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**PHASE I
ENVIRONMENTAL
SITE ASSESSMENT**
Compliant with All Appropriate Inquiry
Final Rule: 40 CFR Part 312
Subject Property:
MIN TRAM MARKET, INC.
9416 Rainier Avenue South
Seattle, Washington 98118

Prepared by:
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ENTERED
MAY 30 2013

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SITE ASSESSMENT**
Compliant with All Appropriate Inquiry
Final Rule: 40 CFR Part 312

Clients: **MIN TRAM MARKET, INC.**
9416 Rainier Avenue South
Seattle, Washington 98118

LEHMAN BROTHERS BANK, FSB
25520 Commercentre Drive, Suite No.150
Lake Forest, California 92630

Point of Contact: L. Samson
Lehman Brothers Bank / Appraisal Department
(949) 614-4899 / Fax (646) 758-1207

Property: **Living Color Hair Salon
and Living Color Beauty Service, Inc.**
9416 Rainier Avenue South
Seattle, Washington 98118

Commercial Activity: Retail Beauty Supplies & Beauty Salon

Parcel Identification: King County Assessor
Parcel No. 712903-4820

**Environmental
Professional:** Alan T. Blotch

Project Number: No. 208 - 4044

Report Date: March 28, 2008

EXECUTIVE SUMMARY

The subject of this Phase I Environmental Site Assessment is an irregular, "L-shaped" commercial parcel of land located on the northeast corner of Rainier Avenue South (State Route 167) and 54th Avenue South, in the Rainier Beach neighborhood of Seattle, Washington. Seward Park Avenue South is one-half of a block east; 51st Avenue South is two blocks west; South Roxbury Street is two blocks south; Martin Luther King Way South is one-half of a mile west; and Interstate 5 is three-fourths of a mile west. Lake Washington is one block to the east.

The Site is occupied by a concrete slab on grade, two-story approximately 5,687 square foot pre-engineered metal framed building with an approximately 5,367 square foot building footprint. The building is occupied by *Living Color Beauty Supply* and the *Living Color Hair Salon*.

The building interior is accessed via the main customer entrance located on the southwest corner. The interior is primarily open retail floor space divided into numerous isles of merchandise on free standing shelf displays. Along the eastern side of the building is a raised counter and customer service area with the sales register. The rear of the building is developed with an approximately 320 square foot second floor office and storage area. Underneath this area on the first floor is a second retail space occupied by the *Living Color Beauty Salon*. Access to the Salon is through a door on the north wall of the retail sales floor space. Asphalt-paved customer parking is provided along the entire western side of the Parcel with employee parking at the rear, on the north side. The entire paved area is security fenced. The front of the Property features minimal landscaping adjoining Rainier Avenue to the south.

The Property was originally vacant, undeveloped wooded land until it was cleared of timber in 1960. In 1968, the New Sparkle Car Wash was constructed on the Site, which also included the installation of two underground gasoline tanks (one of which was 6,000-gallons) and a dispenser island with two pumps. In 1974, an additional 3,000-gallon underground tank was installed. In 1979, the building was demolished and the tanks filled and abandoned in place. In 1986, the current commercial building was constructed, apparently directly over the three filled in underground tanks. The Site was subsequently occupied by Shuck's Auto Supply, and since 1992 by the current business occupant.

The Site is located in a mixed-use retail, commercial and industrial area. To the north is a large apartment complex; to the south is Rincon Latino Products and Taco Bell; to the east is Caddy Shack Auto Sales and Madmauazel Beauty Supply; and to the west is the Hong Kong Seafood Restaurant.

Upon completion of the Site investigation, historical research, document file review, and other tasks as stipulated in the Scope of Work, the following Recognized Environmental Conditions, potential environmental concerns, or recommended actions were identified:

- **Former Gasoline Station Operations.** From 1968 through 1979 the Site was occupied by a gasoline station that operated three underground tanks, two of which were 3,000 and 6,000-gallons in size. In 1979, these tanks were "filled" and left in place. The current commercial building was constructed in 1986, apparently directly over the location of the three underground tanks. Further investigation is recommended.
- **Adjoining State Hazardous Waste Site.** The eastern adjoining property is identified as the *Fisher Property*, a State Uncontrolled Hazardous Waste Site. This site has previously confirmed soil contamination, with suspected groundwater contamination. The site has not completed or submitted a Final Site Characterization to the Department of Ecology. Further investigation is advised.

As a result of the on-site Reconnaissance, records research, historical investigation, and review of Federally reported environmental information, this Assessment has revealed no additional - but undisclosed - obvious evidence of potential environmental risks or Recognized Environmental Conditions indicating the presence of hazardous or other conditions that could reasonably be expected to environmentally impact the Site.

This Phase I Environmental
Site Assessment was performed in
Compliance with the
All Appropriate Inquiry (AAI)
Final Rule: 40 CFR Part 312¹

* * * * *

REPORT EXCEPTIONS TO ALL APPROPRIATE INQUIRY RULE:

§ 40 CFR Part 312.25 Searches for recorded environmental cleanup liens(a)
All appropriate inquiry must include a search for the existence of environmental cleanup liens against the subject property that are filed or recorded under federal, tribal, state, or local law.

§ 40 CFR Part 312.28 Specialized knowledge or experience on the part of the defendant. (a) Persons to whom this part is applicable per § 312.1(b)² must take into account, their specialized knowledge of the subject property, the area surrounding the subject property, the conditions of adjoining properties, and any other experience relevant to the inquiry, for the purpose of identifying conditions indicative of releases or threatened releases at the subject property, as defined in § 312.1(c).

§ 40 CFR Part 312.29 The relationship of the purchase price to the value of the property, if the property were not contaminated. (a) Persons to whom this part is applicable per § 312.1(b) must consider whether the purchase price of the subject property reasonably reflects to fair market value of the property, if the property were not contaminated.

¹ A copy of excerpts from the *Standards and Practices for All Appropriate Inquiries; Final Rule* U.S. EPA, 40 CFR Part 312, 70 FR 66070, November 1, 2005, is included in the Appendix of this Report, in the Section entitled Supplemental Documents.

² § 312.1(b). *Applicability.* The requirements of this part are applicable to: (1) Persons seeking to establish: (i) The innocent landowner defense pursuant to CERCLA sections 101(35) and 197(b)(3); (ii) The bona fide prospective purchaser liability protection pursuant to CERCLA sections 101(40) and 107(r); (iii) The contiguous property owner liability protection pursuant to CERCLA section 107(q); and (2) persons conducting site characterization and assessments with the use of a grant awarded under CERCLA section 104(k)(2)(B).

ASSESSMENT OVERVIEW

Purpose:

The purpose of this Assessment is to comply with selected sections of the standards and practices for "all appropriate inquiry" for the purposes of CERCLA sections 101(35)(B)(i)(I) and 101(35)(B)(ii) and (iii), as defined in *Standards and Practices for All Appropriate Inquiries; Final Rule*, U.S. EPA, 40 CFR Part 312 (70 FR 66070). Some of the requires contained in Part 312 are excluded from this Assessment, as delineated in the preceding Section entitled "Report Exceptions to All Appropriate Inquiry Rule."

The business purpose of this Phase I Environmental Site Assessment was to investigate, review, assess, and evaluate – through historical research, document and record review, generally available environmental data, visual or physical observations, and inspection by a trained assessor – the presence or likely existence of:

- Contamination by hazardous materials, generally recognized environmental contaminants, visible pollutants, underground contaminants, and asbestos-containing materials.
- The possibility that these materials are or may have been introduced – by internal generation, external introduction, or unknown sources – into the structure or subject Property.
- A brief overview, evaluation, and assessment of the severity of the current potential environmental risk based upon known standards or applicable regulations.

Unless specifically noted within the text of this Report, this Phase I Environmental Site Assessment does not include or address groundwater, soil, or extraneous material contamination upon or under the surface soils, with respect to testing, coring, or sampling analysis.

Protocol:

The procedure for this Environmental Site Assessment was to perform in practical and reasonable steps-- employing currently available technology, existing regulations, and generally acceptable engineering practices – an investigation to ascertain the possibility, presence, or absence of environmental releases, threatened releases, or Recognized Environmental Conditions, as limited by the Scope of Work. As such, this Assessment was performed in substantial compliance with the ASTM Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process (Designation E 1527-05).

Objectives:

- To attempt to accomplish all appropriate inquiry into ownership and uses of the Property consistent with good commercial or customary practice, in an effort to minimize liability.
- To conduct an investigation of the Property that will assist ownership's positioning within the "safe harbor" section of the Federal Superfund liability in 42 U.S.C. §9601(35), the Lender Liability Final Rule, and the CERCLA amendments enacted as part of the 2002 Brownfields Act.
- To provide environmental information that will assist in evaluating ownership's risk of potential loss or value impairment of the security interest due to environmental defects; and information for decisions and operational limitations concerning the National Pollution Contingency Plan.

While this Phase I Assessment cannot absolutely quantify and qualify every possible past and present environmental risk, the Assessment does provide a partial information basis for reasonable decision making regarding the potential for environmental liabilities and risk, based upon the current Site-specific situation, Assessment limitations, and methods of evaluation.

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GENERAL SITE RECONNAISSANCE OVERVIEW

L. Samson of the Lehman Brothers Bank, Small Business Finance Appraisal Department, engaged Aerotech Environmental Consulting, Inc. ("Aerotech") to perform a Phase I Environmental Site Assessment on the subject Property. This Assessment was additionally performed as required by the U.S. Small Business Administration ("SBA") Environmental Policy Guidelines for Phase I Environmental Site Assessments, and the "All Appropriate Inquiry" standard as promulgated in 40 CFR Part 312.

This Site consists of an "L-shaped" approximately 0.52-acre parcel of commercial land developed with an approximately 5,687 square foot, two-story commercial building. Mr. Eugene Shin, the Property owner, was identified as the Key Site Manager. The *Key Site Manager* is the person identified by the Client or the Owner of the Property as a person having the most reliable knowledge as to the previous uses and current condition of the subject Property and is in a position to provide reasonably accurate information for the Environmental Questionnaire. The Assessor performed the on-site investigation on March 14, 2008.

According to the information provided verbally by the Key Site Manager, no Phase I Assessments, Environmental Investigations or Site Assessments, or other environmentally-related activities or studies, have been performed at, or for, the subject Property. No documents were supplied by any of the parties that indicated the presence or suspected presence of a recognized environmental condition or potential environmental concern indicating the need for action.

SUBJECT PROPERTY SITE DESCRIPTION

Visual Description:

The subject of this Phase I Environmental Site Assessment is an irregular, "L-shaped" commercial parcel of land located on the northeast corner of Rainier Avenue South (State Route 167) and 54th Avenue South in the Rainier Beach neighborhood of Seattle, Washington, occupied the Living Color Beauty Supply retail store

Adjoining and adjacent properties and landmarks include Seward Park Avenue South one-half of a block east; 51st Avenue South two blocks west; South Roxbury Street two blocks south; Martin Luther King Way South one-half of a mile west; and Interstate 5 three-fourths of a mile west. Significant bodies of water include Lake Washington one block to the east.

The Site is occupied by a concrete slab on grade, two-story approximately 5,687 square foot pre-engineered metal framed building with an approximately 5,367 square foot building footprint. The building is occupied by *Living Color Beauty Supply* and the *Living Color Hair Salon*.

The building interior is accessed via the main customer entrance located on the southwest corner. The interior is primarily open retail floor space divided into numerous isles of merchandise on free standing shelf displays. Along the eastern side of the building is a raised counter and customer service area with the sales register. The rear of the building is developed with an approximately 320 square foot second floor office and storage area. Underneath this area on the first floor is a second retail space occupied by the Living Color Beauty Salon. Access to the Salon is through a door on the north wall of the retail sales floor space. Asphalt-paved customer parking is provided along the entire western side of the Parcel with employee parking at the rear, on the north side. The entire paved area is security fenced. The front of the Property features minimal landscaping adjoining Rainier Avenue to the south.

During the on Site Reconnaissance, there were no readily observed visual indicators of active underground storage tanks - other than those identified elsewhere in the Report - stained soils, stressed vegetation, oily sheens, or discolorations on standing water surfaces. There was no evidence of foul odors. Additionally, the Site Reconnaissance did not reveal the presence of discarded drums, barrels, or containers, construction debris, damaged or discarded containers of chemicals, paints, or pesticides. There are no waste storage or treatment lagoons, pits, ponds, or surface impoundments on the Site, or the adjoining properties.

The Property was originally vacant, undeveloped wooded land until it was cleared of timber in 1960. In 1968, the New Sparkle Car Wash was constructed on the Site, which also included the installation of two underground gasoline tanks (one of which was 6,000-gallons) and a dispenser island with two pumps. In 1974, an additional 3,000-gallon underground tank was installed. In 1979, the building was demolished and the tanks filled and abandoned in place. In 1986, the current commercial building was constructed, apparently directly over the three filled in underground tanks. The Site was subsequently occupied by Shuck's Auto Supply, and since 1992 by the current business occupant, Living Color Beauty Supply.

The Site is located in a mixed-use retail, commercial and industrial area. To the north is a large apartment complex; to the south is Rincon Latino Products and Taco Bell; to the east is Caddy Shack Auto Sales and Madmauazel Beauty Supply; and to the west is the currently closed Hong Kong Seafood Restaurant.

Physical Setting Source:

In order to ascertain the physical setting of the subject Property, a review was conducted of the appropriate current United States Geological Survey ("USGS") 7.5 Minute Topographic Quadrangle (quad) Map. The USGS 7.5 minute quad map has an approximate scale of 1" to 2,000 feet, shows physical features such as wetlands, water bodies, roadways, mines, and buildings. These physical and natural features shown should be the areas of visual emphasis, when conducting the on-site inspection of the subject Property. The USGS 7.5 quad map is considered to be the only Standard Physical Setting Source, and is sufficient as a single reference. A copy of the applicable map is included in the Appendix. The applicable USGS 7.5 minute topo map is the Quadrangle 47122-E3 / 7.5 *Seattle South, Wa.*, photo revised 1983.

Surface Characteristics:

The precise Property location is N 47° 31' 11.7" / W 122° 15' 52.1" as determined by DeLorme mapping data. The Site is located within Universal Transverse Mercator Zone No. 10. The Site elevation is approximately 37 feet above mean sea level. As observed during the Site visit and confirmed on the USGS topographic map, the subject Property exhibits a surficial drainage towards the east, based upon overall Site topography. Additionally, the assumed general groundwater flow is to the east - southeast.

During the course of the on-site observations, particular attention was directed towards (i) pools of liquid; (ii) roads and paths that might be used for unauthorized entry; (iii) drains and sumps; (iv) stressed vegetation; (v) pits, ponds, or lagoons; (vi) surface or soil staining; (vii) ditches, catch basins, or dry wells; (viii) unidentified substance containers; (ix) location of manholes, sewer grates, sewer outfalls; and (x) other subterranean accesses. All roads, driveways, paths, and other vehicular access areas were identified and evaluated for suspected use as an avenue for transport or disposal of hazardous materials, regulated substances, or petroleum products. Railroad tracks and previous right-of-ways are also identified if present on the subject Property. Potential wetland area indicators were considered during the on-site activities. These indicators include (i) wetland characteristic soil types; (ii) areas that appear permanently wet during most of the year; (iii) the presence of wetlands-related submergent or emergent plants; and (iv) wetland indicative wildlife.

Subsurface and Hydrological Characteristics:

The subsurface of the Property may have been modified by cuts and fills for building foundations and underground construction. However, no obvious visual evidence of non-native fill or backfill was observed around the structures. This was confirmed by Site interviews.

Based upon the USGS map and surface topography, groundwater is inferred to flow generally towards the east. However, topography is not always a reliable basis for predicting groundwater flow direction. Local gradient under the subject Property may be influenced naturally by zones of higher or lower permeability, or artificially by nearby pumping or recharge, and may deviate in any particular location for the overall regional trend. These observations are consistent with the historical research and review of historical aerial photographs.

Soils Characterization:

The subject Site geology within this region is characterized by bedrock overlain by a thick sequence of unconsolidated glacial and nonglacial deposits. Repeated glacial advances have flowed south from the mountains of British Columbia through the region. The southern extent of glacier ice during the most recent glacial period (Vashion, 13,500 - 15,000 years before present) lies approximately thirty miles south of Tacoma. Till of Vashion glaciation forms a widespread deposit occurring at or near the surface throughout the region. In places, recessional

outwash sands and gravels are present above the till. The Vashion till is commonly underlain by proglacial outwash sands and gravels deposited ahead of the advancing glacier. Proglacial deposits are generally underlain, in turn, by nonglacial sediments and older tills.

The Site is underlain by materials interpreted to be Vashion till, which consists of fine to coarse-grained silty sand with varying amounts of silt, clay, and gravel. This unit is typically weathered near the surface, becoming more consolidated with increasing depth. These descriptions have been provided by the U.S. Department of Agriculture Soil Conservation Service, soil survey STATSGO map data, and represent generalized subsurface soil conditions based upon observable landscape. The delineation is contained in the *Soil Survey of King County, Washington*, as published by the U.S. Department of Agriculture, Natural Resources Conservation Service.

Subsurface and Hydrological Characteristics:

Based upon the Site Reconnaissance, research, and surface topography, groundwater is inferred to flow generally towards the east.

The principal aquifers in the Puget Sound Region occur in glacial drift, that along with finer grained interglacial sediments, underlies the basin lowland to depths of more than 1,00 feet. The sand and gravel units in the glacial drift form the principle aquifers. These aquifers receive ample recharge from the typically heavy precipitation characteristic of western Washington. The glacial drift in the Puget Sound region varies greatly in composition and water yielding capacity.

Typically, wells in glacial drift that tap silt, clay, or till in the Region at approximately 75 to 100 feet below ground surface may have yields of 100 gallons or more per minute. Deeper wells tapping thick, saturated layers of highly permeable gravel and coarse sand, typically at depths greater than 250 feet below ground surface, can yield more than 1,000 gallons per minute.

HISTORICAL USAGE STANDARD INFORMATION SOURCES: LOCAL AND STATE

The Historical Usage Information Section research is considered satisfied when both the Fifty-Year Complete Source and Developmental Complete Source have been researched and identified. These historical research requirements are satisfied by two separate sources with respect to the milestone or time constraints. A single source cannot simultaneously fulfill both source requirements.

The *Historical Site milestones* can include (i) construction activities that involve structural, renovation, or remodeling at any location within the subject Property; (ii) major changes in the topography or grade of the Site; (iii) installation or construction of roads, utilities, water or sewer systems; (iv) installation, removal, or modification of permanent equipment; or (v) installation, removal, or modification of above or below ground tanks.

Standard Historical Sources are categorized as either Fifty-Year Complete or Developmental Complete. A *Fifty-Year Complete* source is a Standard Historical Source

that provides the required information through and back to the 1945 cutoff date in either reasonable time intervals or Property milestone events. A *Developmental Complete* source is a Standard Historical Source which provides the required information from the point that the Property exhibited development (other than agricultural use) or structure construction continuously to the present in either reasonable time intervals or Property milestone events.

Fifty-Year Complete Standard Historical Source Summary:

The Property was originally vacant, undeveloped wooded land until it was cleared of timber in 1960. In 1968, the New Sparkle Car Wash was constructed on the Site, which also included the installation of two underground gasoline tanks (one of which was 6,000-gallons) and a dispenser island with two pumps. In 1974, an additional 3,000-gallon underground tank was installed. In 1979, the building was demolished and the tanks filled and abandoned in place. In 1986, the current commercial building was constructed, apparently directly over the three filled in underground tanks. The Site was subsequently occupied by Shuck's Auto Supply, and since 1992 by the current business occupant, Living Color Beauty Supply.

Aerial Photograph Review:

Originally performed under government contracts, aerial photographs of the general area are available beginning with the 1940's. The scales for these aerials can range from 1" = 1667' to 1" = 2500'; aerials taken by private contractors were generally taken at lower altitudes and provide a larger scale. Depending upon the resolution, the photographs can provide valuable information on land use and site development of both the subject and adjoining properties. Ultimately, the scale, clarity, and resolution serves as the limitations on visual interpretation. Aerial photographs and appropriate historical topographical maps for the subject Property were reviewed as provided through the United States Geological Service. The substantive observations and interpretations are as follows:

<i>Date:</i>	<i>Aerial No:</i>	<i>Observations and Interpretations:</i>
1928	No. 70E	North side of Rainier Avenue is vacant, undeveloped wooded land along the entire east west section. A single family residence adjoins directly to the south. To the north is undeveloped wooded land.
1940	No. 74E	The Site remains unchanged from the 1928 occupancy; all adjoining properties remain undeveloped with the exception of the adjoining single family residential property to the south.

06/10/46	No.A46-389	The subject Property remains undeveloped, wooded land. The adjoining parcel to the north of approximately twenty acres has been cleared and graded. A single family residence remains adjoining to the south.
06/23/60	No.KC60-1832	The subject Property has been harvested, and appears as vacant, bare land; similar to the adjoining properties to the east; a small building is present to the west. A large apartment complex is present adjoining to the north; small single family residences are present to the south.
07/18/69	No.KC-69	The subject Property is developed with a smaller structure adjoining the southwest corner of the Site, with a larger structure to the north, near the western Property boundary. A very small building is located in the northwest corner of the Site. To large areas of apparent concrete are located along the eastern Property boundary in the approximate center of the Site. To the east and west are a commercial buildings.
03/20/74	No.KC-74	The Site remains unchanged from the previous configuration. Adjacent to the west is a large semi truck parking lot.
05/04/80	No.KC-5534	The Site is vacant land, apparently paved. Three vehicles are parked on the Site, apparently from the adjoining western commercial building.
07/10/90	No.KC-90	The Site is developed with the current commercial building; Adjoining to the east is a commercial building, with the entire area behind the building completely occupied by parked vehicles. To the west is the commercial building.
10/07/00	No. KC-00	The subject Property is unchanged. The vehicles are no longer present adjoining to the east.

City of Seattle Building Permit/Inspection Department - Permit Review:

The Property is located within the City limits of the Seattle, Washington. Due the time required to obtain building department records via Freedom of Information requests ("FOIA"),

this method of research was deemed to be reasonably ascertainable¹. As such, documents were requested and reviewed at the offices of the City of Seattle Department of Construction and Land Use ("DCLU"). The following substantive information was contained in the supplied DCLU files:

<i>Date:</i>	<i>Permit:</i>	<i>Substantive File Information:</i>
1968	#526344	Install two underground storage tanks for carwash at a cost of \$1,800.00. [Three tanks located 30 feet west of eastern Property boundary; dispenser island with two pumps approximately 25 feet west of eastern Property boundary].
02/23/68	#526392	Hanna Enterprises: construct car wash Building No.1 of 14 by 28 square feet, metal pre-tab car wash facility.
1968	#526394	Hanna Enterprises: Install two gas pumps for service station at a cost of \$200; construct sales cashier building, wood framed 10 by 10 foot with bath.
08/14/74	#553793	Install 3,000 gallon underground fuel tank for carwash/service station for C.R. Clark.
02/07/79	#581441	<u>Demo Permit:</u> "To demolish carwash & service station & fill existing storage tanks (fill existing storage tanks (1 - 6,000 gallon tank; 2 - gasoline tanks"). Subject to field inspection." Owner: ABC Corporation
10/09/1986	#626568	Construct retail store building and parking for Schucks Auto Supply
11/17/1986	#627223	Install HVAC system in retail space for Schucks Auto Supply.
01/28/1992	#660668	Adjust boundaries between parcels A) 9400 and B) 9416 Rainier Ave South
05/31/05	#750863	Tenant Improvements to make office and mezzanine at a cost of \$30,000 for Eugene Shin

City and Telephone Directories:

Local directories based upon physical surveys of residents have been compiled since the late 1880's for use as city planning and marketing database tools. Commonly referred to as "reverse directories" or "city directories," these directories are generally maintained at public libraries. The historical reverse directories compiled by the Cole and Polk Companies and available at the library, were reviewed for this Assessment.

<i>Date:</i>	<i>Address:</i>	<i>Directory Listings:</i>
1952	9400	Broil-Lux Shakes & Malts (obtained from Tax Records)
1970	9400	Mr. Steak 1969
	9410	New Sparkle Car Wash 1968 Built
	9420	Insurance office 1968
1975	9400	Mr. Steak
	9410	New Sparkle Car Wash
	9420	Insurance office
1980	9400	Mr. Steak
	9420	Insurance office
1985	9400	Mr. Steak
	9420	Peil & Sims Construction
1990	9400	China City Restaurant
	9416	Shuck's Auto Supply
	9420	Building vacant
1994	9400	Hong Kong Seafood Restaurant built 1969 27,719 SF
	9416	Shuck's Auto Supply
	9420	Interstate Protective Services 1964 built
		Fisher building lot 8, 783 SF

Sanborn Fire Insurance Maps:

In 1867 the Sanborn Map Company began preparing detailed street maps of densely populated areas throughout the United States. The purpose of the mapping process was to assist insurance agents in rating the degree of fire hazard for a particular area or property. The maps drawn by the Sanborn Mapping Company indicate the type of building construction, the nature of land use, the configuration of buildings and the surrounding land, as well as identifying the location of above and below ground storage tanks.

The recent purchase by Environmental Data Resources ("EDR") of the Sanborn Map Company included the acquisition of all copyrights associated with the Sanborn Maps. The Sanborn copyright prohibits the photocopying of the maps without the prior written permission of EDR². However, EDR has granted permission for one set of photocopies to be made from the Sanborn maps that may be included in this Report. This investigation has relied upon the collection of Sanborn maps previously owned by the Sanborn Mapping and Geological Information Service Company, known as the "Sanborn Library." Sanborn maps were not reviewed due to the sufficiency of available alternative historical resources.

Recorded Land Title Records:

Recorded land titles are records usually maintained by the municipal clerk or county recorder of deeds which detail ownership fees, leases, land contracts, easements, liens, deficiencies, and other encumbrances attached to or recorded against the subject Property in the local jurisdiction having control for or reporting responsibility to the subject Property. Due to state land trust regulations and laws, land title records will often only provide trust names, bank trust numbers, owners' names, or easement holders, and not information concerning previous uses or occupants of the subject Property. Additionally, environmental liens recorded against the subject Property are considered outside the scope of recorded land title records. For these reasons, this Environmental Site Assessment has relied upon other standard historical information sources assumed to be either more accurate or informative than recorded land titles.

The office of the King County Assessor historical Field Book reports recorded the following developmental information regarding the subject Property:

- 1938 - 1966 Vacant, undeveloped wooded land.
- 1968 Hanna Enterprises constructs car wash: main car wash building is pre-fabricated self contained car wash facility.

**CURRENT USAGE
INFORMATION SOURCES:
LOCAL AND STATE**

City of Seattle - Emergency Release Reports/SARA§304:

The Property is located within the City of Seattle, Washington. According to interviews with the City, the Site has not reported any Emergency Release incidents to local authorities. This information is consistent with the State of Washington ERNS records.

Local/State Waste Disposal Compliance:

According to supplied information, the Site is not required to file, submit, or operate under any environmental permits, approvals, or notifications that were previously in place, or are known to be required in the future. Moreover, according the same supplied information and statements, the Site is not received prior notification of environmental violations, litigation, citations, claims, complaints, administrative actions, or environmental clean up or remedial actions pertaining to the Property or the operations conducted on the Property. This is consistent with the information reported in the EDR Environmental Database prepared for the subject Site.

VISUAL AND PHYSICAL
OBSERVATIONS AND INFORMATION:
STRUCTURAL AND BUSINESS OPERATIONAL

Minh Bui was originally identified as the Key Site Manager, who in turn deferred to the current Site Owner, Mr. Eugene Shin, to function as the Site Contract and Key Site Manager. The *Key Site Manager* is the person identified by the Client or the Owner of the Property as a person having the most reliable knowledge as to the previous uses and current condition of the subject Property and is in a position to provide reasonably accurate information. The Aerotech Site Assessor performed the on-site investigation on March 14, 2008.

Site Reconnaissance: Personal Interviews / Site Document Review:

The Aerotech Environmental Professional, Alan T. Blotch, performed the on-site investigation on March 14, 2008. The Key Site Manager, Mr. Eugene Shin was present as the Key Site Manager. He was interviewed regarding the current Site operations, required environmental operating permits, his knowledge of current and historical environmental issues, past uses of the Property, and possible environmental concerns. Additionally, he supplied relevant documents as requested by the Assessor. Mr. Shin has been involved with the Site since the fall of 1992.

If an adjoining property represented an obvious Recognized Environmental Condition or a visual reconnaissance of the site indicated a potential environmental concern, the owner or operator of that site was also contacted regarding the type, nature, and potential impact of the environmental concern.

The information obtained and conclusions reached during the course of these interviews and document review has been incorporated in this Assessment; while the specific source of the information may not be identified in the text of the Assessment Report.

Site Exterior Observations:

This Phase I Environmental Site Assessment is an environmentally-based risk assessment of an irregular, "L-shaped" commercial parcel of land located on the northeast corner of Rainier Avenue South (State Route 167) and 54th Avenue South in the Rainier Beach neighborhood of Seattle, Washington, occupied by a concrete slab on grade, two-story approximately 5,687 square foot pre-engineered metal framed building with an approximately 5,367 square foot building footprint. The building is occupied by *Living Color Beauty Supply* and the *Living Color Hair Salon*.

The building interior is accessed via the main customer entrance located on the southwest corner. Asphalt-paved customer parking is provided along the entire western side of the Parcel with employee parking at the rear, on the north side. The entire paved area is security fenced. The

front of the Property features minimal landscaping adjoining Rainier Avenue to the south.

As observed and notated by the Aerotech Environmental Assessment Professional during the on Site Reconnaissance, there were no readily observed visual indicators of active underground storage tanks, stained soils, stressed vegetation, oily sheens, or discolorations on standing water surfaces. There was no evidence of foul odors. Additionally, the Site Reconnaissance did not reveal the presence of discarded drums, barrels, or containers, construction debris, damaged or discarded containers of chemicals, paints, or pesticides. There are no waste storage or treatment lagoons, pits, ponds, or surface impoundments on the Site, or the adjoining properties. Particular attention was paid to indicators of petroleum based sheens or releases on the standing water; however, none were observed.

Site Interior Observations:

The building interior is accessed via the main customer entrance located on the southwest corner. The interior is primarily open retail floor space divided into numerous isles of merchandise on free standing shelf displays. Along the eastern side of the building is a raised counter and customer service area with the sales register. The rear of the building is developed with an approximately 320 square foot second floor office and storage area. Underneath this area on the first floor is a second retail space occupied by the Living Color Beauty Salon. Access to the Salon is through a door on the north wall of the retail sales floor space.

Sensitive Receptors

Sensitive receptors are those receptors that would be especially or adversely affected by a release of hazardous substances on the Property. Sensitive receptors would include: exposed soil, surface water bodies and watercourses (including streams, washes, lakes, drainage ditches, or swales), impoundments (including lagoons, recharge basins, and detention basins), swamps, or wetlands, on-site groundwater monitoring or production wells, on-site hospitals or health care facilities, child daycare facilities, or parks and natural reserves.

No such Sensitive Receptors were observed.

Wetland Area Indicators:

Potential wetland area indicators were considered during the on-site activities. These indicators include (i) wetland characteristic soil types; (ii) areas that appear permanently wet during most of the year; (iii) the presence of wetlands-related submergent or emergent plants; and (iv) wetland indicative wildlife. No such potential wetlands indicators were observed on the subject or adjoining properties.

Business Operations Description:

The Property was originally vacant, undeveloped wooded land until it was cleared of timber in 1960. In 1968, the New Sparkle Car Wash was constructed on the Site, which also included the installation of two underground gasoline tanks (one of which was 6,000-gallons) and a dispenser island with two pumps. In 1974, an additional 3,000-gallon underground tank was installed. In 1979, the building was demolished and the tanks filled and abandoned in place. In 1986, the current commercial building was constructed, apparently directly over the three filled in underground tanks. The Site was subsequently occupied by Shuck's Auto Supply, and since 1992 by the current business occupant, Living Color Beauty Supply.

As such, the general SIC category is identified as the type of business within the class of industries with a higher probability of environmental risk. This classification is based upon the SIC code reported by the business as applicable to its operation. Since the Site business operations had been in the general category of business operations identified by the EPA as a higher risk industry, particular attention was paid to those activities that possibly presented an elevated potential for environmental impact.

MATERIAL, PRODUCT, AND WASTE-STREAM HANDLING AND PROCESSING

Materials/Products Handling and Storage:

No improper storage of materials or products was observed at the Site. Reporting under the Spill Prevention, Control and Countermeasures program to address accidental chemical spills (40 CFR §§109-114) is not required. Additionally, no activities were observed that could be interpreted to be indicative of improper classification of waste material³.

Medical Waste Discharges:

For the purposes of this Assessment, medical waste is defined in the *Medical Waste Tracking Act ("MWTA")* 42 U.S.C. §§ 6992-92k, "as waste materials produced in the diagnosis, treatment, or immunization of human beings or animals, in research pertaining thereto, or in the production or testing of biologicals. Specifically covered are cultures and stocks of infectious agents and associated biologicals, human pathological wastes, human blood and blood products, sharps (both used and unused), animal waste, and isolation waste." For the purposes of this Assessment, bloodborne pathogen waste material is defined in paragraph (b) of the *Occupational Exposure to Bloodborne Pathogens; Final Rule*, 29 CFR § 1910.1030 as "blood" and "other potentially infectious materials." No improper medical waste storage or discharge was observed.

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The Property was originally vacant, undeveloped wooded land until it was cleared of timber in 1960. In 1968, the New Sparkle Car Wash was constructed on the Site, which also included the installation of two underground gasoline tanks (one of which was 6,000-gallons) and a dispenser island with two pumps. In 1974, an additional 3,000-gallon underground tank was installed. In 1979, the building was demolished and the tanks filled and abandoned in place. In 1986, the current commercial building was constructed, apparently directly over the three filled in underground tanks. The Site was subsequently occupied by Shuck's Auto Supply, and since 1992 by the current business occupant, Living Color Beauty Supply.

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Storage Tanks - Above and Below Ground:

As discovered in the review of Standard Historical Sources, in 1968, the New Sparkle Car Wash was constructed on the Site, which also included the installation of two underground gasoline tanks (one of which was 6,000-gallons) and a dispenser island with two pumps. In 1974, an additional 3,000-gallon underground tank was installed. In 1979, the building was demolished and the tanks filled and abandoned in place.

Secondary Underground Storage Tank Indicators:

In addition to the primary UST visual indicators usually observed on the exterior of the property, secondary UST indicators were considered. These secondary – and usually interior – indicators included (i) interior product feed lines; (ii) remote tank fuel level gauges connected via flex tubes; (iii) unexplained pipe access routes through exterior walls; (iv) areas of surficial staining; (v) furnace or boiler identification labels; or (vi) visual indicators of burner unit changeover. No such indicators were observed during the Site Reconnaissance.

Waste Stream Processing and Disposal:

During the on-site observations, particular attention was directed toward activities or situations that could be considered contamination indicators by a regulated substance⁴. Potential indicators of contamination or violation can include: (1) stained or discolored sinks, drains, catch basins, drip pads, or sumps; (2) spills around loading docks, fueling areas, catch basins, or surface drains; (3) waste disposal areas, dumpsters, and other storage containers – evidence of spills or staining should be recorded; (4) pipes, gutters, spouts, or tubes protruding into potential bodies of water; or (5) waste stored on-site over 90 days that may require a RCRA Part B permit. No areas of potential concern were observed.

Hazardous Waste Processing and Disposal:

In addition to solid waste disposal⁵, the on-site observations considered the potential existence of hazardous waste, defined as a solid waste which, due to quantity, concentration, or other characteristics, may cause an increase in mortality or illness, or may pose a hazard to human health or the environment, under RCRA 42 USC §6903(5). The Assessor did not observe any such waste processing or disposal activities at the Site.

Wastewater, Storm Water Discharges:

All point source discharges regulated by the Clean Water Act (“CWA”) are subject to the applicable water quality-based standards as established in the National Pollutant Discharge Elimination System (“NPDES”) codification 40 CFR Subpart D §131.36. Additionally, CWA

Sections 402 (p)(1) and (p)(2) have created categories of storm water discharges within Permit Issuance and Permit Compliance Deadlines for Phase I Storm water Discharges effective October 1, 1993, that may also be applicable to the subject Property (as detailed in the Federal Register, Volume 57, Number 244). Any significant change in the usage of the subject Property could require the submittal an NPDES initial storm water discharge permit under 40 CFR §122.26 or 40 CFR Chapter I - Preamble Appendix A. However, based upon information supplied during interviews and review of the relevant documents supplied to the Assessor, no requirements for NPDES permitting were discovered that are currently applicable to the subject Property.

**VISUAL AND PHYSICAL
OBSERVATIONS AND INFORMATION:
ADJACENT AND ADJOINING PROPERTIES**

For the Scope of this Assessment, properties are defined and categorized based upon their physical proximity to the subject Property. An *adjacent* property is any real property located within 0.25 mile of the subject Property's border. An *adjoining* property is any real property whose border is contiguous or partially contiguous with the subject Property, or that would be if the properties were not separated by a roadway, street, public thoroughfare, river, or stream.

Adjacent Properties Overview:

The Site is located in a mixed-use retail, commercial and industrial area. To the north is a large apartment complex; to the south is Rincon Latino Products and Taco Bell; to the east is Caddy Shack Auto Sales and Madmauazel Beauty Supply; and to the west is the currently closed Hong Kong Seafood Restaurant.

Adjoining Properties Description:

Limited visual observation of the adjoining properties was performed by the Assessor. There were no observed materials or storage practices or other visual indicators of potential environmental impact on the adjoining properties which could affect the subject Property.

Adjoining Property - north:	To the north is a large apartment complex;
Adjoining Property - south:	To the south is Rincon Latino Products and Taco Bell;
Adjoining Property - east:	To the east is Caddy Shack Auto Sales and Madmauazel Beauty Supply;
Adjoining Property - west:	To the west is the currently closed Hong Kong Seafood Restaurant.

Adjoining and adjacent properties and landmarks include Seward Park Avenue South one-half of a block east; 51st Avenue South two blocks west; South Roxbury Street two blocks south; Martin Luther King Way South one-half of a mile west; and Interstate 5 three-fourths of a mile west. Significant bodies of water include Lake Washington one block to the east.

POTENTIAL ON-SITE CONTAMINATION SOURCES

Current Business Operations:

The Site is a beauty supply store. As such, this type of occupancy is not reasonably anticipated to environmentally impact the subject Property.

Historical Site Operations Recognized Conditions:

The subject Property previously operated as a gasoline station from 1968 through 1979; which included three underground gasoline storage tanks.

As defined under the ASTM Phase I Standard Practice, a Historical Recognized Environmental Condition is an environmental condition which in the past would have been considered a Recognized Environmental Condition – but which may or may not be considered a Recognized Environmental Condition currently. The final determination will be influenced by the current impact of the Historical Recognized Environmental Condition (“HREC”) on the property. For example, if a past release of any hazardous substances or petroleum products has occurred in connection with the property and has been remediated, with such remediation accepted by the responsible regulatory agency, this condition shall be considered an HREC. The prior Site business operations, as defined above, represent such a Historical Recognized Environmental Condition.

Asbestos-Containing Building Materials:

During the on-site investigation, the following materials were observed, including but not limited to: gypsum wall and ceiling surfacing materials, acoustic ceiling tiles, floor tiles and associated mastic and roofing materials. As defined in NESHAP §61.141, the observed materials may be classified as suspect regulated asbestos-containing materials (“RACM”). As defined in applicable OSHA regulations, the observed materials may also be classified as Presumed Asbestos-Containing Materials (“PACM”). Federal regulation requires that prior to demolition, renovation, or any other activity that may disturb these materials, either an inspection should be performed by an accredited building inspector or the materials should be handled as asbestos-containing.

However, based upon the age of the building, the presence of asbestos is unlikely.

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However, based upon the age of the building, the presence of asbestos is unlikely.

Formaldehyde:

Formaldehyde is an extremely popular chemical used in a variety of both building materials and furnishing products. Currently national usage is estimated in the billions of pounds per year. EPA has now classified formaldehyde as a "probable human carcinogen" suspected of inducing cancer in humans. Studies have shown that after installation, indoor formaldehyde levels require years of decline and reach residual background levels. During the off-gassing process, the indoor levels can be a significant source of irritation to hypersensitive individuals.

The formaldehyde product investigated within the scope of this Assessment is urea-formaldehyde foam insulation ("UFFI"), used in the 1970's primarily as wall cavity insulation. The release potential of UFFI from wall cavities is dependent upon factors such as; water-damaged walls, unpainted wall surfaces, or cracked paint or wall covering. While interior air sampling and analysis is the only conclusive method to delineate formaldehyde concentrations, visual and physical inspection of the subject Property indicate a low potential for UFFI contamination.

Lead-Based Paint:

In 1978 the Federal Government banned the use of lead-based paint in residential applications, however use in general industry continued at a decreased rate to the present. Lead-based paint presents a hazard through inhalation or ingestion of paint chips or vapor fumes. The greatest cumulative health threat is to young children, and for this reason the Department of Housing and Urban Development ("HUD") has promulgated lead standards and survey requirements for buildings affected by HUD funding. This HUD regulation represents the only Federal requirement for lead-based paint hazard management applicable to privately owned structures. Based upon the age of construction, the presence of lead-based paint is unlikely.

Lead-Based Paint Disclosure:

The *Lead-Based Paint Hazard Reduction Disclosure Act*⁶ is effective as of December 6, 1996. The Act applies, with limited exceptions, to all residential dwellings built before January 1, 1978⁷. The Act defines lead-based paint as "paint or other surface coatings that contain lead equal to or in excess of 1.0 milligrams per square centimeter or 0.5% by weight⁸." Under the Act, (i) sellers and lessors of most residential housing built before 1978 must disclose the presence of known lead-based paint and/or lead-based paint hazards in the housing; (ii) sellers and lessors must provide purchasers and lessees with any available records or reports pertaining to the presence of lead-based paint and/or lead-based paint hazards; (iii) sellers and lessors must provide purchasers and lessees with a federally approved lead hazard information pamphlet⁹; (iv) sellers must provide purchasers with a ten day opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards before the purchaser is obligated under the contract; (v) sales and leasing contracts must include certain disclosure and

acknowledgment language; and (vi) agents must ensure compliance with these requirements. The determination of the applicability of the *Disclosure Act* is outside the Scope of this Assessment.

Lead in Drinking Water:

There is a low potential for any still existing interior plumbing to contain lead in the pipes or lead-based solder, based upon construction standards before 1987 (40 CFR §141.11). The presence or absence of elevated lead concentrations in the water can only be confirmed through laboratory testing. However, no current Federal regulations require individual property owners to test for lead in drinking water.

PCB-Containing Exterior Electrical Transformers:

The Assessor did not observe any leaking pole-mounted or pad mounted electrical transformers on the subject Property. All transformers are owned by the utility company, and not the responsibility of the Property owner.

Micro Biological Contaminants:

The presence of micro biological organisms and their byproducts is ubiquitous throughout the indoor and outdoor environments. Mold, also known as fungi, are a species of micro biological organisms that can detrimentally affect buildings via the presence of their spores, off gassing, and airborne suspension of the organisms themselves. In the presence of both excess moisture and a nutrient supply, molds can grow rapidly to produce larger colonies with potentially adverse consequences.

While it is generally accepted that in particular environments, molds can be allergenic, and occasionally infectious or toxic, there is both no clear scientific evidence to support the conclusions that the mere presence of micro organisms is in itself a recognized environmental condition, or that any threshold level exists of airborne organisms or byproducts above which a negative impact to human health will likely result¹⁰. In particular, the U.S. EPA has stated "no EPA or other federal limits have been set for mold or mold spores..."¹¹

In spite of the lack of scientific data – in response to the growing public concern over the potential adverse health effects of mold exposure – a variety of public agencies and regulatory authorities have published recommendations and guidelines for the assessment and remediation of mold. In recognition of both the increased public awareness and scientific limitations regarding mold, the observations conducted on Site attempted to identify clearly known indicators of potential micro biological impact. These readily observable indicators typically include: (i) obvious visual indications of micro biological organism growth in readily accessible areas; (ii) indicators of extensive or continued water intrusion or severe staining; (iii) secondary indicators such as smells and odors; and (iv) information obtained from the Key Site Manager and other knowledgeable personnel. Since the majority of micro biological growth tends to occur in enclosed, covered, and

otherwise inaccessible building and interstitial spaces, the likelihood that micro organisms would not be observed even though present, is possible. As such, even though no readily visible observations or indicators of micro biological impact were observed during the Site visit, a micro biologically-based problem could be present at the Site, even though not observed. However, the Site observations did not reveal the obvious potential presence of microbial impact.

Radon:

Radon is emitted by the natural breakdown and radioactive decay of uranium in rocks and soils, which then enters buildings through cracks in the foundation, sump pumps, areas around drainage pipes and other openings. In addition, radon may enter a structure as a water contaminant, natural gas contaminant, or off-gas by-product of building materials. Once inside an enclosed space, radon can accumulate. No visual estimation technique exists that accurately predicts the potential radon risk within a building. The radon risk is a function of site location, soils composition, building construction, foundation integrity, and previous landfill practices. Actual physical testing of a building is the only way to accurately determine the radon levels. Radon health risks can be controlled by recognizing the potential for a problem, by testing and by reduction of radon levels in the building. In response to the unknown health risks of radon, the US EPA conducted a radon survey that attempted to generalize the radon health risks by county. The EPA Radon Study has identified King County, Washington, as a Radon Zone 3; the anticipated generalized level of Site radon less than 2 pCi/L. Further radon investigation is not indicated.

Underground Storage Tanks:

As discovered in the review of Standard Historical Sources, in 1968, the New Sparkle Car Wash was constructed on the Site, which also included the installation of two underground gasoline tanks (one of which was 6,000-gallons) and a dispenser island with two pumps. In 1974, an additional 3,000-gallon underground tank was installed. In 1979, the building was demolished and the tanks filled and abandoned in place. In 1986, the current commercial building was constructed, apparently directly over the location of the previously abandoned underground tanks.

POTENTIAL OFF-SITE CONTAMINATION: SOURCES AND RECEPTORS

An adjacent property is defined as any real property located within 0.25 mile of the subject Property's border. *An adjoining property* is defined as any real property whose border is contiguous or partially contiguous with the subject Property, or that would be if the properties were not separated by a roadway, street, public thoroughfare, river, or stream.

Potential Adjacent and Adjoining Property Contamination Sources:

There were no adjoining properties that presented an obvious potential source of environmental contamination.

Potential Adjacent and Adjoining Property Contamination Receptors:

Environmentally sensitive receptors were investigated within a thousand feet of the borders of the subject Property. The sensitive receptors are materials or structures particularly susceptible to environmental damage or stress from migrating contamination. The major receptor groups investigated were water supplies, surface water bodies, residential structures, and other public receptors. During the course of on-site visual and physical inspection, no indicators of sensitive receptor contamination from the subject Property were observed.

ENVIRONMENTAL DATABASE INFORMATION

Review of Federally Reported Environmental Data:

The following Federally maintained environmental records were reviewed for the purposes of this Environmental Site Assessment. All of the records have been updated within 90 days from the date the controlling governmental agency made the information available to the public in an electronic format.

National Priorities List ("NPL") of Superfund Sites:

The NPL is the EPA's database of hazardous waste sites currently identified and targeted for priority cleanup action under the Superfund program. A search of the October 2007 National Priorities List revealed no Superfund sites within the subject Property's database search range.

Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") of 1980:

Mandated as part of the 1980 Superfund Act, the CERCLIS (Comprehensive Environmental Response, Compensation and Liability Information System) list is an EPA compilation of the sites investigated or currently being investigated for a release or potential release of a regulated hazardous substance under the CERCLA regulations. A search of the April 2007 environmental database revealed no CERCLIS sites within the appropriate database search range.

Resource Conservation and Recovery Act ("RCRA") Facilities:

The RCRA program identifies and tracks hazardous waste from generation source to the

point of ultimate disposal. The RCRA facilities database is the composite of reporting facilities that generate, store, transport, treat, or dispose of controlled or hazardous waste. A search of the September 2006 RCRA facilities database found no RCRIS-TSD facilities, no Large Quantity Generator sites, and no Small Quantity Generator sites within the Property's database search range. Additionally, three Conditionally Exempt RCRA Small Quantity Generators were located with the appropriate database search range. None of the identified RCRA Generator sites are reasonably anticipated to environmentally impact the subject Property.

The Site was originally occupied by Shuck's Auto Supply from 1986 through 1992. During that occupancy, Shuck's functioned as a used oil collection location for the City of Seattle. A Focused Compliance Inspection performed by the Washington Department of Ecology in 1991 did not report the presence of any Compliance Violations at the Property.

As required by Lehman Brothers Bank environmental records review protocol, the RCRIS TSD facilities listing was researched to a distance of one mile from the subject Property. The above statements reflect that expanded search range.

Review of State of Washington Reported Environmental Data:

This review of the existing compilation of the State of Washington environmental databases attempts to identify environment problem sites, activities, and occurrences from the records and reports of the applicable State Agencies. A detailed listing is included in the Appendix.

State of Washington - State Hazardous Waste ("HSWS") Sites:

The State of Washington Department of Ecology ("Ecology") has identified sites that are suspected, or have been confirmed, as potential hazardous waste locations. Additionally, Ecology has identified sites where private Potentially Responsible Parties have undertaken remedial response actions. These sites may or may not be also identified or listed as a Federal CERCLIS sites. The Confirmed and Suspected Contaminated Sites listing ("CSCSL") is therefore a combination of sites that have ever required a response action, sites with completed response actions, and sites pending cleanup. Due to the wide range of included sites, the CSCSL listing should not be interpreted as a "State Superfund" sites listing.

A subset of the CSCSL listing is the State Hazardous Waste Sites ("HWSW") listing, which includes the CSCS sites that have been assessed, scored, and ranked by the Department of Ecology. A search of the August 2007 Department of Ecology HSWS database found two HSWS sites within one-eighth mile, and no sites within one-quarter mile of the subject Property.

The HWSW site in closest proximity to the subject Property is identified as the *Fisher Property*, located adjoining to the east. This site has previously confirmed soil

contamination, with suspected groundwater contamination. The site has not completed a and submitted a Site Characterization to the Department of Ecology.

State of Washington - Registered Underground Storage Tank ("UST") Sites:

Underground Storage Tanks are regulated under Subtitle I of RCRA and must be registered with the appropriate State agency. The State of Washington requires registration through the Department of Ecology, Solid Hazardous Waste Program. A search of the October 2007 State UST database found three UST sites within one-eighth of a mile and four sites within one-quarter mile of the subject Property.

The UST site in closest proximity to the subject Property is identified as *7-Eleven Store No. 17381 / 2307* located at the east end of the block. This site previously Removed three underground gasoline tanks in June of 1989. At that time, a petroleum Release was reported to the State. This site is discussed in the LUST Section of this Assessment.

State of Washington - Leaking Underground Storage Tank ("LUST") Incident Location Sites:

Underground Storage Tank incident releases are regulated under RCRA and must be reported within 48 hours to the Washington Department of Ecology, Toxics Cleanup Program. The Section maintains a database of all reported LUST incident sites. A search of the October 2007 State LUST database identified three LUST sites within one-eighth of a mile, and one site within one-quarter of a mile from the subject Property.

The LUST site in closest proximity to the subject Property is identified as *7-Eleven Store No. 17381 / 2307* located at the east end of the block. This site previously Removed three underground gasoline tanks in June of 1989. At that time, a petroleum Release was reported to the State. The site completed a Response Action and initiated Periodic Groundwater Monitoring. Closure has not been requested. Based upon the down gradient groundwater flow direction, presence of significant subsurface obstructions, and current status, this site is not reasonably anticipated to environmentally impact the subject Property.

State of Washington Solid Waste Landfill Facilities:

The State Solid Waste Landfill Facilities ("LF") listing is the sites identified by the State of Washington Department of Ecology, Solid Waste Services Program as either currently operating or previously identified as a solid waste landfill. This classification can be a result of either RCRA Part B permitting or prior identification by the Department. A search of the October 2006 database revealed no SWLF sites within one-half mile of the subject Property.

Approximate Database Search Range:

The above referenced Federal and State databases were reviewed for an appropriate search distance from the subject Property borders approximating the following radius:

Federal Database/Search Range:

- National Priorities List (NPL) of Superfund Sites/1.0 mile
- Comprehensive Environmental Response, Compensation and Liability Information System (CERCLIS) Sites/0.5 mile
- Resource Conservation and Recovery Act (RCRA): TSDS Facilities/0.5 mile, Generators/0.25 mile
- Emergency Response Notification System (ERNS) Federal Reported Releases/0.05 mile

State of Washington Database/Search Range:

- State of Washington Registered Underground Storage Tanks/0.25 mile
- State of Washington Leaking Underground Storage Tanks/0.5 mile
- State of Washington Hazardous Waste Sites/1.0 mile
- State of Washington Landfill and Solid Waste Sites/0.5 mile

STATEMENT OF THE ENVIRONMENTAL PROFESSIONAL

Statement of Quality Assurance

I have performed this Assessment in accordance with generally accepted environmental practices and procedures, as of the date of this Report. I have employed the degree of care and skill ordinarily exercised under similar circumstances by reputable environmental technologists practicing in this area. The conclusions contained within this Assessment are based upon site conditions I observed or were reasonably ascertainable and present at the time of my inspection.

The objective of this Environmental Site Assessment was to ascertain the potential presence or absence of environmental releases or threatened releases that could impact the subject Property, as delineated by the Scope of Work. The Scope of this Assessment does not purport to encompass every report, record, or other form of documentation relevant to the Property being evaluated. Additionally, this Assessment does not include or address reasonably ascertainable Environmental Liens currently recorded against the Property.

The procedure was to perform reasonable steps in accordance with the existing regulations, currently available technology, and generally accepted engineering practices in order to accomplish the stated objective.

The conclusions and recommendations stated in this Report are based upon personal observations made by myself and other employees of Aerotech, and also upon information provided by others. I have no reason to suspect or believe that the information provided is inaccurate.

Statement of Regulatory Compliance

I have performed this Assessment in compliance with requirements set forth in the *Standards and Practices for All Appropriate Inquiries; Final Rule* ("AAI"); U.S. EPA, 40 CFR Part 312, 70 FR 66070, November 1, 2005.

I declare that, to the best of my professional knowledge and belief, I meet the definition of Environmental Professional as defined in § 312.10 of this part. I have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. I have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

Signature of Environmental Professional - Alan T. Blotch:



Signature
Registered Environmental Assessor
(State of California)

Environmental Assessment Report Limitations:

The enclosed Phase I Environmental Site Assessment has been performed for the exclusive use of the Client(s) for the transaction at issue concerning:

MIN TRAM MARKET, INC.
9416 Rainier Avenue South
Seattle, Washington 98118

This Assessment has been performed in accordance with generally accepted environmental practices and procedures, as of the date of the Report. All services have been performed employing that degree of care and skill ordinarily exercised under similar circumstances by reputable environmental technologists practicing in this, or similar localities. No other warranty or guarantee, expressed or implied, is made or offered.

The conclusions and recommendations stated in this Report are based upon observations made by employees of Aerotech Environmental Consulting, Inc. and also upon information provided by others. We have no reason to suspect or believe that the information provided is inaccurate. However, we cannot be held responsible for the accuracy of the information provided to us by others. The Scope of this Assessment does not purport to encompass every report, record, or other form of documentation relevant to the Property being evaluated.

This Assessment does not include or address reasonably ascertainable Environmental Liens currently recorded against the subject Property.

The observations contained within this Assessment are based upon site conditions readily visible and present at the time of our Site inspection. These site observations are unable to specifically address conditions of subsurface soil, groundwater, or underground storage tanks, unless specifically mentioned. This Phase I Environmental Site Assessment does not attempt to address the past or forecast the future Site conditions.

TERMS AND DEFINITIONS

Description of Terms Specific to this Report

adjacent property..... any real property located within 0.25 mile of the subject Property's border.

adjoining property..... any real property whose border is contiguous or partially contiguous with the subject Property, or it would be if the Properties were not separated by a roadway, street, public thoroughfare, river, or stream.

ASTM formerly the American Society for Testing and Materials.

ASTM Phase I Environmental Site Assessment..... the process described in the ASTM practice E 1527, *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process*. The process by which a person or entity seeks to determine if a particular parcel of property including improvements is subject to recognized environmental conditions. The process does not purport to address all of the safety, environmental concerns, and regulatory compliance applicability associated with its use.

dwelling..... any structure all or part of which is designed or used for human habitation, i.e.; a place of residence or abode.

field screen questionnaire..... the environmental questionnaire normally completed by the key site manager, that asks the respondent to answer all questions to the best of their actual knowledge and good faith. The answers provide further details on the appropriateness of the investigation and areas of potential environmental concern.

Key Site Manager..... a person identified by the owner of the Property as having the best reliable knowledge of the previous uses, current conditions, and physical characteristics of the Property, and in a position to provide reasonably accurate information for the Field Screen Questionnaire.

obvious..... that which is plain or evident; a condition or fact that could not be ignored or overlooked by a reasonable observer while visually or physically observing the property.

recognized environmental condition(s)..... the presence or likely presence of hazardous substances or petroleum products on the Property under conditions that indicate an existing release, a past release, or a material threat of a release of those same substances into structures on the Property or into the ground, groundwater, or surface water of the Property. The term does not include *de minimis* conditions or those that would not be subject to an enforcement action if brought to the attention of an appropriate governmental agency.

residential building..... any room, group of rooms, or other interior areas of a structure designed or used for human habitation; common areas accessible by inhabitants; and the surrounding property or structures.

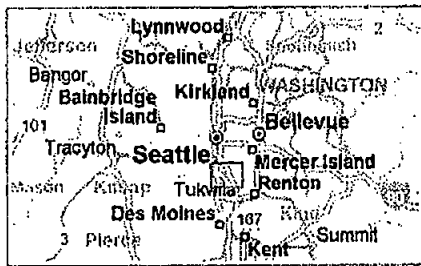
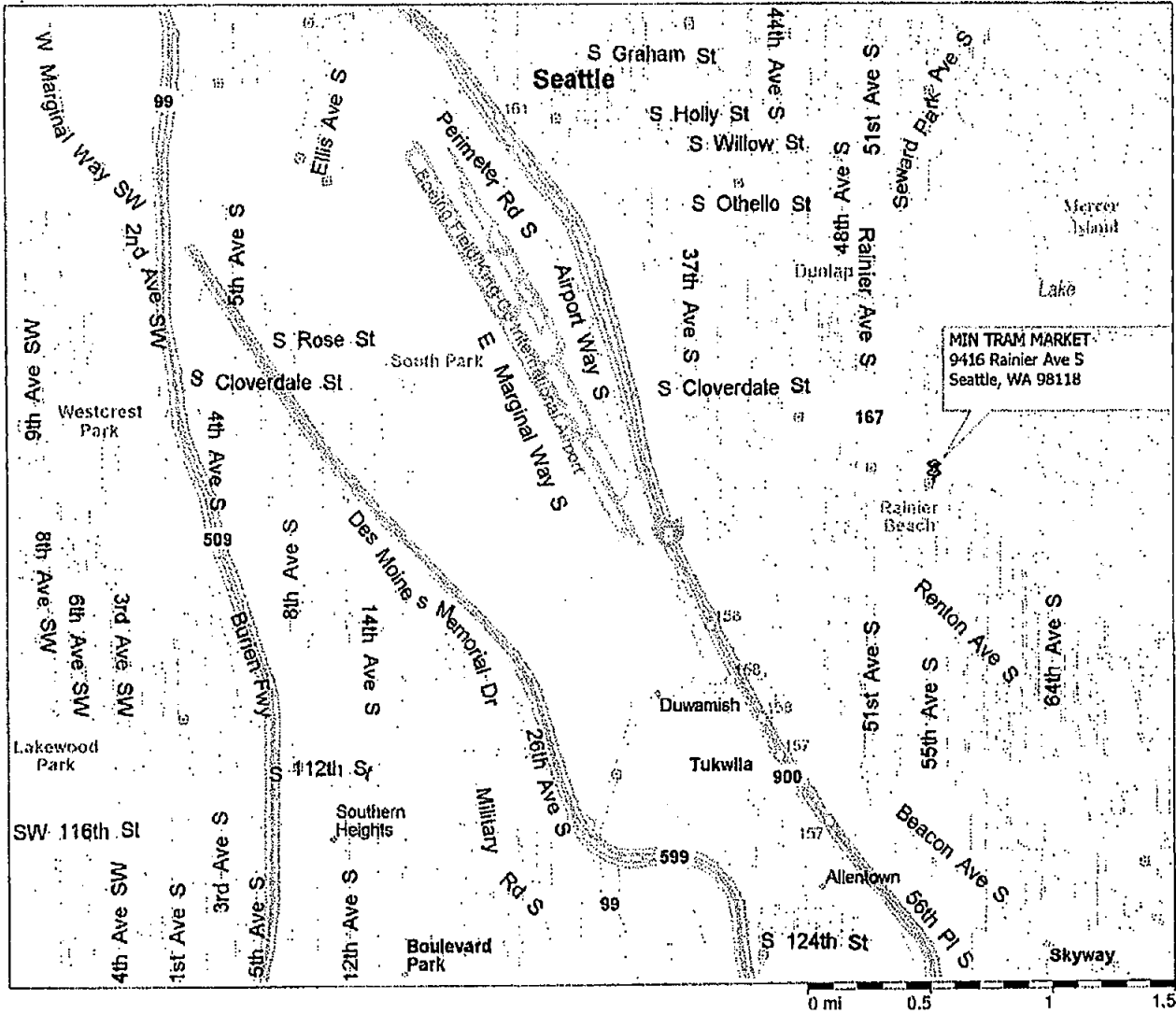
Transaction Screen Site Assessment..... the process described in the ASTM E 1528-00 standard, *Standard Practice for Environmental Site Assessments: Transaction Screen Process*.

APPENDIX

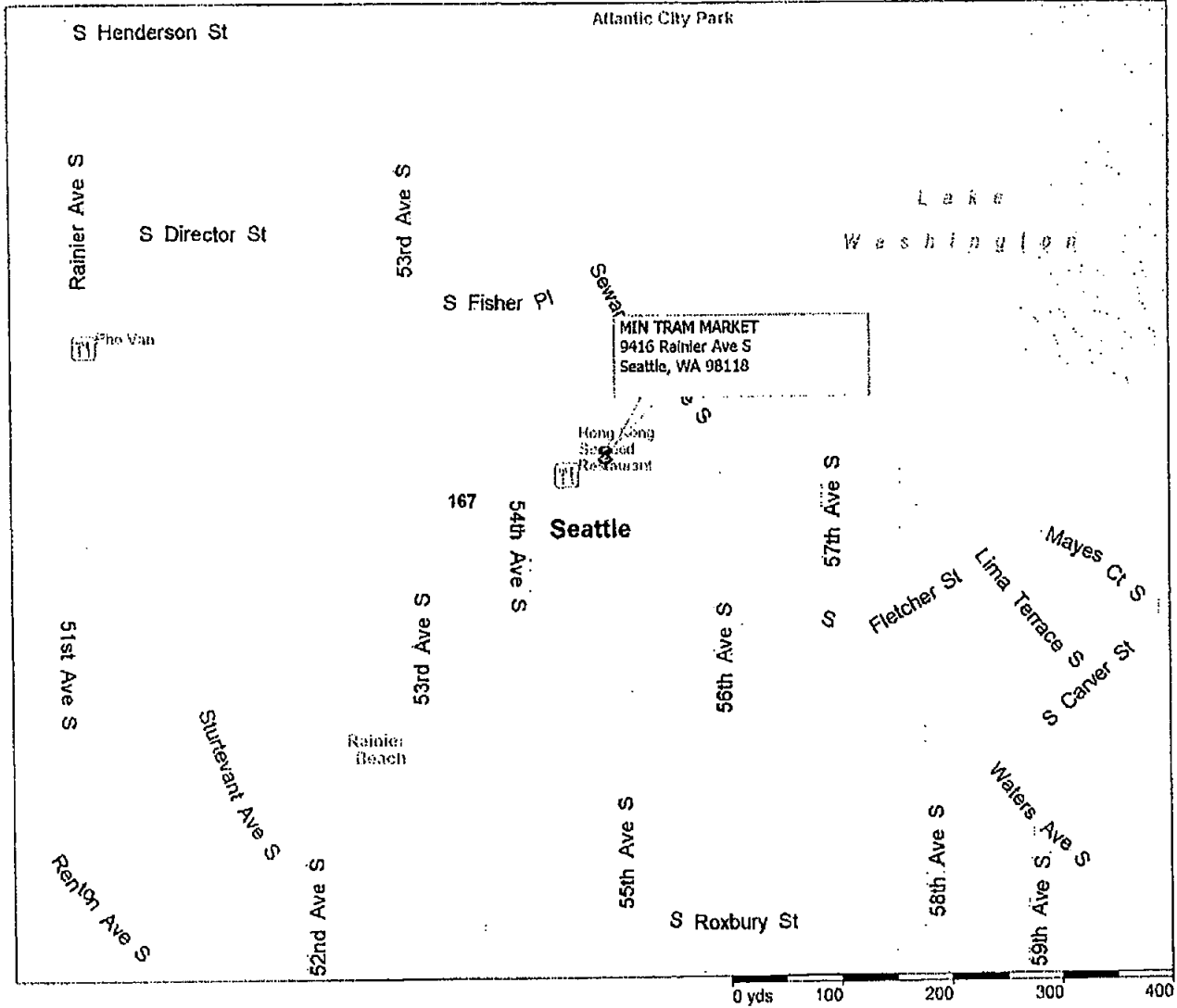
- Site Location and Photographs
- Project Contract Documents
- Supplemental Documents
- Environmental Questionnaire
- Environmental Database

■ **Site Location and Photographs**

Min Tram Market - Rainier Beach, Seattle, Washington



Min Tram Market - Rainier Beach, Seattle, Washington



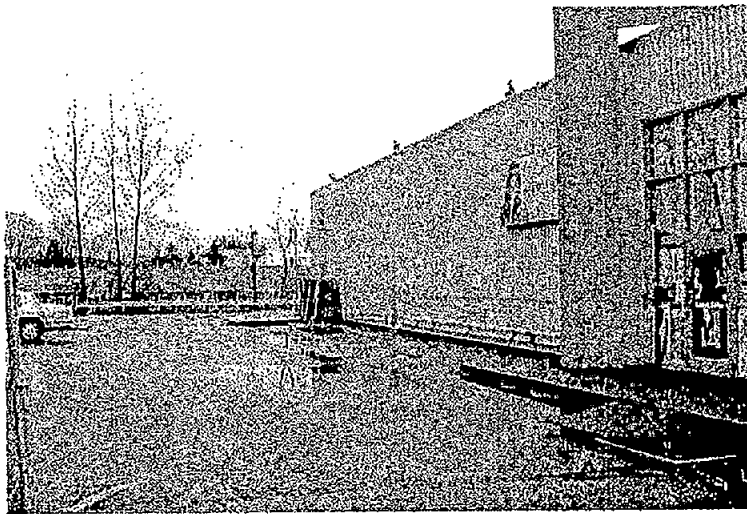
Pushpins

📌 My Pushpins

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**Min Tram Market
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**Front of Property
(southwest corner)**



West side parking lot

Rear of building



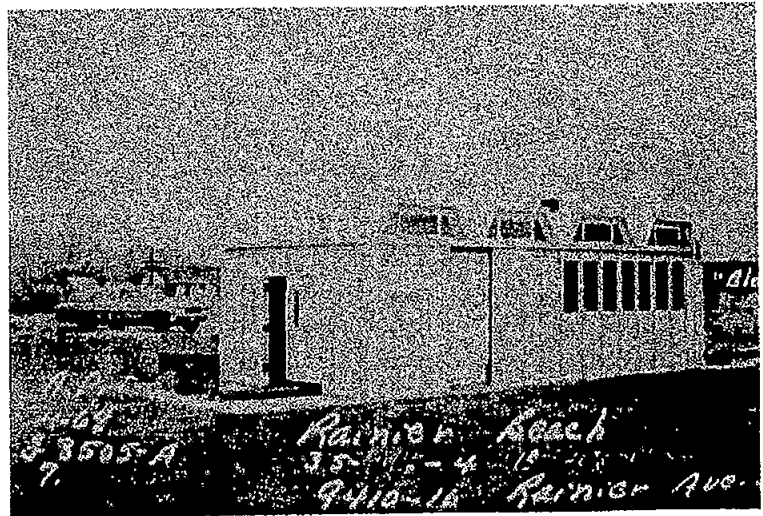
**Min Tram Market
Page 2 of 2**

Retail sales floor



Beauty Shop

**Subject Property car wash
(circa 1968)**



■ **Project Contract Documents**