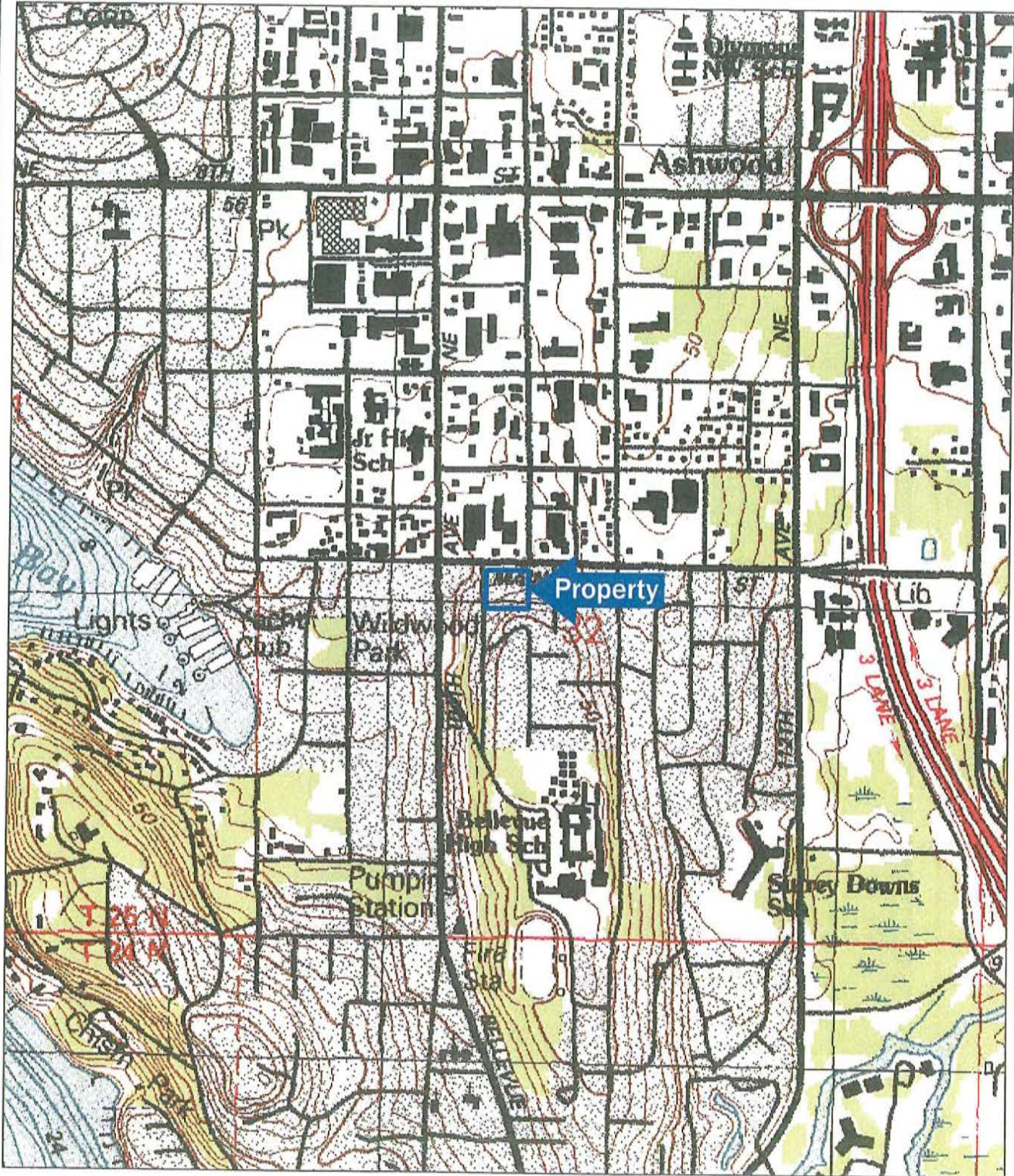
Cleanup Actions: Five USTs and a septic tank were encountered and decommissioned as part of building foundation construction and remedial action work completed at the Site during August through October 2013. Soil was excavated at the Site to an elevation of approximately 74 feet above msl prior to construction of the apartment building. Of this excavated soil, a total of 1,434 tons of contaminated soil were removed from the Site and transported for off-Site disposal at licensed facilities. Confirmation soil samples were collected following the excavation work, as described in the 2014 Remedial Action report and discussed in the June 2016 opinion letter by Ecology.

The following residual soil contamination remains at the Site (**Figure 4**), which is addressed in the Environmental Covenant (Enclosure B):

- Soil with TPHd concentrations above MTCA Method A cleanup levels, between 42 and 50 feet bgs in remedial excavation Area 3.
- Soil with TPHd and tetrachloroethene (PCE) concentrations above MTCA Method A cleanup levels, at a depth of approximately 36 feet bgs at the location of former monitoring well MW-4.

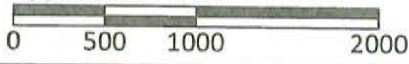
The two monitoring wells affected by Site contamination (RW1 and RW2) showed sampling results for Site COCs below cleanup levels for four consecutive quarterly monitoring events conducted between June 2016 and January 2017 (**Figure 5**). An additional ground water monitoring event for these wells completed in May 2017 also showed results below cleanup levels.

Site Diagrams



USGS, 1983, Bellevue South, Washington
7.5-Minute Quadrangle

Approximate Scale: 1"=1000'



Corporate Office
17522 Bothell Way Northeast
Bothell, Washington 98011
Phone: 425.415.0551
Fax: 425.415.0311

Main Street Apartments Development

Figure 1

RGI Project Number
2012-107K

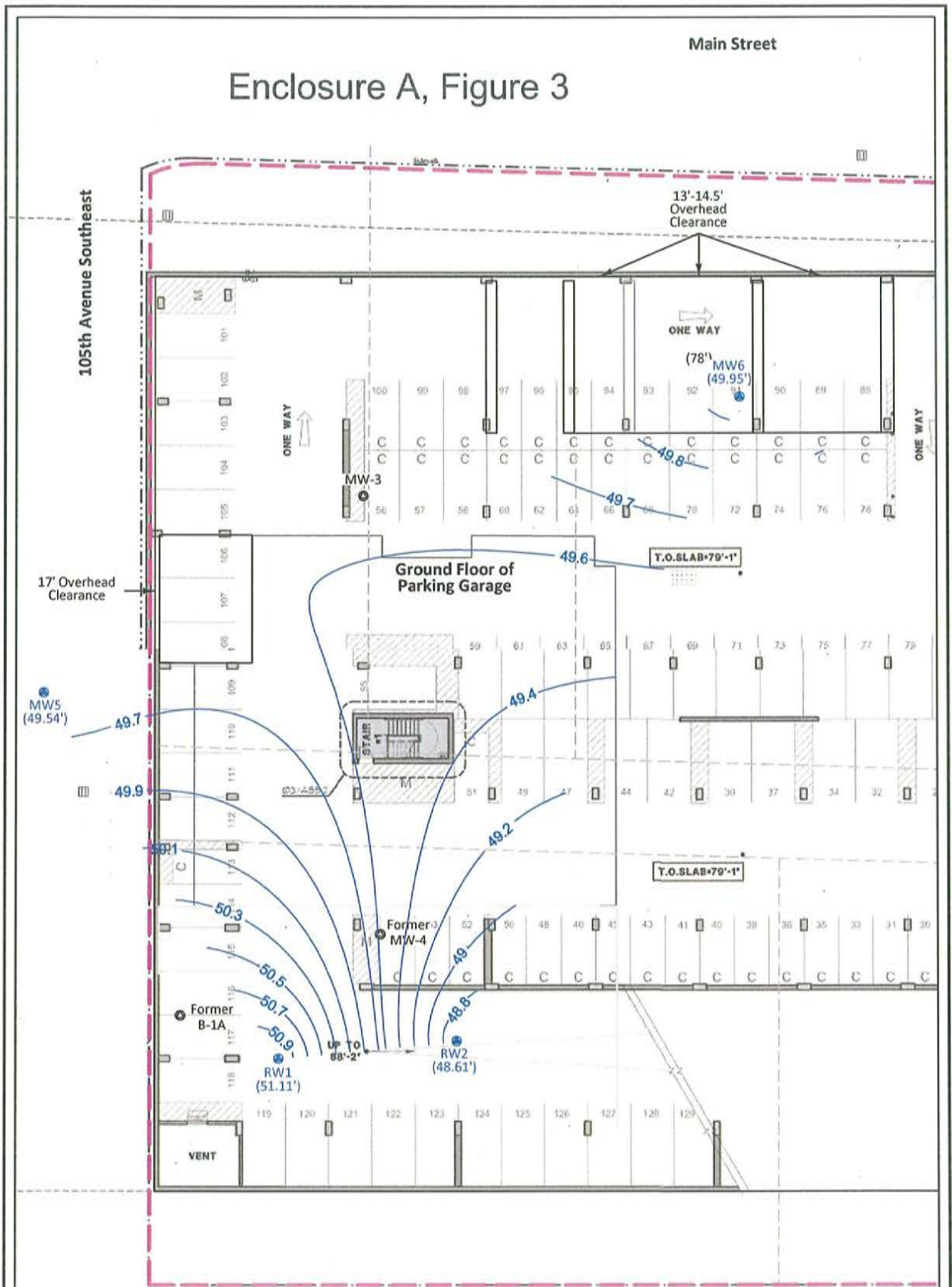
Property Vicinity Map

Date Drawn:
07/2015

Address: 10505 Main Street, Bellevue, Washington 98004

Enclosure A, Figure 1

Enclosure A, Figure 3



— 90.75 — = Groundwater contours generated using Surfer Software (based on Kriging method).
 Contours based on August 29, 2016 water level measurements.
 Dashed where inferred, queried where uncertain.

(#) = Approximate elevation (51.11) = Groundwater elevation (in feet)

↖ = Groundwater flow direction based on groundwater elevations recorded on August 29, 2016

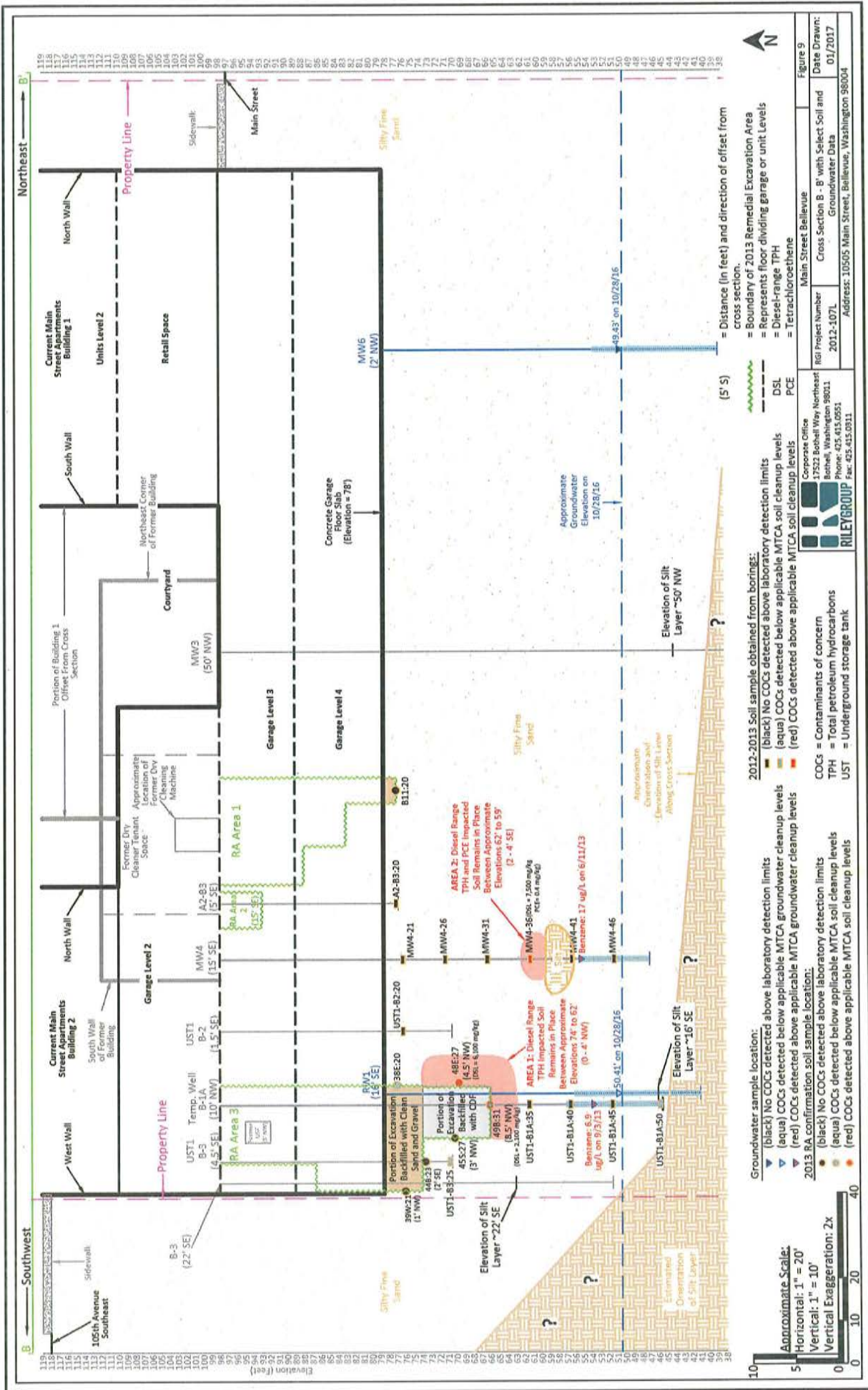
● = Existing groundwater monitoring well location

⊙ = Former groundwater monitoring well location

— (in pink) — = Property boundary

Approximate Scale: 1"=20'

0 10 20 40 N



Enclosure A, Figure 4

Enclosure B

**Environmental Covenant
for Institutional Controls**

After Recording Return
Original Signed Covenant to:
Mr. Michael Warfel
Toxics Cleanup Program
Department of Ecology
Northwest Region
3190 160th Ave SE
Bellevue, Washington 98008



Environmental Covenant

Grantor: Alamo Manhattan Bellevue, LLC
Grantee: State of Washington, Department of Ecology (hereafter "Ecology")
Brief Legal Description: Parcel A, City of Bellevue Boundary Line Adjustment No. 13-109430 LW
Tax Parcel No.: King County Tax Parcel 5223300005
Cross Reference: No Further Action Opinion, VCP Project No. NW2811, Alamo Manhattan Main Street, 10505 Main Street, Bellevue WA 98004

RECITALS

- a. This document is an environmental (restrictive) covenant (hereafter "Covenant") executed pursuant to the Model Toxics Control Act ("MTCA"), chapter 70.105D RCW, and Uniform Environmental Covenants Act ("UECA"), chapter 64.70 RCW.
- b. The property that is the subject of this Covenant is part or all of a MTCA site (hereafter "Site") known as the Alamo Manhattan Main Street property located at 10505 Main Street, Bellevue, Washington, Facility No. 5245 (hereafter "Property"). The Property is legally described in Exhibit A, and illustrated in Exhibit B, both of which are attached. If there are differences between these two Exhibits, the legal description in Exhibit A shall prevail.
- c. The Property has been the subject of remedial action conducted under MTCA, including the excavation and removal of 1,434 tons of contaminated soil during redevelopment. This Covenant is required because residual soil contamination remains on the Property after completion of remedial action. Specifically, the following principal contaminants remain on the Property:

Medium	Principal Contaminants Present
Soil	Diesel-range total petroleum hydrocarbons (TPH) Tetrachloroethylene (PCE)
Groundwater	Not applicable
Surface Water/Sediment	Not applicable

Remaining institutional controls for the Property due to the residual soil contamination include: (i) containment of residual contaminated soils beneath a cap consisting of the garage floor slab; and (ii) groundwater monitoring to occur at the time of the 5-year periodic review of the Covenant (anticipated in June 2022).

d. It is the purpose of this Covenant to restrict certain activities and uses of the Property to protect human health and the environment and the integrity of remedial action conducted at the Site. Records describing the extent of residual contamination and remedial action conducted are available through Ecology. This includes the following documents:

- *Remedial Action Report*, dated June 13, 2014 by The Riley Group, Inc. (RGI).
- *Supplemental Remedial Investigation Work Plan* dated August 22, 2016 by RGI.
- *Supplemental Remedial Investigation Report* dated January 18, 2017 by RGI.
- *Focused Feasibility Study and Disproportionate Cost Analysis* dated January 18, 2017 by RGI.
- *Technical Memorandum, Results of May 4, 2017 Groundwater Monitoring Event* dated May 12, 2017 by RGI.

e. This Covenant grants Ecology certain rights under UECA and as specified in this Covenant. As a Holder of this Covenant under UECA, Ecology has an interest in real property, however, this is not an ownership interest which equates to liability under MTCA or the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 *et seq.* The rights of Ecology as an “agency” under UECA, other than its’ right as a holder, are not an interest in real property.

COVENANT

Alamo Manhattan Bellevue, LLC, as Grantor and owner of the Property, hereby grants to the Washington State Department of Ecology, and its successors and assignees, the following covenants. Furthermore, it is the intent of the Grantor that such covenants shall supersede any prior interests the Grantor has in the Property, and shall run with the land and be binding on all current and future owners of any portion of, or interest in, the Property.

Section 1. General Restrictions and Requirements.

The following general restrictions and requirements shall apply to the Property:

a. **Interference with Remedial Action.** The Grantor shall not engage in any activity on the Property that may impact or interfere with the remedial action and any operation, maintenance, inspection or monitoring of remedial action without prior written approval from Ecology.

b. **Protection of Human Health and the Environment.** The Grantor shall not engage in any activity on the Property that may threaten continued protection of human health or the environment without prior written approval from Ecology. This prohibition includes, but is not limited to, any activity that results in the release of residual contamination that was contained as a part of the remedial action or that exacerbates or creates a new exposure to residual contamination remaining on the Property.

c. **Continued Compliance Required.** Grantor shall not convey any interest in any portion of the Property without providing for the continued adequate and complete operation, maintenance and monitoring of the remedial action and continued compliance with this Covenant.

d. **Leases.** Grantor shall restrict any lease for any portion of the Property to uses and activities consistent with this Covenant, and shall notify all lessees of the restrictions on the use of the Property.

e. **Preservation of Reference Monuments.** Grantor shall make a good faith effort to preserve any reference monuments and boundary markers used to define the areal extent of coverage of this Covenant. Should a monument or marker be damaged or destroyed, Grantor shall have it replaced by a licensed professional surveyor within 30 days of discovery of the damage or destruction.

Section 2. Specific Prohibitions and Requirements.

In addition to the general restrictions in Section 1 of this Covenant, the following additional specific restrictions and requirements shall apply to the Property.

a. **Containment of Soil.** The remedial action for the Property is based on containing contaminated soil under an existing cap consisting of a concrete garage floor slab situated at the ground level of the underground parking garage associated with the Main Street Apartments building located on the Property. The floor slab is situated at approximately elevation 78 feet above mean sea level (AMSL). Contaminated soil locations are situated only on the southwestern portion of the Property and these locations are illustrated in Exhibit C as Area 1 and Area 2. Area 1 consists of diesel-range total petroleum hydrocarbon (TPH) impacted soil extending from approximately elevation 74 feet AMSL to 62 feet AMSL. Area 2 consists of diesel-range TPH and PCE contaminated soil extending from approximately elevation 62 feet AMSL to 59 feet AMSL. The floor slab minimizes the potential for contact with contaminated soil. As such, the following restrictions apply within the areas illustrated on Exhibit C.

The Grantor shall not alter or remove the existing structures on the Property in any manner that would expose contaminated soil, result in a release of contaminants to the environment, or create a new exposure pathway, unless Ecology gives the Grantor prior written approval. Should the Grantor propose to remove all or a portion of the existing structures overlying the areas displayed in Exhibit C so that access to the contaminated soil is feasible, Ecology may require treatment or removal of the contaminated soil.

The Grantor covenants and agrees that it shall annually inspect the floor slab in the building parking garage (which caps the two areas of contaminated soil) and report to Ecology within thirty (30) days of the inspection. At any time, including observations or reports made outside of the annual inspection, if Grantor discovers any damage to the floor slab in areas above the two areas of contaminated soil that would indicate that the integrity or performance of the floor slab has been

compromised, then Grantor shall provide a report to Ecology within three (3) business days of the discovery of the damage.

Three groundwater monitoring wells (RW1, RW2, and MW6) are located in the bottom level of the building parking garage on the Property to monitor the performance of the remedial action. The Grantor shall inspect the monitoring wells annually, and shall maintain clear access to these monitoring wells and protect them from damage. At any time, including observations or reports made outside of the annual inspection, if Grantor discovers any damage to a monitoring well that would indicate that the integrity or performance of the monitoring well has been compromised, then Grantor shall provide a report to Ecology within three (3) business days of the discovery of the damage.

Unless Ecology approves of an alternative plan in writing, the Grantor shall promptly repair any damage to the floor slab or to a monitoring well, and shall submit a report documenting this work to Ecology within thirty (30) days of completing the repairs.

An Operation, Maintenance, Inspection, and Contingency Plan is attached as Exhibit E to this Environmental Covenant.

b. **Monitoring.** The Grantor agrees to conduct the following groundwater monitoring activities in order to demonstrate protectiveness of the remedial action:

- i. One groundwater monitoring event at the time of the 5-year Periodic Review of the Covenant (anticipated in June 2022). Groundwater shall be evaluated for compliance with Method B cleanup levels for TPH, to include:
 - a. Measurement of groundwater levels at RW1, RW2, and MW6.
 - b. Collection of groundwater samples from RW1 and RW2.
 - c. Analysis of groundwater samples for TPH-Dx (no silica gel), EPH, and VPH.
 - d. Evaluation of Method B compliance using the Ecology Method B worksheet.
 - e. Reporting of results to Ecology.
- ii. If Method B TPH concentrations in both samples are in compliance with Method B cleanup levels (both calculated from the Ecology Method B worksheet), Grantor may request that Ecology remove the groundwater monitoring requirement from this Covenant.
- iii. If either sample contains Method B TPH concentrations that are not in compliance with Method B cleanup levels, Grantor shall work with Ecology to determine appropriate next steps for the Site.

A Groundwater Monitoring Plan is included as Exhibit F to this Environmental Covenant.

Section 3. Access.

- a. The Grantor shall maintain clear access to all remedial action components necessary to construct, operate, inspect, monitor and maintain the remedial action.
- b. The Grantor freely and voluntarily grants Ecology and its authorized representatives, upon reasonable prior notice, the right to enter the Property at reasonable times to evaluate the effectiveness of this Covenant and the remedial action, and enforce compliance with this Covenant and those actions, including the right to take samples, inspect any remedial action conducted on the Property, and to inspect related records. Prior notice is not required in the event of an emergency or suspected threat to human health or the environment.
- c. No right of access or use by a third party to any portion of the Property is conveyed by this instrument.

Section 4. Notice Requirements.

- a. **Conveyance of Any Interest.** The Grantor, when conveying any interest within the area of the Property described and illustrated in Exhibit C, including but not limited to title, easement, leases, and security or other interests must:
 - i. Provide written notice to Ecology of the intended conveyance of title or ownership of the Property at least thirty (30) days in advance of the conveyance.
 - ii. Include in a conveying document or lease document a notice in substantially the following form, as well as a complete copy of this Covenant:

NOTICE: THIS PROPERTY IS SUBJECT TO AN ENVIRONMENTAL COVENANT GRANTED TO THE WASHINGTON STATE DEPARTMENT OF ECOLOGY ON [_____] AND RECORDED WITH THE KING COUNTY AUDITOR UNDER RECORDING NUMBER [_____]. USES AND ACTIVITIES ON THIS PROPERTY MUST COMPLY WITH THAT COVENANT, A COMPLETE COPY OF WHICH IS ATTACHED TO THIS DOCUMENT.
 - iii. Unless otherwise agreed to in writing by Ecology, provide Ecology with a complete copy of the executed document conveying title or ownership of the Property within thirty (30) days of the date of execution.
- b. **Reporting Violations.** Should the Grantor become aware of any violation of this Covenant, Grantor shall promptly report such violation in writing to Ecology.
- c. **Emergencies.** For any emergency or significant change in Site conditions due to Acts of Nature (for example, flood or fire) resulting in a violation of this Covenant, the Grantor is authorized to respond to such an event in accordance with state and federal law. The Grantor must notify Ecology in writing of the event and response actions planned or taken as soon as practical but no later than within three (3) business days of the discovery of the event.
- d. **Notification procedure.** Any required written notice, approval, reporting or other communication shall be delivered: (a) personally, (b) by United States registered or certified mail, postage prepaid, (c) by Federal Express or other reputable courier service regularly providing evidence of delivery (with charges paid by the party sending the notice), (d) by same day messenger service, or (e) by electronic mail, provided that such electronic mail shall be followed

within one (1) business day by separate delivery of such notice pursuant to clause (a), (b), (c) or (d) above. Any such notice to a party shall be addressed to the address(es) set forth below (subject to the right of a party to designate a different address for itself by notice similarly given):

<p>Alamo Manhattan Bellevue, LLC Mr. Matt Segrest 3012 Fairmount Street, Suite 100 Dallas, Texas 75201 (469) 941-4510 Matt.segrest@alamomanhattan.com</p> <p>and</p> <p>AIG Global Real Estate Investment Corp. Attention: Tim Barry 171 17th Street, Suite 1650 Atlanta, Georgia 30363 (404) 965-5961 tim.barry@aig.com</p> <p>and</p> <p>AIG Global Real Estate Investment Corp. Attention: President and General Counsel 80 Pine Street, 4th Floor New York, New York 10005 (646) 857-2300 john.mallinson@aig.com</p>	<p>Environmental Covenants Coordinator Washington State Department of Ecology Toxics Cleanup Program P.O. Box 47600 Olympia, WA 98504 7600 (360) 407-6000 ToxicsCleanupProgramHQ@ecy.wa.gov</p>
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Section 5. Modification or Termination.

- a. Grantor must provide written notice and obtain approval from Ecology at least sixty (60) days in advance of any proposed activity or use of the Property that is inconsistent with this Covenant. For any proposal that is inconsistent with this Covenant and permanently modifies an activity or use restriction at the Property:
- i. Ecology must issue a public notice and provide an opportunity for the public to comment on the proposal; and
 - ii. If Ecology approves of the proposal, the Covenant must be amended to reflect the change before the activity or use can proceed.

b. If the conditions at the Site requiring a Covenant have changed or no longer exist, then the Grantor may submit a request to Ecology that this Covenant be amended or terminated. Any amendment or termination of this Covenant must follow the procedures in MTCA and UECA and any rules promulgated under these chapters.

c. By signing this agreement, per RCW 64.70.100, the original signatories to this agreement, other than Ecology, in the event the Grantor no longer has a property interest in the Property, agrees to waive all rights to sign amendments and termination of this Covenant.

Section 6. Enforcement and Construction.

a. This Covenant is being freely and voluntarily granted by the Grantor.

b. Within ten (10) days of execution of this Covenant, Grantor shall provide Ecology with an original signed Covenant and proof of recording and a copy of the Covenant and proof of recording to others required by RCW 64.70.070.

c. Ecology shall be entitled to enforce the terms of this Covenant by resort to specific performance or legal process. All remedies available in this Covenant shall be in addition to any and all remedies at law or in equity, including MTCA and UECA. Enforcement of the terms of this Covenant shall be at the discretion of Ecology, and any forbearance, delay or omission to exercise its rights under this Covenant in the event of a breach of any term of this Covenant is not a waiver by Ecology of that term or of any subsequent breach of that term, or any other term in this Covenant, or of any rights of Ecology under this Covenant.

d. The Grantor shall be responsible for all costs associated with implementation of this Covenant. Furthermore, the Grantor, upon request by Ecology, shall be obligated to pay for Ecology's costs to process a request for any modification or termination of this Covenant and any approval required by this Covenant.

e. This Covenant shall be liberally construed to meet the intent of MTCA and UECA.

f. The provisions of this Covenant shall be severable. If any provision in this Covenant or its application to any person or circumstance is held invalid, the remainder of this Covenant or its application to any person or circumstance is not affected and shall continue in full force and effect as though such void provision had not been contained herein. As used in this Covenant, a "business day" means a day (excluding Saturday, Sunday and federal and state holidays) on which banks in Washington State are open for business.

g. A heading used at the beginning of any section or paragraph or exhibit of this Covenant may be used to aid in the interpretation of that section or paragraph or exhibit but does not override the specific requirements in that section or paragraph.

The undersigned Grantor warrants he/she holds the title to the Property and has authority to execute this Covenant.

Exhibit D

SUBORDINATION AGREEMENT

KNOW ALL PERSONS, That J.P. Morgan Chase Bank, N.A. ("Lender"), the beneficiary and holder of that certain Construction Loan and Security Agreement dated the 1st day of July, 2013 ("Instrument"), executed by Brian Fox, Vice-President-Underwriting Manager, and recorded in the office of the County Auditor of King County, State of Washington, on July 1, 2013, under Auditor's File Number 20130701001425, does hereby agree that said Instrument shall be subordinate to the interest of the State of Washington, Department of Ecology, under the environmental (restrictive) covenant dated June 27, 2017 (the "Covenant"), as demonstrated by the execution and recording of this Subordination Agreement the office of the County Auditor of King County, State of Washington. For the avoidance of doubt, this Subordination Agreement is not intended to and does not limit the Lender's rights to foreclose or avail itself of any other remedy under the Instrument; however, the requirements and rights of this Covenant shall survive any such foreclosure of exercise of Lender's rights and remedies.

Brian Fox

By: Brian Fox

Title: Authorized officer

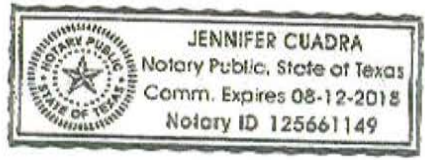
Dated: 6/21/17

CORPORATE ACKNOWLEDGMENT

STATE OF Texas

COUNTY OF Dallas

On this 21 day of June, 2017, I certify that Brian Fox personally appeared before me, acknowledged that he/she is the Authorized Officer of the corporation that executed the within and foregoing instrument, and signed said instrument by free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument for said corporation.



Jennifer Cuadra
Notary Public in and for the State of Texas¹⁶
Residing at 2200 Ross Ave, Dallas, TX 75201
My appointment expires 08/12/18

EXECUTED this 21st day of June, 2017.

[Signature] (signature)

By: Matt Segrest (printed)

Title: Manager

CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DALLAS

On this 21st day of JUNE, 2017, I certify that MATT SEGREST personally appeared before me, acknowledged that he/she is the MANAGER of the corporation that executed the within and foregoing instrument, and signed said instrument by free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument for said corporation.



[Signature]
Notary Public in and for the State of Texas
Residing at 3012 FAIRMOUNT ST. #100 DALLAS, TX 75201
My appointment expires 09/25/2019

The Department of Ecology, hereby accepts the status as GRANTEE and HOLDER of the above Environmental Covenant pertaining to the Alamo Manhattan Main Street property, 10505 Main Street, Bellevue, Washington, Facility No. 5245.

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

 (signature)

By: ROBERT W WARRIOR (printed)

Title: SECTION MANAGER

Dated: 6-23-17

Exhibit A

LEGAL DESCRIPTION

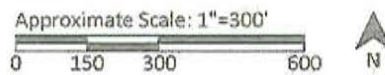
Parcel A, City of Bellevue Boundary Line Adjustments No. 13-109430 LW, recorded under recording no. 20130607900002, in King County, Washington;

Except that portion thereof conveyed to the City of Bellevue by deed of dedication recorded under recording no. 20131004001718.

Exhibit B
Property Maps



GIS, 2016, Bellevue, Washington

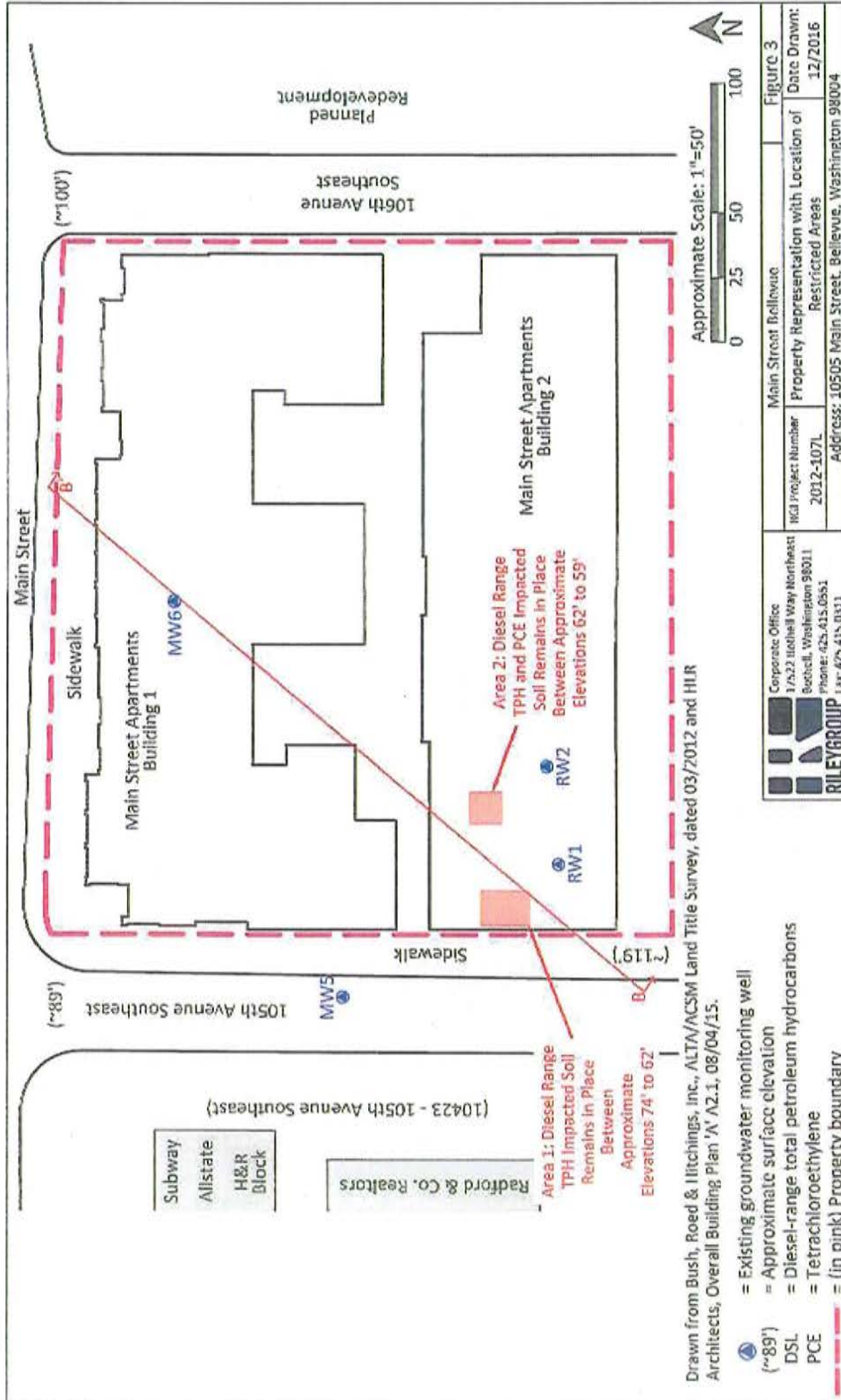


RILEYGROUP
Corporate Office
17522 Bothell Way Northeast
Bothell, Washington 98011
Phone: 425.425.0551
Fax: 425.415.0811

Main Street Bellevue		Figure 1
RGI Project Number 2012-1071	Property Vicinity Map	Date Drawn: 12/2016
Address: 10505 Main Street, Bellevue, Washington 98004		

Exhibit C

Maps Illustrating Location of Restrictions

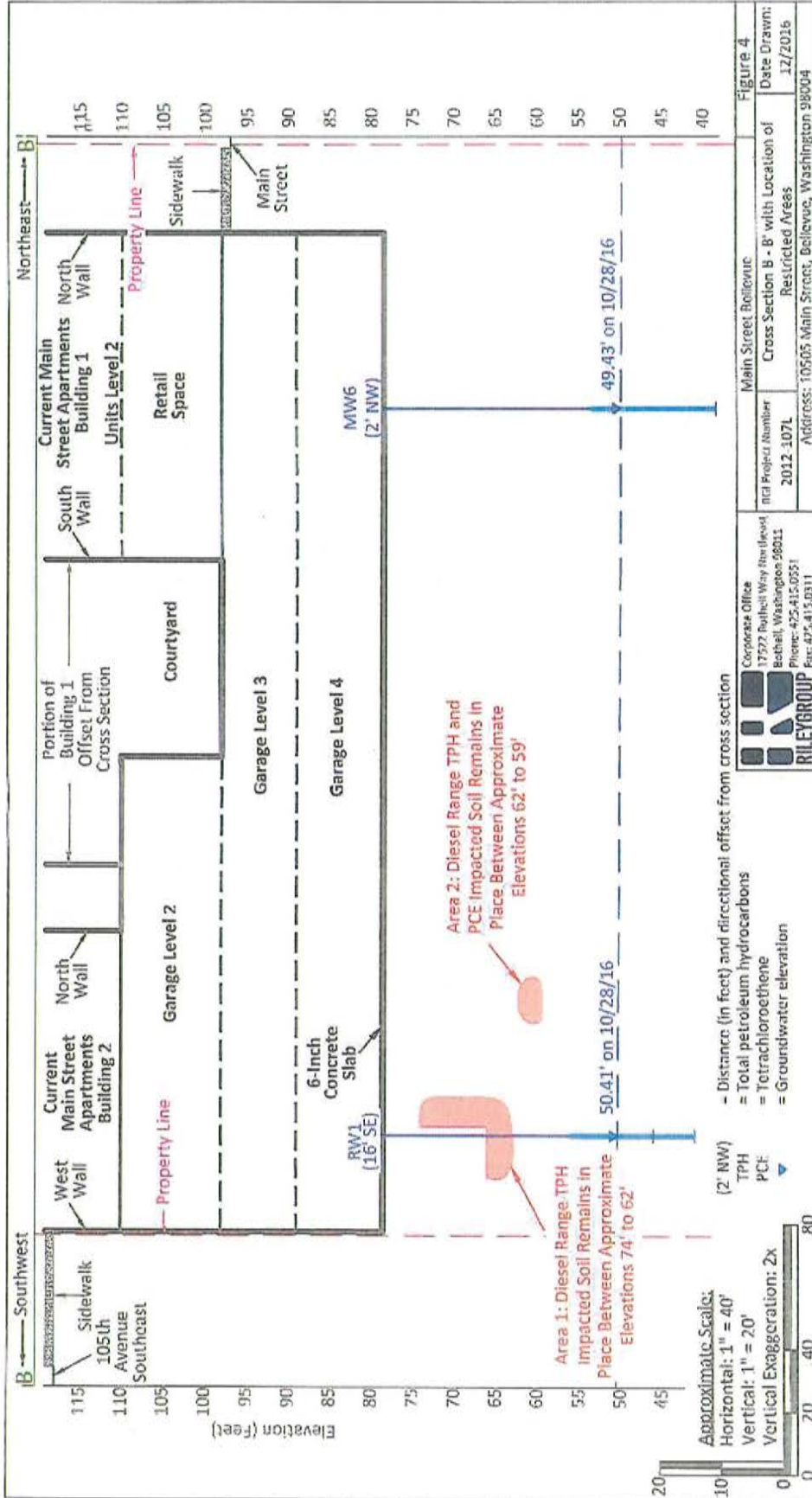


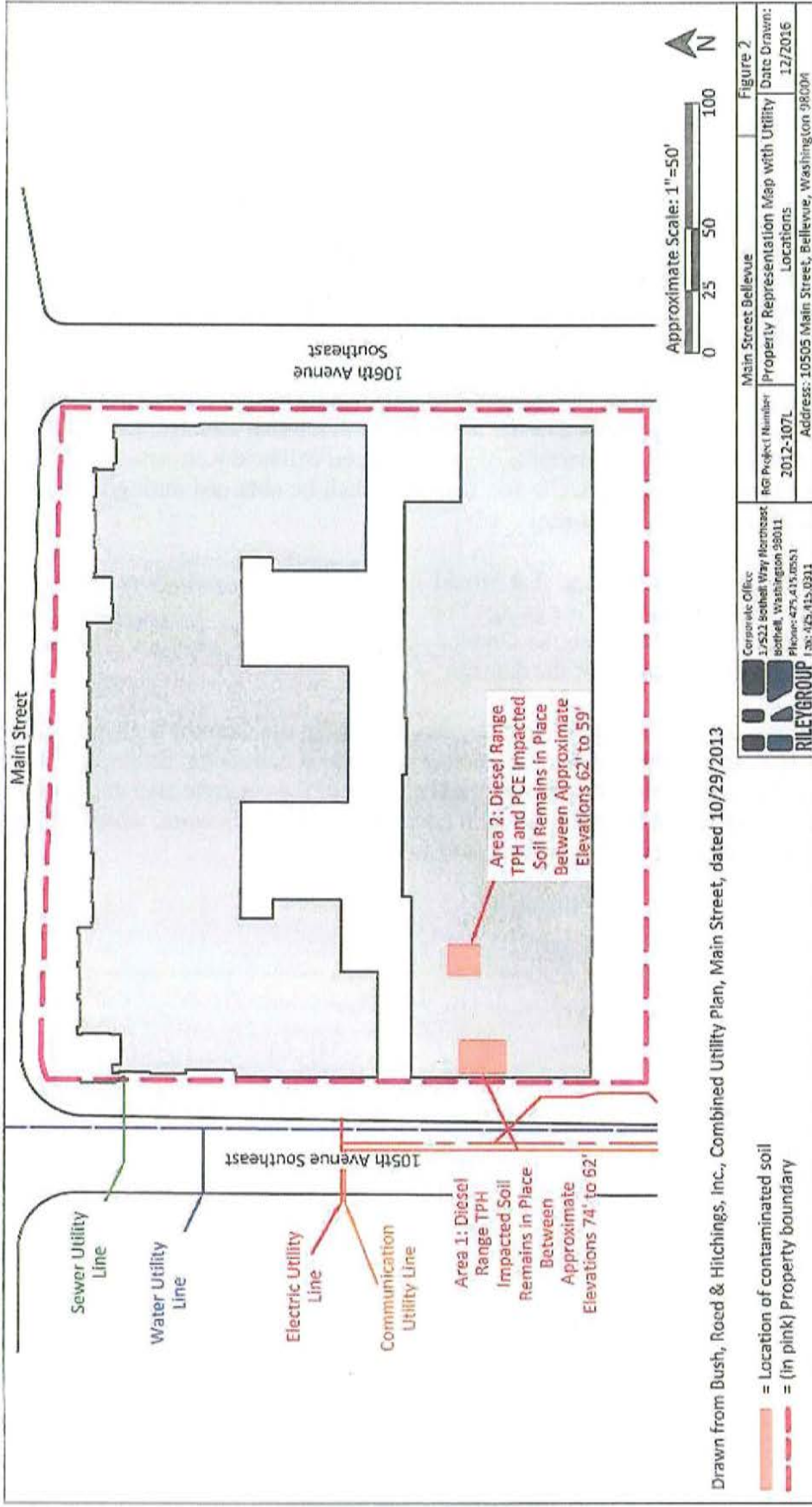
Drawn from Bush, Reed & Hitchings, Inc., ALTA/ACSM Land Title Survey, dated 03/2012 and HIR Architects, Overall Building Plan 'A' A2.1, 08/04/15.

- ⊙ = Existing groundwater monitoring well
- (~89') = Approximate surface elevation
- DSL = Diesel-range total petroleum hydrocarbons
- PCE = Tetrachloroethylene
- (in pink) = Property boundary

RILEYGROUP
 Corporate Office
 1722 110th Way Northeast
 Bellevue, Washington 98011
 Phone: 425-415-0551
 Fax: 425-415-0311

Main Street Bellevue
 Property Representation with Location of Restricted Areas
 NCA Project Number: 2012-107L
 Address: 10505 Main Street, Bellevue, Washington 98004
 Figure 3
 Date Drawn: 12/2016





Drawn from Bush, Rood & Hitchings, Inc., Combined Utility Plan, Main Street, dated 10/29/2013

		Corporate Office: 17511 Bothell Way Northeast Bothell, Washington 98011 Phone: 425.415.0551 Fax: 425.415.0311 RILEYGROUP	
Main Street Bellevue Property Representation Map with Utility Locations		RGI Project Number: 2012-107L	Figure 2 Date Drawn: 12/2016
Address: 10505 Main Street, Bellevue, Washington 98004			

Exhibit E

OPERATION, MAINTENANCE, INSPECTION, AND CONTINGENCY PLAN

The garage floor slab and three groundwater monitoring wells are situated at the lower level of the parking garage (RW1, RW2, and MW6) at the Main Street Apartments Building located on the Property. The garage floor slab and the monitoring wells shall be inspected on an annual basis in order to determine if any damage has occurred that could jeopardize the integrity or performance of the floor slab and/or the monitoring wells.

The annual inspection shall consist of qualified personnel walking through the garage and closely inspecting the monitoring wells and the areas of the floor slab situated above the two areas of residual contaminated soils. The results of the inspection will be documented in a field report, and photographs of the monitoring wells and floor slab shall be obtained during each inspection and will be maintained in the project file.

If Grantor discovers any damage that would indicate that the integrity or performance of the monitoring wells or the areas of the garage floor slab above the two areas of residual contaminated soils have been jeopardized, then the Grantor shall report these findings to Ecology within three (3) business days of discovery of the damage.

Unless Ecology approves of an alternative plan in writing, the Grantor shall promptly repair any damage by retaining the appropriate contractor (i.e., general contractor, driller, etc.) to perform the work required to restore the integrity and performance of the concrete slab and/or the monitoring wells. The Grantor will also prepare a report documenting any such work, which will be submitted to Ecology within thirty (30) days of completing the repairs.

Exhibit F

GROUNDWATER MONITORING PLAN

The Groundwater Monitoring Plan includes the following elements:

- Monitoring Locations: RW1, RW2, and MW6.
- Monitoring Parameters: Water levels for all wells; sampling for TPH-Dx, VPH, EPH, in wells RW1 and RW2.
- Monitoring Frequency: Refer to Section 2(b) of the Environmental Covenant.
- Sampling Procedures.
- Analytical Laboratory Methods.
- Management and Proper Disposal of Purge Water.
- Data Validation.
- Method B Calculations.
- Data Reporting.
- Data Upload to EIM.
- Contingency Plan.

The methodology to be used to perform all of the aforementioned tasks (with the exception of Data Upload to EIM, Data Validation, and Contingency Plan) are described in detail in Section 2(b) of the Environmental Covenant and the Supplemental Remedial Investigation Work Plan (SRI Work Plan) dated August 22, 2016 by The Riley Group, Inc. Well logs describing well construction details for wells RW1, RW2 and MW6 are also included in the SRI Work Plan. Tasks not included in Section 2(b) of the Environmental Covenant and the SRI Work Plan are discussed below.

- Data Upload to EIM - At the completion of all groundwater monitoring activities, groundwater analytical data obtained from the laboratory will be uploaded into Ecology's Electronic Information Management (EIM) database. EIM data submittal will be considered complete after the Ecology EIM Coordinator indicates that the data has been successfully uploaded into the EIM database and reviewed by the Ecology Site Manager.
- Data Validation – The quality control data from the laboratory will be evaluated to determine if any of the sample results require qualification.
- Contingency Plan - If either sample from RW1 or RW2 contains Method B concentrations that are not in compliance with Method B cleanup levels (both calculated from the Ecology Method B worksheet), Grantor shall notify Ecology and work with Ecology to determine appropriate next steps for the Site.

Enclosure C

**Operation and Maintenance Plan
for Engineered Controls**

Exhibit E

OPERATION, MAINTENANCE, INSPECTION, AND CONTINGENCY PLAN

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Enclosure D

Confirmational Monitoring Plan

Exhibit F

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