

PHASE II LIMITED SUBSURFACE INVESTIGATION



Store #1234

1234 Due Diligence Lane
Any City, Any County, Any State 00000
NDDS File No. 14-0501
Date Issued: January 10, 2014

Prepared For:

National Properties, LLC
1000 Elm Street, Suite 100
Los Angeles, CA 92614
Attention: Mr. John Smith

INTRODUCTION

National Due Diligence Services (NDDS) performed a Phase II Limited Subsurface Investigation (Phase II) of the Store #1234 located at 1234 Due Diligence Lane, Any City, Any State (Site). The Phase II investigation was performed to determine if the Site has been impacted by potential migration of contaminants of concern from off-site sources. This investigation was performed in accordance with NDDS's proposal dated January 1, 2014. This report is intended for the sole use and benefit National Properties, LLC. This report has no other purpose and may not be relied upon by any other person or entity without the written consent of NDDS. National Properties, LLC may distribute the report to other parties without limitation; however, it is acknowledged that the report provided to third parties is for informational purposes only.

PURPOSE

The purpose of this investigation was to assess recognized environmental conditions (RECs) identified in a Phase I Environmental Site Assessment that was recently completed at the property. The information provided in this Phase II report describes the work performed during the investigation and provides documentation of the factual findings of the investigation. The assessment is not intended to identify additional areas of concern or to evaluate the potential for release of other chemicals of concern, or to identify the full lateral and vertical extent of release, determine appropriate cleanup actions, or develop a detailed estimate of costs to correct concerns identified.

BACKGROUND INFORMATION

The Property is located in a commercial and residential area of the Any City, Any County, Any State, and consists of one irregularly shaped parcel of land that totals approximately 1.715 acres. The Property is improved with one, 1-story commercial retail building, which is occupied by Store #1234. Based on information obtained from the Any County Tax Assessor's Office, the building was constructed in one phase during 1998. A topographic location map is provided as Figure 1.

A Phase I ESA was conducted on the Site on December 31, 2013, by NDDS that identified the following off-site RECs:

- Dairy Mart No. 62/Marathon Station and King & Lane Gulf/BP Station are listed as SB193 facilities Department of Environmental Protection, Underground Storage Tank Branch (DEP-USTB). These facilities have a status of “Groundwater Release” and are located topographically up-gradient relative to the Property.
- Kings Lube/Kings Express is listed as a PSTEAF facility by the DEP-USTB. The facility adjoins the Property on the north/east side, and has a status of “Pending.” The facility is also located topographically up-gradient of the Site.

As a result of the identified off-site RECs, a Phase II Limited Subsurface Investigation was recommended to determine if the Site has been adversely impacted from off-site contaminant migration.

UTILITY LOCATING

A utility inspection was performed at the property at least 48 hours prior to the initiation of the subsurface investigation, as required by Kentucky law. This inspection consisted of the marking the underground utility locations by authorized utility locating personnel.

HEALTH AND SAFETY PLAN

NDDS developed a Health and Safety Plan that was specific to the property. The development of this plan is required by the Occupational Safety and Health Administration (OSHA) under Hazardous Waste Operations & Emergency Response 29 CFR 1910.120. The Health and Safety Plan was designed to reduce the risk of physical or chemical exposures that may affect on-site workers in the proposed work area. The Health and Safety Plan includes information about chemicals expected on the property, health and safety procedures, and emergency response procedures.

SUBSURFACE INVESTIGATION

The Phase II Limited Subsurface Investigation was conducted on January 1, 2014. During the field activities, four soil borings (GB-1 through GB-4) were advanced at the Site by Tigerprobe, Inc. under utilizing a track-mounted Geoprobe 6610DT drill rig. The four soil borings were spaced along the northern property boundary near the off-site RECs. Soil boring GB-1 was located in the northwest corner of the Site and advanced until drilling refusal occurred at a depth of 15.5 feet below grade level (BGL). Borings GB-2 and GB-3 were advanced in the north-central portion of the Site and advanced to

depths of 12 feet BGL and 16 feet BGL, respectively. Soil boring GB-4 was advanced to a depth of 12 feet BGL in the northeast corner of the Site. The soil boring locations are illustrated on Figure 2.

Continuous soil samples were collected from borings GB-1 through GB-4 with a four-foot long, stainless-steel macrocore lined with disposable acetate sleeves from the surface to the terminal depth. Soils encountered at the Site consisted primarily of grey and brown clayey silt with trace amounts of rock and sand. Soil boring logs are attached as Appendix I.

The soil samples collected from each boring were field screened with a photo-ionization detector (PID) to screen for the presence of volatile organic vapors. No elevated PID readings were encountered and no visual or olfactory evidence of impact was observed during the field screening. Based on the PID readings and field observations, soil samples were collected for chemical analysis from 12 to 14 feet BGL in borings GB-1 and GB-3 and 8.0 to 10 feet BGL in borings GB-2 and GB-4.

Groundwater was not encountered prior to the drilling refusal depth or the maximum depth explored. As a result, no groundwater samples were collected as a part of this investigation. Following the completion of the sampling, the bore holes were abandoned in accordance with Kentucky requirements.

ANALYTICAL RESULTS

The four soil samples were transported under chain of custody protocol to Analytical Services, Inc. a certified laboratory. The soil samples were analyzed for volatile organic compounds (VOCs) by EPA Method 8260 and poly-nuclear aromatic hydrocarbons (PAHs) by EPA Method 8270. The analytical results were compared to the EPA Region 4 Removal Management Levels (RMLs) for the Direct Contact at Residential and Industrial Properties.

According to the laboratory analytical report, no PAHs were detected in the four soil samples above the laboratory method detection limits (MDLs). No VOCs were detected above the MDLs in the soil samples collected from GB-2, GB-3, and GB-4. In the soil sample collected from GB-1, benzene was detected at a concentration of 0.003 milligrams per kilogram (mg/kg) and toluene was detected at a concentration of 0.073 mg/kg. The concentration of benzene is below both the RMLs for Direct Contact at Residential (110 mg/kg) and Industrial (540 mg/kg) properties. The concentration of toluene was

below each of the EPA RMLs or RSLs. No other VOCs were detected in the sample from GB-1 above the laboratory MDLs.

A summary of the analytical results is provided as Table 1. The laboratory analytical report and chain-of-custody forms are included as Appendix II.

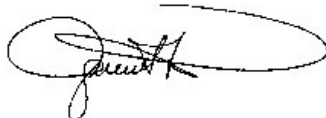
CONCLUSIONS

The following conclusions are based on the results of a Phase II limited subsurface investigation performed at the Store #1234 located at 1234 Due Diligence Lane, Any City, Any State in accordance with NDDS's proposal dated January 24, 2014. This investigation was intended to assess RECs identified in the Phase I ESA in general conformance with ASTM standards. It was not intended to satisfy the level of inquiry that may be necessary to support remedial solutions or determine migration pathways related to a release from the RECs.

The laboratory analytical report indicated that benzene was detected in one of the four soil samples collected and analyzed during this investigation. No other VOCs or PAHs were detected above the EPA RMLs or RSLs. The concentration of benzene did not exceed the EPA RMLs for Direct Contact for either Residential or Industrial Land Uses.

Based on the analytical results, it appears that a minor amount of petroleum impact may be migrating on-site from the up-gradient property. As a result, soil remedial action is not required since the concentrations do not exceed the Residential RMLs. Furthermore, it may be necessary to notify the DEP to ensure no additional assessment and/or remedial measures are necessary and they are conducted by the appropriate responsible party. If you have any questions regarding this report, please do not hesitate to contact the undersigned at 877-439-2562.

Sincerely,



Gregory A. Tan
Vice-President



Ronnie Long, C.E.M.
Senior Client Manager/Assessments Coordinator

SAMPLE

FIGURES

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APPENDIX I

SOIL BORING LOGS

APPENDIX II

LABORATORY ANALYTICAL REPORT

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