# ENVIRONMENTAL QUESTIONNAIRE AND DISCLOSURE STATEMENT

Applicant:	Mohan	nmed S. Khan & Aiina S. Khan		1
Address at	nd location o	f the property:		37.7
	16611	East 14th Street		
	<u>Şan Le</u>	eandro, CA 94578		
	Asses	sor's Parcel Number		
uses of the respond appropriation in inadequation (leasehol statement	te real proper fully to all ate. If unable te to answer d or fee into t should be s	rty upon which lender will rely in questions, including providing to answer, please respond "unk please attach additional pages erest) and conducts business a upplied for each location.	ation about past and present ownership and in deciding whether to extend credit. Please supporting documentary evidence where known" or "not applicable." Where space is as needed. If applicant has an interest in it multiple locations, a separate disclosure	
1.	The present o	owner (s) of the property:	AYTON KEATS	
2.	The present of	occupant of the property is:	SAME	
·	was presequ	rensfer of ownership: July isition site assessment or environt. NO	1993 nmental audit required? If so, include a	
4.	To the extenuses of the p	t known, please identify the prior roperty and the prior owner (s)	or uses of the property and the prior of the site during the past 50 years:	
	<u>Date</u>	Owner	<u>Use</u>	
			SEE REPORT DAVID SIEGEL	
			<del></del> ,	
			- The Miles	LA
5.			SHOP SOUTH COLLETAIL LOUNGE	7
6.	Dag the rea	property or any adjacent proper ing, refining, processing, or agri	rty ever been used for muusutat.	
		NOT KNOWN		

DØ3

12:53

7.	When were buildings on the premises constructed? APPROX 1950.
8.	If buildings or improvements on premises were constructed prior to 1978, was asbestos used for insulation or other purposes? NOT KNOWN.
9.	Have any asbestos tests or surveys been performed on site? If so, please attach copies of the results? $\mathcal{N} \subset$
10.	Are electrical transformers, switchers, capacitors, or other comparable devices on the premises? Have they been inspected for the presence of PCBs or other hazardous toxic substances? If inspection reports have been made, include copies.
11.	Have there been any leaks, spills, or fires on site involving PGB electrical equipment? If so, please describe.
12.	Are there now, or have there ever been, underground storage tanks located on the site?  If so, indicate the number of tanks and the contents and age of each tank.
13.	If any of the following measures have been provided for the underground tanks and their associated piping.
	integrity testing leak detection system secondary containment cathodic protection  inventory reconciliation overfill spill protection other (please describe)
	Has a leak or a potential leak ever been detected in these tanks?
14.	Does your business use chemicals or substances which require pennits or license to own, use, or remove from the property? TRANSANSSION FLOID & MINERAL SPIRITE
15.	How are those chemicals or substances removed from the property?
16.	Are there any above or below ground pipelines on site used to transfer chemicals? If so, please describe:
17.	Have the pipelines been inspected or tested for leaks? If so please indicate the results.
18.	Are chemicals and wastes currently stored on site, or have they been stored in the past.  If so, check all applicable categories of storage methods:    Value of the past of the past of storage methods:
19.	Are there disposal facilities or dumpsites, storing or use of hazardous waste/toxic materials, within a 2000 foot radius of the property? If so, please describe.

20.	If the answer to question 18 is in the affirmative, disclose whether the Environmental Protection Agency or State Department of Health Services (or other environmental
	authority) requires a permit for your occupancy of this property. NO PERMIT
21.	Have there been or is there physical evidence of any spills, leaks, or other releases of any
	toxic/hazardous chemicals/substances on the property or adjoining property.
22.	Are all appropriate licenses and permits current and are you presently in compliance with all regulations for continued utilization of licenses/permits? (If not, and are subject to pending suspension or revocation action, please describe the basis for and copies of suspension/revocation action.
23.	Please attach copies of permits/licenses involving chemicals or substances used or removed on the premises, including waste disposal permits.  EVERY 90 DAYS CALL FOR TRANSMISSION FLUID PLOS OF LOCAL UP
24.	environmental agencies alleging noncompliance with regulations? If so, please describe.
25.	Are there any past, current or pending lawsuits or administrative proceedings naming the facility for alleged environmental damages? If so, please describe.
26.	Has the facility or any nearby property ever been listed, proposed, or investigated as a federal or state Superfund site? If so, please describe.
27.	Has the facility ever been involved in site investigations, cleanup actions, corrective action programs or other regulatory requirements regarding potential or known contamination on site? If so, please describe.
compi	familiar with the real property described in this questionnaire. By signing below, I sent and warrant to First Northern Bank that the answers to the above questions are lete and accurate to the best of my knowledge. I also understand that First Northern Bank rely on the completeness and accuracy of my answers in assessing any environmental ty risks associated with the property.
Вопо	wer:
Borro	ower:Date:
	1 0 1 1

Borrower:	Date: 5-5-03
Borrower:	Date:
Seller: Land Listernal Use Only_	Date: 5-5-03
Loan Officer:	Date:

## Environmental, Inc.

Castro Valley, CA 94546-5832

(510) 247-9885 Facsimile: (510) 886-5399

# INVOICE

May 1, 2003

Sam and Aiina Khan Sam's Neon and Electrical/Sam's Signs C/o Mr. Don Cortez L&S Preferred Property 22628 Foothill Boulevard Hayward, CA 94541

Re: Invoice for Environmental Transaction Screen

16611 East 14<sup>th</sup> Street San Leandro, California ERAS Project Number 03088

Dear Mr. Cortez:

The following is the final invoice for the Environmental Transaction Screen (ETS) project performed by ERAS Environmental, Inc. (ERAS) for the subject property. The scope of work was approved on April 28, 2003 in response to ERAS proposal dated April 25, 2003.

The amount now due is based upon a lump sum of \$ 750.00.

Please make checks payable to "ERAS Environmental, Inc.". Invoice is due upon receipt and is past due after 30 days. Balances due after 30 days may be subject to an interest charge of 1.5% per month (18% per annum).

Thank you for the opportunity to provide due diligence services.

Respectfully,

ERAS Environmental, Inc.

David Siegel, R.E.A. II, President

"Responsive Experienced Solutions for Environmental Due Diligence"

Environmental, Inc.

Castro Valley, CA 94546-5832

(510) 247-9885 Facsimile: (510) 886-5399

# ENVIRONMENTAL TRANSACTION SCREEN 16611 East 14<sup>th</sup> Street San Leandro, California ERAS Project Number 03088

Prepared for:

Sam and Aiina Khan Sam's Neon and Electrical/Sam's Signs C/o Mr. Don Cortez L&S Preferred Property 22628 Foothill Boulevard Hayward, CA 94541

Prepared by:

ERAS Environmental, Inc. May 1, 2003

#### 20861 Wilbeam Avenue, Suite 4

### Environmental, Inc.

Castro Valley, CA 94546-5832

(510) 247-9885 Facsimile: (510) 886-5399

May 1, 2003

Sam and Aiina Khan Sam's Neon and Electrical/Sam's Signs c/o Mr. Don Cortez L&S Preferred Property 22628 Foothill Boulevard Hayward, CA 94541

Re: ENVIRONMENTAL TRANSACTION SCREEN

16611 East 14<sup>th</sup> Street San Leandro, California ERAS Project Number 03088

Dear Mr. Cortez:

ERAS Environmental, Inc. (ERAS) performed an Environmental Transaction Screen (ETS) project for a site located at 16611 East 14<sup>th</sup> Street in San Leandro, California (the "Property"). The Property contained several small buildings. The front section was occupied by Mobile Net Pre-Owned Car and Truck, a used car and truck sales business. The rear section was occupied by C The Doctor Transmission, a transmission repair facility.

The ETS was performed to identify, to the extent feasible, *recognized environmental* conditions in connection with the Property. The protocol utilized for this ETS is in general accordance with the requirements of American Society of Testing Materials (ASTM) Standard E1528-00.

#### Scope of Work

The ETS included a visual reconnaissance of the Property, an interview with the owner of the Property, a review of a regulatory agency environmental database for the Property and surrounding area provided by FirstSearch Technology Corporation (FSTC), and a review of Alameda County Health Care Services Agency (ACHCSA) records for the Property.

#### Visual Reconnaissance

An ERAS representative visited the Property on April 25, 2003. The Property is located on the northeast side of East 14<sup>th</sup> Street between 165<sup>th</sup> and 166<sup>th</sup> Avenues. The Property

16611 East 14<sup>th</sup> Street May 1, 2003 Page 2

consists of an irregular-shaped area of approximately 30,000 square feet. Adjacent to the northwest was Andres Body-Paint, an automobile body repair facility, to the southeast was a nightclub. To the southwest were single family residences.

An asphalt-paved parking lot extends along the northeastern side of the Property adjacent to East 14<sup>th</sup> Street. The lot contained a number of parked vans, trucks and automobiles. A small wooden frame automobile sales office was set back into the lot approximately 35 feet. Behind the sales office was a wooden sided mobile home used for an office by the transmission repair facility. A transmission repair shed was located behind the office trailer. The shed contained two attached awnings that covered a parts storage area and parts cleaning area. Metal racks, containing transmission bodies and parts were located in the outside area near the repair shed.

The entire area along the southeast side of the Property contained parked automobiles. The southwestern end of the Property was dirt that was overgrown with weeds. The area around the repair shed was mostly covered with gravel. An area located along the northwestern Property boundary was observed to have no vegetation. This was an area where metal parts, parts racks and lumber were previously stored.

Hazardous materials, hydraulic oil and waste hydraulic oil, were stored in three 55-gallon drums located inside a cattle trough containment. Minor surficial oil staining was observed on the paved floor of the transmission work area and near the oil storage area. Beneath one of the awning was a parts cleaning room. This area contained a hot water cleaning machine and a parts cleaning sink. The parts cleaning sink was contained and utilizes mineral oil for cleaning parts.

No indication of improper storage of hazardous materials was noted during the site visit. No evidence of underground or aboveground storage tanks, pits or sumps was observed on or near the Property. No evidence of past spillage, leakage or dumping of hazardous materials, such as discolored soil, sheen or distressed vegetation was observed on the unpaved areas on the Property at the time of the reconnaissance.

Observations made by ERAS at the time of the site visit are included on the ASTM Site Reconnaissance and Interview form also included in **Attachment 1**.

#### **Database Review**

Information from standard Federal and State environmental databases was provided to ERAS by Environmental Data Resources, Inc. (EDR) of Southport, Connecticut. Data from governmental agency lists are updated and integrated into one database which is updated as these data are released. This integrated database also contains postal service data in order to enhance address matching. The complete database is included as **Attachment 2** to this report. Leaks from underground storage tank (LUST) sites are the most common source of local contamination. Leaks of this type generally do not extend down-gradient more than approximately 650 feet (approximately 1/8 mile) except under unusual conditions.

16611 East 14<sup>th</sup> Street May 1, 2003 Page 3

The environmental database search identified three California Hazardous Material Incident Report System (CHMIRS) sites, eleven (11) Cortese sites and two Notify 65 sites within one mile. Fifteen (15) Leaking Underground Storage Tanks (LUST) sites were within 1/2 mile. Four RCRIS small quantity generators of hazardous waste sites, three underground storage tank (UST) sites, one California Facility Inventory Database UST (CA FID UST) site and three historical UST (HIST UST) sites were within 1/4 mile. The location of these sites are indicated on the **Overview and Detail Maps** in the database report in **Attachment 2**.

Groundwater is the medium that has the potential to carry contaminants from an off-site source to the Property. The groundwater generally follows the topography, flowing from higher to lower elevations. Based on regional and local topography, the estimated direction of groundwater flow in the area is to the southwest toward the San Francisco Bay.

The Property was listed on the HAZNET database as a result of the storage of waste oil and mixed oil. The Property was not listed on any of the databases that indicate a leak has occurred.

The adjacent site, Andres Metal Craft at 16593 East 14<sup>th</sup> Street, was listed on the HAZNET database and the RCRIS list as a small quantity generator of hazardous waste. A site directly across East 14<sup>th</sup> Street, Carl Kuper Motors, 16600 East 14<sup>th</sup> Street was also listed as a HAZNET site. Neither of these sites were listed on any database that indicates a leak has occurred. The closest known leak site is East 14<sup>th</sup> Street Auto Wreckers at 16552 East 14<sup>th</sup> Street. This site is listed as a CERC-NFRAP site; this status indicates it is not a site of major concern. It is located to the northwest, not up-gradient and based on the status and location is not considered to pose a threat to subsurface environmental conditions under the Property.

None of the other identified leak sites are located in close proximity or in a direction up gradient from the Property, therefore none are considered likely to pose a threat to subsurface environmental conditions beneath the Property.

#### Interview

On May 1, 2003, ERAS interviewed the owner of the Property, Mr. Clayton Keats. Mr. Keats indicated he has owned the Property for approximately 10 years. The shed building behind the office trailer was a former service station building that was moved to the Property from nearby. The waste transmission oil is collected by Evergreen Oil Company along with the waste solvent.

Mr. Keats indicated that he was not aware of any contamination on the Property from the previous use. Significant quantities of hazardous or flammable materials are not known to have been used or stored on the Property. Underground storage tanks are not known to have been installed on the Property. There is no knowledge of contamination on the Property from the previous uses or from off-site sources. There are no known pending

16611 East 14<sup>th</sup> Street May 1, 2003 Page 4

lawsuits or administrative proceedings concerning releases of hazardous chemicals on the Property.

Mr. Keats's responses were compiled on ERAS Environmental Questionnaire along with observations made by ERAS at the time of the site visit. These are included on the ASTM Site Reconnaissance and Interview form included as **Attachment 1** to this report.

#### File Review Information

Because hazardous materials are used and stored on the Property, the file for the Property was reviewed at the Alameda County Health Care Services Agency. The file contained a record of a storm water inspection on August 27, 1995. It was noted that metal parts were stored outside and that storm water runoff near the parts could infiltrate soil.

A hazardous materials inspection conducted on December 5, 1995 noted no violations pertaining to leakage or spillage. Requests were made to label containers completely, cover exposed parts, clean the yard area and submit a Hazardous Materials Management Plan.

There was no information obtained during the file review that there were significant spills, leaks or dumping, sumps clarifiers, or USTs or ASTs or other items that would have the potential to affect subsurface environmental conditions under the Property.

#### Conclusions and Recommendations

An ERAS representative visited the Property on April 25, 2003. The Property is located on the northeast side of East 14<sup>th</sup> Street between 165<sup>th</sup> and 166<sup>th</sup> Avenues. The Property consists of an irregular-shaped area of approximately 30,000 square feet. The Property contained several small buildings. The front section was occupied by Mobile Net Pre-Owned Car and Truck, a used car and truck sales business. The rear section was occupied by C The Doctor Transmission, a transmission repair facility.

The operation at the Property uses hazardous materials (hydraulic oil) and generates hazardous waste (waste hydraulic oil and used parts cleaning mineral oil) during normal operations. These materials appeared to be properly used and stored. Minor surficial oil staining was observed on the paved floor of the transmission work area and near the oil containment area. No evidence of underground or aboveground storage tanks, pits or sumps was observed on or near the Property. No evidence of past spillage, leakage or dumping of hazardous materials, such as discolored soil, oily sheen, chemical odors outside the building or distressed vegetation was observed on the unpaved areas on the Property.

The Property was listed on the HAZNET database as a result of the storage of waste oil and mixed oil. The Property was not listed on any of the databases that indicate a leak has occurred. There was no information obtained during a review of the file for the Property that there were significant spills, leaks or dumping, sumps clarifiers, or USTs or ASTs or other problems that would affect subsurface environmental conditions under the Property.

The adjacent site, Andres Metal Craft at 16593 East 14<sup>th</sup> Street, was listed on the HAZNET database and the RCRIS list as a small quantity generator of hazardous waste. A site directly across East 14<sup>th</sup> Street, Carl Kuper Motors, 16600 East 14<sup>th</sup> Street, was also listed as a HAZNET site. Neither of these sites were listed on any database that indicates a leak has occurred.

Based on distance, locations or current site status, none of the identified sites on the environmental database are considered threats to the current environmental status of the Property or subsurface soil and groundwater beneath it.

There was no evidence obtained during this ETS to indicate that past activities on or near the Property have caused contamination to subsurface materials under the Property. Therefore, ERAS recommends no further action regarding environmental conditions at 16611 East 14<sup>th</sup> Street in San Leandro, California.

#### Limitations

ERAS has performed the services for this project in accordance with current standards of the American Society for Testing and Materials (ASTM) for Environmental Transaction Screens (ASTM standard E1528-00). No guarantees are either expressed or implied. ERAS is not responsible for errors or omissions in the information supplied by the commercial database company. Reasonably ascertainable information was reviewed for this project. Reasonably ascertainable information is publicly available and obtainable within reasonable time and cost constraints, and reasonably reviewable.

The investigation was limited to a search for recognized environmental conditions. The term recognized environmental condition means the presence or likely presence of any hazardous substances or petroleum products on a property under conditions that indicate an existing release, a past release, or a material threat of a release of any hazardous substances or petroleum products into structures on the property or into the ground, groundwater, or surface water of the property. The term includes hazardous substances or petroleum products even under conditions in compliance with laws. The term is not intended to include de minimis conditions that generally do not present a material risk of harm to public health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies.

There is no investigation which is thorough enough to preclude the presence of hazardous materials which presently, or in the future, may be considered hazardous at the Property. Because regulatory evaluation criteria are constantly changing, concentrations of constituents presently considered low may, in the future, fall under more stringent regulatory standards that require remediation.

The visual reconnaissance was limited to visual observation of surface conditions at the Property. This approach reflects current ASTM standards unless the information obtained

as part of this work suggests the need for further investigation. The investigation addresses recognized environmental conditions at the Property. However, certain conditions, such as those listed below, may not be revealed:

- naturally occurring toxic materials in the subsurface soils, rocks, water or toxicity of on-site flora;
- 2) toxicity of substances common in current habitable environments, such as stored household products, building materials, and consumables;
- 3) biological pathogens;
- 4) contaminant plume below sampled or observed surface levels, originating from remote source:
- 5) constituents or constituent concentrations that do not violate present regulatory standards, but may violate future standards;
- 6) unknown site impact, such as "midnight" dumping and/or accidental spillage which may occur following the visual reconnaissance of the Property by ERAS.

Opinions and judgments expressed herein, which are based on our understanding and interpretation of current regulatory standards, should not be construed as legal opinions.

It has been a pleasure working with you on this project. Please call if you have any questions.

Respectfully,

ERAS Environmental, Inc.



David Siegel, R.E.A. If 20200

Appendices:

- 1) Site Assessment Checklist and ASTM Transaction Screen and Environmental Site Assessment Questionnaire
- 2) Environmental FirstSearch Report

#### **ATTACHMENT 1**

SITE ASSESSMENT CHECKLIST AND ASTM TRANSACTION SCREEN AND ENVIRONMENTAL SITE ASSESSMENT QUESTIONNAIRE

SITE RECONNAISSANCE CHECKLIST ist 14th street San Inspector: Non-Facility Visitors: \_ \_ Weather Conditions: \_\_\_\_\_ (1) Topography/Fill Areas: (2) Soil/Geology: 1) M (3) Ground Water: YST MAG granlar-east side of NONE (5) Wetlands: (6) Drainage: Describe (i.e., roof drains, storm drains, rivers and streams flow directions) a) Building: 10 DATEME TOTOS and contento greas in all (Mas b) Site: \_\_\_\_\_\_SULTANTS to drains in outside yard c) Regional: . Drinking Water Electric Storm Sewer Waste Water Sewer Heating (7) Public Utilities: Private Utilities (identify): (8) Evidence of Contamination: Note environmental features (i.e., asbestos, sloppy housekeeping, hazardous chemicals, stores areas, containment structures) a) General Building Information: Bldg. Number: 1661 Features: \_ Construction: \_\_ b) Building Interior Condition: (4) Bon minor instical stains in Spillage: \_\_\_ Potential Asbestos: \_ Housekeeping: Cityl c) Building Exterior Condition: COOP No. of Transformers: NONS Content: Area of Stained Soils: VNON & No. of Tanks/UST: YNOY! \_\_ Age: \_\_ \_\_ Size: \_\_\_\_\_ No. of Tanks/AST: YOUK \_ Age: \_\_\_\_\_\_ Size: \_\_\_\_\_ Type: \_

Type: \_

Type: \_\_\_

Type: \_

Signature: Xaru Suzel

\_ Number: \_

Number:

(9) Storage Area Condition: \( \frac{500}{100} \)

No. of Gas Cylinders: YOU

Waste Removal:

Debris: \_

No. of Drums: 1 ( Containment

Site Address: 16611 E. 14th St., San Un	NVO		Date:	50					
Person Interviewed/Title: (ayton Cents James Sta Vist 425/03									
ASTM Transaction Screen and Environmenta	l Site Assessm	ent Qu	estionnaire						
Owner	Occupants		Observed Dur Site Visit	ing					
1) Is the Property or any adjoining site used for an industrial use? Yes No Unk	Yes No	Unk	Yes (No)	Unk					
2) To the best of your knowledge, has the property or any adjoining site been used for an industrial use? Yes No Unk	Yes No	Unk	Yes No	Unk					
3) Is the Property or any adjoining site used for a gasoline station, motor repair, commercial printing, dry cleaning, photo process., a junk-yard or landfill or for waste storage, disposal, process. or recycling? Yes No Unk	Yes No	Unk	Yes No	Unk					
4) To the best of your knowledge, has the Property or any adjoining site been used for a gasoline station, motor repair, commercial printing, dry cleaning, photo process., a junkyard or landfill or for waste storage, disposal, process. or recycling?  Yes  No  Unk	Yes No	Unk	Yes No	Unk					
5) Are there, or has there been to the best of your knowledge, discarded ham mission of batteries or pesticides, paints, or other chemicals in more than 5 gallon containers or 50 gallons in total stored or used at the Property? Yes No Unk	157 10H	Unk	Yes No	Unk					
6) Are there, or has there been to the best of your knowledge, any industrial drums (usually 55 gallon) or sacks of chemicals on the Property? Yes No Unk	Yes No	Unk	Yes No	Unk					
7) Are there, or has there been to the best of your knowledge, any fill dirt from a contaminated or unknown site put on the Property? Yes No Unk	Yes No	Unk	Yes (No)	Unk					

Site Address:	16611	East	14th	4	Sar	le	and ve	o 4	03	
·		Owne		· .	Occuj	pants		Obser Site V	ved Du 'isit	ring
pends or lagor	nas there been to nowledge, any ons on the Prop with waste trea	pits, erty	No	Unk	Yes	No	Unk	Yes (	No	Unk
9) Is there, or had best of your kind stained soil or Property?		the Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
10) Are there, or best of your ki	nowledge, any inregistered or aboveground	to the						(		
11) Are there, or best of your k	nowledge, any s or access wa	to the	No No	Unk	Yes	No No	Unk Unk	Yes	No No	Unk Unk
12) Are there, or best of your ki drains, or wall are stained by	nowledge, anv	to the flooring, M rty that o. W	1966 SI	nyficial		No	Unk (	Yes	No	Unk
indication tha	system, is there t the water sup or were contain	any ply was ninants	NI	A					27	
14) Does the own knowledge of notification re	t exceeded guid ner or occupan liens or govern elating to violat I laws regardin	t have nmental tions of	NO NO	Unk	Yes	No	Unk	Yes	No	Unk
Property?		Yes	No	Unk	Yes	No	Unk	Yes	No	Unk

Site Address: 16011 C When St	Occupa	ants	ļ	Observed During Site Visit		
hnowledge of the current or past presence of hazardous substances or petroleum products on the Property? Yes No Unk	Yes	No	Unk (		No	Unk
16) Does the owner or occupant have knowledge of any environmental site assessment that indicated the presence of contamination or recommended further assessment?  Yes No Unk	Yes	No	Unk	Yes	No	Unk
knowledge of past, threatened or pending lawsuits or administrative proceedings regarding a release of any hazardous substance on the Property?  Yes  No  Unk	Yes	No	Unk	Yes	No	Unk
18) Does the Property discharge waste water, other than storm or sanitary water into a sanitary sewer? Yes No Unk	Yes	No	Unk	Yes (	No	Unk
19) Is there any evidence to the best of your knowledge that hazardous substances, tires, batteries or other waste materials have been dumped, buried or burned on the Property?  Yes  No  Unk	Yes	No	Unk	Yes(	No	Unk
20) Is there a transformer, capacitor or other hydraulic equipment for which there are records indicating the presence of PCB's?  Yes No Unk	Yes	No	Unk	Yes	No	) <sup>Unk</sup>
Signed: Signed: 5103						