



AEI Consultants

Environmental & Engineering Services

December 12, 2011

PHASE I ENVIRONMENTAL SITE ASSESSMENT

Property Identification:

1428-1432 Franklin Street
Oakland, Alameda County, California 94612

AEI Project No. 302666
Client Reference No. 15720

Prepared for:

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PROJECT SUMMARY

1428-1432 Franklin Street, Oakland, Alameda County, California

Report Section		No Further Action	REC	HREC	BER	Recommended Action
2.1	Current use of subject property	X				
2.2	Adjoining property information	X				
3.1	Historical Summary		X			Phase II Subsurface Investigation:
4.0	Regulatory Agency Records Review		X			See above
5.0	Regulatory Database Records Review		X			See above
6.3	Previous Reports	X				
7.0	Site Inspection and Reconnaissance	X				
7.2.1	Asbestos-Containing Materials				X	Operations and Maintenance (O&M) Plan
7.2.2	Lead-Based Paint	X			X	
7.2.3	Radon	X				
7.2.4	Lead in Drinking Water	X				
7.2.5	Mold	X				

EXECUTIVE SUMMARY

AEI Consultants (AEI) was retained by Bank of the Orient to conduct a Phase I Environmental Site Assessment (ESA), in general conformance with the scope and limitations of ASTM Standard Practice E1527-05 and the Environmental Protection Agency Standards and Practices for All Appropriate Inquiries (40 CFR Part 312) for the property located at 1428-1432 Franklin Street in the City of Oakland, Alameda County, California. Any exceptions to, or deletions from, this practice are described in Section 1.3 of this report.

PROPERTY DESCRIPTION

The subject property, which consists of a multi-tenant office and retail building, is located on the east side of Franklin Street in a mixed commercial and residential area of Oakland, California. The property totals 0.17 acre and is improved with a two-story slab-on-grade building with an open central courtyard totaling 13,810 square feet. The subject property is currently occupied by the following tenants:

Address	Suite Number	Tenant	On-site Operations	Interior Access
1428 Franklin Street		iCamera	Camera repairs and retail sales	Partial
1430 Franklin Street	100	Dragos Badea Inc.	Administrative activities	No
	101	California Economy Assistance Community Development	Administrative activities	No
	202	Robert A. Goldstein, Jeff Pollack	Administrative activities	No
	204	Douglas E. Lord, John Burroughs	Administrative activities	No
	206	Consummate Marketing Company	Administrative activities	No
	208	Barry D. Ammon	Administrative activities	No
	210	Legal Beagle	Administrative activities	No
	212	Lasar Place Employment Agency	Administrative activities	No
1432 Franklin Street		Homeless Action Center (HAC)	Administrative activities	No

According to historical sources, the current subject property building was constructed between 1912 and 1927 for use as an office building. Prior to the construction of the building, the property was developed with a multi-family residential dwelling and two small auxiliary buildings identified with the addresses 1222 and 1224 Franklin Street from 1889 until at least 1912. Between at least 1974 and 1984 the subject property was occupied by two small printing facilities. The former printing facilities are further discussed in Section 3.4. In addition, two 300-gallon heating oil USTs were removed from the subject property in 2004. Environmental concerns associated with the former USTs on the subject property are further discussed in Section 4.1.2 as well as in the *Findings* section below.

Based on a review of historical sources, the following historical addresses were associated with the subject property: 1222 and 1224 Franklin Street. These addresses were also researched as part of this assessment.

The subject property, identified as Bacharach and Borsuk Property at 1432 Franklin Street, was identified in the databases reviewed as a Leaking Underground Storage Tank (LUST) site, and is further discussed in Section 5.1.

The immediately surrounding properties consist of the following:

Direction from Site	Address-Tenant/Use
North	A multi-tenant commercial building occupied by Adam's Mediterranean Café (1442 Franklin Street), vacant units (1444-1446 Franklin Street), Satisfied Nails (389 15 th Street), Health & Natural Healing (383 15 th Street), Nguyen Vietnamese Cuisine (381 Franklin Street), First Impressions Hair Design (377 Franklin Street)
Northeast	International Association of Firefighters (IAF) (369 15 th Street)
Northwest	Franklin Street, followed by Lincoln University (401 15 th Street)
South	Douglas Parking lot
Southwest	Franklin Street, followed by Ampco Systems Parking lot
East	Vacant office building (1433 Webster Street)
West	Franklin Street, followed by a 4-story residential building with commercial businesses occupying the ground floor, including Le Tasty Cuisine (1441 Franklin Street) and Oriental Wellness Center (1445 Franklin Street)

No adjacent sites were identified in the regulatory database.

Based upon topographic map interpretation as well as the *Second 2011 Semi-Annual Groundwater Monitoring Report* obtained from the Regional Water Quality Control Board (RWQCB) GeoTracker website for Allright Parking at 1432 Harrison Street, located approximately 560 feet southeast of the subject property, the direction of groundwater flow beneath the subject property is inferred to be to the north-northeast and present at an estimated depth of 18 to 20 feet below ground surface (bgs).

FINDINGS

Recognized Environmental Conditions (RECs) are defined by the ASTM Standard Practice E1527-05 as 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. AEI's assessment has revealed the following RECs associated with the subject property or nearby properties:

- AEI reviewed the Work Plan for Over-Excavation of Contaminated Soils prepared by AEI on February 23, 2004. According to the work plan, AEI removed a 300-gallon underground storage tank (UST) used to store heating oil at 1430 Franklin Street on January 15th, 2004. After the removal of the tank, two soil samples were taken at the bottom of the excavation at a depth of eight feet, and a four point composite sample was taken of the stockpiled soils. The report noted that groundwater was encountered during the removal, but no samples were taken. Elevated levels of total petroleum hydrocarbons as diesel (TPHd) were reported at a maximum of 3,800 milligrams per kilogram (mg/kg) and total petroleum hydrocarbons as gasoline (TPHg) were reported at a maximum of 1,700 mg/kg in the samples taken at the excavation bottom. No contamination was found in the composite stockpiled soil sample. In addition, another 300-gallon heating oil UST was discovered next to the first heating oil UST during the excavation and was removed as well. Based on the presence of contamination at the excavation bottom, AEI recommended remedial activities. AEI outlined a plan for remediation; however, no other documentation was found concerning the former USTs on the property. The LUST case is identified as an open case with the status listed as "preliminary site assessment workplan submitted". Based on the lack of documentation found regarding the completion of the recommended remediation at the site and open case status, it is likely that contamination from the former USTs still exists in the soil and/or groundwater on the subject property. Based on this information, the former presence of the USTs on the subject property represents a recognized environmental condition.

Historical Recognized Environmental Conditions (HRECs) are defined by the ASTM Standard Practice E1527-05 as 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. AEI's assessment has revealed the following HRECs associated with the subject property or nearby properties:

- No on-site HRECs were identified during the course of this assessment.

De Minimis Environmental Conditions include environmental concerns identified by AEI that warrant discussion but do not qualify as RECs, as defined by the ASTM Standard Practice E1527-05. AEI's assessment has revealed the following de minimis environmental conditions associated with the subject property or nearby properties:

- No on-site de minimis environmental conditions were identified during the course of this assessment.

Business Environmental Risks (BERs) include risks which can have a material environmental or environmentally-driven impact on the business associated with the current or planned use of the subject property, not necessarily limited to those environmental issues required to be investigated in the standard ASTM scope. BERs may affect the liabilities and financial obligations of the client, the health & safety of site occupants, and the value and marketability of the subject property. AEI's assessment has revealed the following BERs associated with the subject property or nearby properties:

- Due to the age of the subject property building, there is a potential that asbestos-containing materials (ACMs) are present. During the site inspection slightly damaged 12"x12" vinyl floor tiles were observed in the center courtyard in the interior of the subject property building. Based on the potential presence of ACMs, AEI recommends the property owner

implement an Operations and Maintenance (O & M) Plan which stipulates that the assessment, repair and maintenance of damaged materials be performed to protect the health and safety of the building occupants.

- Due to the age of the subject property building, there is a potential that lead-based paint (LBP) is present. All observed painted surfaces were in good condition and are not expected to pose a health and safety concern to the occupants of the subject property at this time. Local regulations may apply to lead-based paint in association with building demolition/renovations and worker/occupant protection. Actual material samples would need to be collected or an X-Ray Fluorescence (XRF) survey performed in order to determine if LBP is present. It should be noted that construction activities that disturb materials or paints containing *any amount* of lead may be subject to certain requirements of the Occupational Safety and Health Administration (OSHA) lead standard contained in 29 CFR 1910.1025 and 1926.62.

CONCLUSIONS, OPINIONS AND RECOMMENDATIONS

We have performed a Phase I Environmental Site Assessment for the property located at 1428-1432 Franklin Street in the City of Oakland, Alameda County, California, in general conformance with the scope and limitations of ASTM Standard Practice E1527-05 and the Environmental Protection Agency Standards and Practices for All Appropriate Inquiries (40 CFR Part 312). Any State exceptions to, or deletions from, this practice are described in Section 1.3 of this report. This assessment has revealed no evidence of RECs in connection with the property except for those previously identified in the *Findings* section. AEI recommends the following:

A Phase II Subsurface Investigation to determine if contamination still exists is the location of the former 300-gallon heating oil USTs.

The implementation of an Operations and Maintenance (O & M) Plan which stipulates that assessment, repair and maintenance of damaged building materials be performed to protect the health and safety of the building occupants.

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1.0 INTRODUCTION

This report documents the methods and findings of the Phase I Environmental Site Assessment (ESA) performed in general conformance with the scope and limitations of ASTM Standard Practice E1527-05 and the Environmental Protection Agency Standards and Practices for All Appropriate Inquiries (40 CFR Part 312) for the property located at 1428-1432 Franklin Street in the City of Oakland, Alameda County, California (Figure 1: Site Location Map, Figure 2: Site Map, and Appendix A: Property Photographs).

1.1 SCOPE OF WORK

The purpose of the Phase I Environmental Site Assessment is to assist the client in identifying potential environmental liabilities associated with the presence of any hazardous substances or petroleum products, their use, storage, and disposal at and in the vicinity of the subject property, as well as regulatory non-compliance that may have occurred at the subject property. Property assessment activities focused on: 1) a review of federal, state, tribal and local databases that identify and describe underground fuel tank sites, leaking underground fuel tank sites, hazardous waste generation sites, and hazardous waste storage and disposal facility sites within the ASTM approximate minimum search distance; 2) a property and surrounding site reconnaissance, and interviews with the past and present owners and current occupants and operators to identify potential environmental contamination; and 3) a review of historical sources to help ascertain previous land use at the site and in the surrounding areas to help

The goal of AEI Consultants in conducting the Phase I Environmental Site Assessment was to identify the presence or likely presence of any hazardous substances or petroleum products on the property that may indicate an existing release, a past release, or a material threat of a release of any hazardous substance or petroleum product into the soil, groundwater, or surface water of the property.

1.2 SIGNIFICANT ASSUMPTIONS

The following assumptions are made by AEI Consultants in this report. AEI Consultants relied on information derived from secondary sources including governmental agencies, the client, designated representatives of the client, property contact, property owner, property owner representatives, computer databases, and personal interviews. AEI Consultants has reviewed and evaluated the thoroughness and reliability of the information derived from secondary sources including government agencies, the client, designated representatives of the client, property contact, property owner, property owner representatives, computer databases, or personal interviews. It appears that all information obtained from outside sources and reviewed for this assessment is thorough and reliable. However, AEI cannot guarantee the thoroughness or reliability of this information.

Groundwater flow and depth to groundwater, unless otherwise specified by on-site well data, or well data from adjacent sites are assumed based on contours depicted on the United States Geological Survey topographic maps. AEI Consultants assumes the property has been correctly and accurately identified by the client, designated representative of the client, property contact, property owner, and property owner's representatives.

1.3 LIMITATIONS

Property conditions, as well as local, state, tribal and federal regulations can change significantly over time. Therefore, the recommendations and conclusions presented as a result of this study apply strictly to the environmental regulations and property conditions existing at the time the study was performed. Available information has been analyzed using currently accepted assessment techniques and it is believed that the inferences made are reasonably representative of the property. AEI Consultants makes no warranty, expressed or implied, except that the services have been performed in accordance with generally accepted environmental property assessment practices applicable at the time and location of the study.

Considerations identified by ASTM as beyond the scope of a Phase I ESA that may affect business environmental risk at a given property include the following: asbestos-containing materials, radon, lead-based paint, lead in drinking water, wetlands, regulatory compliance, cultural and historic resources, industrial hygiene, health and safety, ecological resources, endangered species, indoor air quality, mold, vapor intrusion, and high voltage lines. These environmental issues or conditions may warrant assessment based on the type of the property transaction; however, they are considered non-scope issues under ASTM Standard Practice E1527-05.

If requested by the client, these non-scope issues are discussed in Section 7.2. Otherwise, the purpose of this assessment is solely to satisfy one of the requirements for qualification of the innocent landowner defense, contiguous property owner or bona fide prospective purchaser under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA). ASTM Standard Practice E1527-05 and the EPA Standards and Practices for All Appropriate Inquiries (40 CFR Part 312) constitute the "all appropriate inquiry into the previous ownership and uses of the property consistent with good commercial or customary practice" as defined in:

- 1) 42 U.S.C § 9601(35)(B), referenced in the ASTM Standard Practice E1527-05.
- 2) Sections 101(35)(B) (ii) and (iii) of CERCLA and referenced in the EPA Standards and Practices for All Appropriate Inquiries (40 CFR Part 312).
- 3) 42 U.S.C. 9601(40) and 42 U.S.C. 9607(q).

The Phase I Environmental Site Assessment is not, and should not be construed as, a warranty or guarantee about the presence or absence of environmental contaminants that may affect the property. Neither is the assessment intended to assure clear title to the property in question. The sole purpose of assessment into property title records is to ascertain a historical basis of prior land use. All findings, conclusions, and recommendations stated in this report are based upon facts, circumstances, and industry-accepted procedures for such services as they existed at the time this report was prepared (i.e., federal, state, and local laws, rules, regulations, market conditions, economic conditions, political climate, and other applicable matters). All findings, conclusions, and recommendations stated in this report are based on the data and information provided, and observations and conditions that existed on the date and time of the property visit.

Responses received from local, state, or federal agencies or other secondary sources of information after the issuance of this report may change certain facts, findings, conclusions, or circumstances to the report. A change in any fact, circumstance, or industry-accepted

procedure upon which this report was based may adversely affect the findings, conclusions, and recommendations expressed in this report.

1.4 LIMITING CONDITIONS

The performance of this Phase I Environmental Site Assessment was limited by the following conditions:

- The User did not complete the ASTM User questionnaire or provide the User information to AEI. AEI assumes that qualification for the Landowner Liability Protections (LLPs) is being established by the User in documentation outside of this investigation.
- Due to site access issues, AEI was not provided full access to the interiors offices and suites in the subject property building. However, based on the information provided by the site representative regarding on-site operations, this limitation is not expected to alter the findings of this investigation.

1.5 DATA GAPS AND DATA FAILURE

According to ASTM E1527-05, data gaps occur when the Environmental Professional is unable to obtain information required, despite good faith efforts to gather such information.

Data failure is one type of data gap. According to ASTM E1527-05 "data failure occurs when all of the standard historical sources that are reasonably ascertainable and likely to be useful have been reviewed and yet the objectives have not been met". Pursuant to ASTM Standards, historical sources are required to document property use back to the property's first developed use or back to 1940, whichever is earlier.

The following data gaps were identified during the course of this assessment:

Data Gap:	The earliest historical resource obtained during this investigation was a Sanborn Fire Insurance Map from 1889 which indicated development of the subject property with a multi-family residential dwelling. The lack of historical sources for the subject property dating back to first developed use represents historical data source failure.			
Does this data gap affect the EP's ability to identify RECs?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Rationale	AEI presumes that prior to 1889 the subject property would have been used for residential purposes, if not undeveloped. Based on this notion, this data gap is not expected to significantly alter the findings of this investigation.			
Information/sources consulted	Aerial photographs and building records			

Data Gap:	AEI was not able to track the history of the subject property between the years of 1912 to 1927.			
Does this data gap affect the EP's ability to identify RECs?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>

Rationale	According to a review of Sanborn Fire Insurance Maps, building records and aerial photographs, the subject property was developed with a multi-family residential dwelling and two small auxiliary buildings in 1912 and developed with the current office building in 1927. Therefore, AEI presumes that the subject property was either developed with residential buildings or developed with the current office building during this time period. Based on this notion, this data gap is not expected to significantly alter the findings of this investigation.
Information/sources consulted	Aerial photographs and building records

1.6 RELIANCE

All reports, both verbal and written, are for the benefit of Bank of the Orient. This report has no other purpose and may not be relied upon by any other person or entity without the written consent of AEI. Either verbally or in writing, third parties may come into possession of this report or all or part of the information generated as a result of this work. In the absence of a written agreement with AEI granting such rights, no third parties shall have rights of recourse or recovery whatsoever under any course of action against AEI, its officers, employees, vendors, successors or assigns. Reliance is provided in accordance with AEI's Proposal and Standard Terms & Conditions executed by Bank of the Orient on November 17, 2011. The limitation of liability defined in the Terms and Conditions is the aggregate limit of AEI's liability to the client and all relying parties.

2.0 SITE AND VICINITY DESCRIPTION

2.1 SITE LOCATION AND DESCRIPTION

The subject property, which consists of a multi-tenant office and retail building, is located on the east side of Franklin Street in a mixed commercial and residential area of Oakland, California. The property totals 0.17 acre and is improved with a two-story slab-on-grade building with an open central courtyard totaling 13,810 square feet. The subject property is currently occupied by the following tenants:

Address	Suite Number	Tenant	On-site Operations	Interior Access
1428 Franklin Street		iCamera	Camera repairs and retail sales	Partial
1430 Franklin Street	100	Dragos Badea Inc.	Administrative activities	No
	101	California Community Development Economy Assistance	Administrative activities	No
	202	Robert A. Goldstein, Jeff Pollack	Administrative activities	No
	204	Douglas E. Lord, John Burroughs	Administrative activities	No
	206	Consummate Marketing Company	Administrative activities	No
	208	Barry D. Ammon	Administrative activities	No
	210	Legal Beagle	Administrative activities	No
	212	Lasar Place Employment Agency	Administrative activities	No
1432 Franklin Street		Homeless Action Center (HAC)	Administrative activities	No

The subject property, identified as Bacharach and Borsuk Property at 1432 Franklin Street, was identified in the databases reviewed as a LUST site, and is further discussed in Section 5.1.

The Assessor's Parcel Number (APN) for the subject property is 008-0624-045. According to Mr. Ted Dang, the subject property representative, heating and cooling systems on the subject property are fueled by natural gas and electricity provided by Pacific Gas and Electric Company

(PG&E), and potable water and sewage disposal are provided by East Bay Municipal Utility District (EBMUD).

Refer to Figure 1: Site Location Map, Figure 2: Site Map, and Appendix A: Property Photographs for site location.

2.2 SITE AND VICINITY CHARACTERISTICS

The immediately surrounding properties consist of the following:

Direction from Site	Address-Tenant/Use
North	A multi-tenant commercial building, occupied by Adam's Mediterranean Café (1442 Franklin Street), vacant units (1444-1446 Franklin Street), Satisfied Nails (389 15 th Street), Health & Natural Healing (383 15 th Street), Nguyen Vietnamese Cuisine (381 Franklin Street), First Impressions Hair Design (377 Franklin Street)
Northeast	International Association of Firefighters (IAF) (369 15 th Street)
Northwest	Franklin Street, followed by Lincoln University (401 15 th Street)
South	Douglas Parking lot
Southwest	Franklin Street, followed by Ampco Systems Parking lot
East	Vacant office building (1433 Webster Street)
West	Franklin Street, followed by a 4-story residential building with commercial businesses occupying the ground floor, including Le Tasty Cuisine (1441 Franklin Street) and Oriental Wellness Center (1445 Franklin Street)

No adjacent sites were identified in the regulatory database.

2.3 PHYSICAL SETTING

Geology: Based on a review of the United States Geological Survey (USGS) San Francisco Bay Quadrangle Geologic Map, the area surrounding the subject property is underlain by Middle Pleistocene era alluvial fan gravelly sand which is commonly characterized by brown to reddish-brown, poorly bedded to well-bedded gravel, sand, silt, and clay with moderately to strongly developed soils with clay rich B horizons.	
USGS Topographic Map:	Oakland West, California Quadrangle
Nearest surface water to subject property:	Lake Merritt/0.40 mile east
Gradient Direction/Source:	North-northeast/ Topographic map interpretation as well as the <i>Second 2011 Semi-Annual Groundwater Monitoring Report</i> obtained from the RWQCB GeoTracker website for Allright Parking at 1432 Harrison Street, located approximately 560 feet southeast of the subject property
Estimated Depth to Groundwater/Source:	18 to 20 feet bgs/ <i>Second 2011 Semi-Annual Groundwater Monitoring Report</i> obtained from the RWQCB GeoTracker website for Allright Parking at 1432 Harrison Street, located approximately 560 feet southeast of the subject property

3.0 HISTORICAL REVIEW OF SITE AND VICINITY

3.1 HISTORICAL SUMMARY

Reasonably ascertainable standard historical sources as outlined in ASTM Standard E1527-05 were used to determine previous uses and occupancies of the subject property that are likely to have led to RECs in connection with the subject property. A chronological summary of historical data found, including but not limited to aerial photographs, historic city directories, Sanborn fire insurance maps and agency records is as follows:

Date Range	Subject Property Description/Use	Source(s)
1889-1912	Developed with a multi-family residential dwelling and two small auxiliary buildings	Sanborn Fire Insurance Maps
1927-present	Developed with the current office building	Sanborn Fire Insurance Maps, Aerial Photographs, City Directories, and Building Records

According to historical sources, the current subject property building was constructed between 1912 and 1927 for use as an office building. Prior to the construction of the building, the property was developed with a multi-family residential dwelling and two small auxiliary buildings identified with the addresses 1222 and 1224 Franklin Street from 1889 until at least 1912. Between at least 1974 and 1984 the subject property was occupied by two small printing facilities. The former printing facilities are further discussed in Section 3.4. In addition, two 300-gallon heating oil USTs were removed from the subject property in 2004. Environmental concerns associated with the former USTs on the subject property are further discussed in Section 4.1.2 as well as previously in the *Findings* section.

Based on a review of historical sources, the following historical addresses were associated with the subject property: 1222 and 1224 Franklin Street. These addresses were also researched as part of this assessment.

If available, copies of historical sources are provided in the report appendices.

3.2 AERIAL PHOTOGRAPH REVIEW

AEI Consultants reviewed aerial photographs of the subject property and surrounding area. Aerial photographs were reviewed for the following years:

Date(s)	Scale	Subject Property Description	Surrounding Area Descriptions
1930	N/A	Developed with the current office building	<p>North: Developed with the current multi-tenant commercial building</p> <p>Northeast: Developed with the current office building</p> <p>Northwest: Developed with the current commercial building</p> <p>South: Developed with a large building identified as a dance hall in Sanborn Fire Insurance Maps in Section 3.3 and retail stores</p> <p>Southwest: Franklin Street, followed by a commercial building identified as Ye Liberty Theatre in Sanborn Fire Insurance Maps</p> <p>East: Developed with the current commercial building</p> <p>West: Developed with the current residential/commercial building</p>
1947	N/A	No significant changes were noted	<p>North: No significant changes were noted</p> <p>Northeast: No significant changes were noted</p> <p>Northwest: No significant changes were noted</p> <p>South: No significant changes were noted</p> <p>Southwest: No significant changes were noted</p> <p>East: No significant changes were noted</p> <p>West: No significant changes were noted</p>
1957	N/A	No significant changes were noted	<p>North: No significant changes were noted</p> <p>Northeast: No significant changes were noted</p> <p>Northwest: No significant changes were noted</p> <p>South: No significant changes were noted</p> <p>Southwest: No significant changes were noted</p> <p>East: No significant changes were noted</p> <p>West: No significant changes were noted</p>
1968	N/A	No significant changes were noted	<p>North: No significant changes were noted</p> <p>Northeast: No significant changes were noted</p> <p>Northwest: No significant changes were noted</p> <p>South: Developed with the current parking lot</p> <p>Southwest: Developed with the current parking lot</p> <p>East: No significant changes were noted</p> <p>West: No significant changes were noted</p>
1977, 1988, 1998, 2004	N/A	No significant changes were noted	<p>North: No significant changes were noted</p> <p>Northeast: No significant changes were noted</p> <p>Northwest: No significant changes were noted</p> <p>South: No significant changes were noted</p> <p>Southwest: No significant changes were noted</p> <p>East: No significant changes were noted</p> <p>West: No significant changes were noted</p>

3.3 SANBORN FIRE INSURANCE MAPS

Sanborn Fire Insurance maps were developed in the late 1800s and early 1900s for use as an assessment tool for fire insurance rates in urbanized areas. A search was made of The University of California Berkeley Map Room collection of Sanborn Fire Insurance maps.

Sanborn maps were available and reviewed for the years 1889, 1903, 1912, 1951, 1957, 1959, 1965, 1967, and 1969.

Date(s)	Subject Property Description	Surrounding Area Descriptions
1889	Developed with a multi-family residential dwelling and two small auxiliary buildings identified with the addresses 1222 and 1224 Franklin Street	<p>North: Developed with a residential dwelling and stables</p> <p>Northeast: Developed with a residential dwelling and small auxiliary structures</p> <p>Northwest: Franklin Street, followed by a residential dwelling and stables</p> <p>South: Developed with First Presbyterian Church</p> <p>Southwest: Developed with a residential dwelling</p> <p>East: Developed with a residential dwelling</p> <p>West: Developed with a residential dwelling</p>
1903	No significant changes were noted	<p>North: No significant changes were noted</p> <p>Northeast: No significant changes were noted</p> <p>Northwest: Franklin Street, followed by an office building and residential dwellings</p> <p>South: No significant changes were noted</p> <p>Southwest: No significant changes were noted</p> <p>East: No significant changes were noted</p> <p>West: No significant changes were noted</p>
1912	No significant changes were noted	<p>North: No significant changes were noted</p> <p>Northeast: No significant changes were noted</p> <p>Northwest: Franklin Street and South Pacific Railroad (SPRR) tracks, followed by residential buildings</p> <p>South: No significant changes were noted</p> <p>Southwest: Franklin Street and South Pacific Railroad (SPRR) tracks, followed by Ye Liberty Theatre</p> <p>East: No significant changes were noted</p> <p>West: Franklin Street and South Pacific Railroad (SPRR) tracks, followed by a residential dwelling</p>
1951	Developed with the current two-story office building identified with the addresses 1428-1432 Franklin Street	<p>North: Developed with the current multi-tenant commercial building occupied with retail stores and a post office</p> <p>Northeast: Developed with the current office building</p> <p>Northwest: Franklin Street, followed by the current commercial building occupied by retail stores</p> <p>South: Developed with a dance hall and retail stores</p> <p>Southwest: The theater is now utilized for movies and the property is developed with retail stores on the southeastern portion</p> <p>East: Developed with an auto repair facility</p> <p>West: Developed with the current residential/commercial building occupied by a restaurant and retail store on the ground level</p>

1953	No significant changes were noted	North: No significant changes were noted Northeast: No significant changes were noted Northwest: No significant changes were noted South: No significant changes were noted Southwest: No significant changes were noted East: No significant changes were noted West: No significant changes were noted
1957	No significant changes were noted except for the notation that the office is vacant	North: No significant changes were noted Northeast: No significant changes were noted Northwest: No significant changes were noted South: No significant changes were noted Southwest: No significant changes were noted East: No significant changes were noted West: No significant changes were noted
1959, 1960	No significant changes were noted	North: No significant changes were noted Northeast: No significant changes were noted Northwest: No significant changes were noted South: No significant changes were noted Southwest: No significant changes were noted East: No significant changes were noted West: No significant changes were noted
1964	No significant changes were noted	North: No significant changes were noted Northeast: No significant changes were noted Northwest: No significant changes were noted South: No significant changes were noted Southwest: Developed with the current parking lot East: No significant changes were noted West: No significant changes were noted
1965	No significant changes were noted except for the addition of some inner partitions to create more offices	North: No significant changes were noted Northeast: No significant changes were noted Northwest: No significant changes were noted South: Developed with the current parking lot Southwest: No significant changes were noted East: No significant changes were noted West: No significant changes were noted
1967, 1969	No significant changes were noted	North: No significant changes were noted Northeast: No significant changes were noted Northwest: No significant changes were noted South: No significant changes were noted Southwest: No significant changes were noted East: No significant changes were noted West: No significant changes were noted

According to a review of Sanborn Fire Insurance Maps, the adjacent property to the east was developed with an auto repair and tire sales facility from at least 1951 until at least 1969. Based on the nature of use, AEI presumes that various quantities of hazardous materials were formerly stored on site. However, this site was not listed in the governmental database report. Based on the lack of any documented violations or releases at this site, the operations performed at this site are not expected to represent a significant environmental concern.

3.4 CITY DIRECTORIES

A search of historic city directories was conducted for the subject property utilizing AEI's collection of Haines Company Criss Cross Directories. Directories were available and reviewed for the years 1971, 1973, 1974, 1975, 1976, 1977, 1979, 1980, 1982, 1984, 1985, 1990, 1995, 2000, and 2005. The following table summarizes the results of the city directory search.

City Directory Search Results

Date(s)	Occupant Listed
1971	1428 Franklin Street: Goodway Copy Centers 1430 Franklin Street: Various office tenants 1432 Franklin Street: Various office tenants
1973	1428 Franklin Street: Goodway Copy Centers 1430 Franklin Street: Various office tenants 1432 Franklin Street: Fore
1974, 1975, 1976	1428 Franklin Street: CPT Corporation 1430 Franklin Street: Various office tenants 1432 Franklin Street: Sir Speedy Printing
1977	1428 Franklin Street: Dr. Bruce Young 1430 Franklin Street: Various office tenants 1432 Franklin Street: Copy Quick
1979	1428 Franklin Street: Dr. Bruce Young 1430 Franklin Street: Various office tenants 1432 Franklin Street: XXXX
1980, 1982, 1984	1428 Franklin Street: Dr. Warren Young 1430 Franklin Street: Various office tenants 1432 Franklin Street: Macbob's Printing
1985	1428 Franklin Street: Leong & Chung Chiropractic 1430 Franklin Street: Various office tenants 1432 Franklin Street: XXXX
1990, 1995, 2000	1428 Franklin Street: Leong & Chung Chiropractic 1430 Franklin Street: Various office tenants 1432 Franklin Street: Dr. Ralph Ong
2005	1428 Franklin Street: Tran Tien Chiropractic 1430 Franklin Street: Various office tenants No listings for remaining address

XXXX = A phone number is present, but not registered to a tenant or disconnected.

According to a review of historic city directories, the subject property has been occupied by various office tenants as well as several commercial tenants since at least 1971. The subject property was occupied by Sir Speedy Printing from at least 1974 until at least 1976 and by Macbob's Printing from at least 1980 until at least 1984. Printing operations raise an initial environmental concern based on the potential historic use of solvents, metal-containing inks, and photo development chemicals employed during these activities. However, the subject property was not identified in the regulatory database for hazardous materials handling or a release, nor was it identified on the Department of Toxic Substances Control (DTSC) Hazardous Waste Tracking System (HWTS) for any hazardous materials associated with printing operations. Additionally, building records (discussed in Section 4.1.3) did not indicate the installation of large-scale printing presses. Therefore, the former operations conducted by Sir Speedy Printing and Macbob's Printing are presumed to be small in scale. Based on the presumed small scale operations, the lack of a documented release and the lack of evidence of

chlorinated solvent usage, the former occupancy of Sir Speedy Printing and Macbob's Printing on the subject property is not expected to represent a significant environmental concern.

3.5 HISTORICAL TOPOGRAPHIC MAPS

In accordance with our approved scope of services, historical topographic maps were not reviewed as a part of this assessment.

3.6 CHAIN OF TITLE

In accordance with our approved scope of services, a Chain of Title search was not performed as part of this assessment.

4.0 REGULATORY AGENCY RECORDS REVIEW

4.1 REGULATORY AGENCIES

Local and state agencies, such as environmental health departments, fire prevention bureaus, and building and planning departments are contacted to identify any current or previous reports of hazardous materials use, storage, and/or unauthorized releases that may have impacted the subject property. In addition, information pertaining to Activity and Use Limitations (AULs), defined as legal or physical restrictions, or limitations on the use of, or access to, a site or facility, is requested.

4.1.1 HEALTH DEPARTMENT

On November 18, 2011, AEI contacted the Alameda County Department of Environmental Health (ACDEH) for information on the subject property and nearby sites of concern. Files at this agency may contain information regarding hazardous materials storage, as well as information regarding unauthorized releases of petroleum hydrocarbons or other contaminants that may affect the soil or groundwater in the area.

No information indicating current or prior use or storage of hazardous materials, or the existence of AULs was on file for the subject property with the ACDEH.

4.1.2 FIRE DEPARTMENT

On December 2, 2011, AEI visited the Oakland Fire Department (OFD) for information on the subject property to identify any evidence of previous or current hazardous material usage.

AEI reviewed the Work Plan for Over-Excavation of Contaminated Soils prepared by AEI on February 23, 2004. According to the work plan, AEI removed a 300-gallon underground storage tank (UST) used to store heating oil at 1430 Franklin Street on January 15th, 2004. After the removal of the tank, two soil samples were taken at the bottom of the excavation at a depth of eight feet, and a four point composite sample was taken of the stockpiled soils. The excavation was backfilled with the stockpiled soil, lined with Visqueen, and filled with clean import material. The report noted that groundwater was encountered during the removal, but no samples were taken. Elevated levels of total petroleum hydrocarbons as diesel (TPHd) were reported at a maximum of 3,800 milligrams per kilogram (mg/kg) and total petroleum hydrocarbons as gasoline (TPHg) were reported at a maximum of 1,700 mg/kg in the samples taken at the excavation bottom. No contamination was found in the composite stockpiled soil sample. In addition, another 300-gallon heating oil UST was discovered next to the first heating oil UST during the excavation and was removed as well. Based on the presence of contamination at the excavation bottom, AEI recommended remedial activities. AEI outlined a plan for remediation, but no other documentation was found concerning the former USTs on the property.

Based on the lack of documentation found regarding the completion of the recommended remediation at the site, it is likely that contamination from the former USTs still exists in the soil on the subject property. Based on this information, the former presence of the USTs on the subject property represents a recognized environmental condition.

4.1.3 BUILDING DEPARTMENT

On December 2, 2011, AEI visited the Oakland Building Department (OBD) for information on the subject property in order to identify historical tenants and property use. Please refer to the following table for a listing of permits reviewed:

Building Permits Reviewed for 1428 Franklin Street

Year(s)	Owner/Applicant	Description of Permit/Building Use
1949	White & Pollard	Building permit to remodel real estate offices
1965	Hammerbly & Herman	Building permit for office alterations
2003	N/A	Excavation permit to remove a UST
2008	N/A	Building permit for an office for off-site catering management

Building Permits Reviewed for 1430 Franklin Street

Year(s)	Owner/Applicant	Description of Permit/Building Use
1927	N/A	Building permit to replace stairs for an office building
2010	N/A	Building permit for an office remodel

Building Permits Reviewed for 1432 Franklin Street

Year(s)	Owner/Applicant	Description of Permit/Building Use
1948	Oakland Federal Savings & Loan	Building permit to remodel an office
1949	Oakland Federal Savings & Loan	Building permit to remodel an office
1953	N/A	Building permit for alterations to a store
2008	N/A	Building permit for an office for off-site catering management

According to a review of building records, the subject property has been developed with the current office building since at least 1927. In addition, in 2003, a permit was submitted for the removal of a UST from the subject property. Environmental concerns associated with the former USTs on the subject property are previously discussed in Section 4.1.2.

4.1.4 PLANNING DEPARTMENT

On December 2, 2011, AEI visited the Oakland Planning Department (OPD) for information on the subject property in order to identify AULs associated with the subject property.

No information indicating the existence of AULs was on file for the subject property with the OPD.

4.1.5 COUNTY ASSESSOR OFFICE

On November 28, 2011, AEI visited the website maintained by the Alameda County Assessor's Office for information on the subject property in order to determine the earliest recorded date of development and use.

According to the Alameda County Assessor's Office, the earliest recorded date of development on subject property was not available, and the subject property was utilized for commercial purposes.

4.1.6 DEPARTMENT OF OIL AND GAS

California Department of Conservation, Division of Oil, Gas, and Geothermal Resources (DOGGR) maps concerning the subject property and nearby properties were reviewed. DOGGR maps contain information regarding oil and gas development.

According to the DOGGR map, there are no oil or gas wells within 500 feet of the subject property. No environmental concerns were noted during the DOGGR map review.

4.1.7 OTHER AGENCIES SEARCHED

On November 28, 2011, AEI visited the **Regional Water Quality Control Board (RWQCB)** GeoTracker Website for information on the subject property to identify any evidence of unauthorized releases of hazardous materials to the groundwater. Cases typically handled by the RWQCB include releases from USTs.

No information indicating the existence of any unauthorized releases of hazardous materials to the groundwater was on file for the subject property with the RWQCB.

On November 28, 2011, AEI visited the website maintained by the **Bay Area Air Quality Management District (BAAQMD)** for information regarding any records of Permits to Operate (PTO), Notices of Violation (NOV), or Notices to Comply (NTC) issued to occupants of the subject property and associated with air emission equipment primarily related to stationary sources of air pollution, such as dry cleaning machines, boiler, and/or underground storage tanks.

No information indicating the existence of any PTOs, NOV, or NTCs was on file for the subject property with the BAAQMD.

On November 28, 2011, AEI visited the Hazardous Waste Tracking System (HWTS) online database maintained by the **Department of Toxic Substances control (DTSC)** for information regarding documented hazardous wastes generated at the subject property.

Business	Substance Generated	Amount Generated (tons)	Year(s) Generated
Dragos Badea	Waste oil and mixed oil	0.2850	2004
	Other empty containers (less or equal to 30 gallons)	0.2500	2004
Legal Beagle Attorney Service	No manifest information provided		
Legal Beagle Photocopiers	No manifest information provided		
Tran Ahn Tien Chiropractic Inc.	No manifest information provided		

According to information obtained from the DTSC HWTS, the subject property generated waste oil and other empty containers in 2004. Based on the date of the listing, these substances were likely disposed of during the removal of a heating oil UST from the property in 2004. Environmental concerns associated with the former USTs are previously discussed in Section

4.1.2. Based on the lack of manifest information for the other listings, they are not expected to represent a significant environmental concern.

5.0 REGULATORY DATABASE RECORDS REVIEW

AEI contracted Track Info-First Search to conduct a search of federal, state, tribal, and local databases containing known and suspected sites of environmental contamination. The number of listed sites identified within the approximate minimum search distance (AMSD) from the Federal and State environmental records database listings specified in ASTM Standard E 1527-05 are summarized in the following table. A copy of the regulatory database report is included in Appendix B of this report.

The subject property, identified as Bacharach and Borsuk Property at 1432 Franklin Street, was identified in the databases reviewed as a LUST site and is further discussed in Section 5.1.

In determining if a site is a potential environmental concern to the subject property in the records summary table below, AEI has applied the following criteria to classify the site(s) as low concern: 1) the site(s) only hold an operating permit (which does not imply a release), 2) the site(s) have been granted "No Further Action" by the appropriate regulatory agency, and/or 3) based upon AEI's review, the distance and/or topographic position relative to the subject property reduce the level of risk associated with the site(s).

5.1 RECORDS SUMMARY

Database	Search Distance (Miles)	Subject Property Listed	Total Number of Listings	Potential Environmental Concern to the Subject Property (Yes/No)
NPL	1	No	0	
DELISTED NPL	0.5	No	0	
CERCLIS	0.5	No	0	
CERCLIS NFRAP	0.5	No	0	
RCRA CORRACTS	1	No	2	No
RCRA-TSD	0.5	No	0	
RCRA LG-GEN, SM-GEN, CESQGs, VGN, NLR	TP/ADJ	No	0	
US ENG CONTROLS	TP	No	0	
US INST CONTROLS	TP	No	0	
ERNS	TP	No	0	
STATE/TRIBAL HWS	1	No	18	No
STATE/TRIBAL SWLF	0.5	No	0	
STATE/TRIBAL REGISTERED STORAGE TANKS	TP/ADJ	No	0	

Database	Search Distance (Miles)	Subject Property Listed	Total Number of Listings	Potential Environmental Concern to the Subject Property (Yes/No)
STATE/TRIBAL LUST	0.5	Yes	77	The subject property is discussed below. The remaining sites are not expected to represent an environmental concern based on factors previously discussed above.
STATE/TRIBAL ENG-INST CONTROLS	TP	No	0	
STATE/TRIBAL VCP	0.5	No	2	No
STATE/TRIBAL BROWNFIELD	0.5	No	0	
ORPHAN	N/A	No	22	None of the identified orphan sites are located in the immediate vicinity (500-feet) of the subject property, and therefore, these sites are not expected to represent a significant environmental concern.
NON-ASTM DATABASES	TP/ADJ	No	0	

Site Name: Bacharach and Borsuk Property
Database(s): LUST
Address: 1432 Franklin Street
Distance: Subject property
Direction: N/A

Comments: According to the listing, a release of miscellaneous motor vehicle fuels was reported at the subject property during tank closure on August 11, 1994. A preliminary site assessment work plan was submitted in 1996. In Oakland Fire Department records (previously discussed in Section 4.1.2), the removal date of the tank was recorded as 2004, not 1994. Presumably this is a transcription error and this listing pertains to the same USTs. No other pertinent information was provided. Environmental concerns associated with the former USTs on the subject property are previously discussed in Section 4.1.2.

6.0 INTERVIEWS AND USER PROVIDED INFORMATION

6.1 INTERVIEWS

Pursuant to ASTM E1527-05, the following interviews were performed during this investigation in order to obtain information indicating RECs in connection with the subject property.

6.1.1 INTERVIEW WITH OWNER

Mr. Ted Dang, the representative of the subject property owner, was contacted via telephone on November 28, 2011. Mr. Dang has been associated with the subject property for approximately six months. Mr. Dang was asked if he was aware of any of the following:

Any pending, threatened, or past litigation relevant to hazardous substances or petroleum products in, on, or from the property.	Yes	<input checked="" type="checkbox"/>	No
Any pending, threatened, or past administrative proceedings relevant to hazardous substances or petroleum products in, on, or from the property.	Yes	<input checked="" type="checkbox"/>	No
Any notices from any governmental entity regarding any possible violation of environmental laws or possible liability relating to hazardous substances or petroleum products.	Yes	<input checked="" type="checkbox"/>	No
Any incidents of flooding, leaks, or other water intrusion, and/or complaints related to indoor air quality.	Yes	<input checked="" type="checkbox"/>	No

6.1.2 INTERVIEW WITH KEY SITE MANAGER

The key site manager, Mr. Ted Dang, was previously discussed above.

6.1.3 PAST OWNERS, OPERATORS AND OCCUPANTS

Interviews with past owners and occupants regarding historical onsite operations were not reasonably ascertainable. However, based on information obtained from other sources including building records, aerial photographs, Sanborn Fire Insurance Maps, and historic city directories, it is likely that the information provided by past owners and operators would have been duplicative.

6.1.4 INTERVIEW WITH OTHERS

Information obtained during interviews with local government officials is incorporated into the appropriate segments of this section.

6.2 USER PROVIDED INFORMATION

User provided information is intended to help identify the possibility of RECs in connection with the subject property. According to ASTM E1527-05 and EPA's AAI Rule, certain items should be researched by the prospective landowner or grantee, and the results of such inquiries may be provided to the environmental professional. The responsibility for qualifying for Landowner Liability Protections (LLPs) by conducting the inquiries ultimately rests with the User, and providing the information to the environmental professional would be prudent if such information is available.

The User did not complete the ASTM User questionnaire or provide the User information to AEI. AEI assumes that qualification for the LLPs is being established by the User in documentation outside of this assessment.

6.3 PREVIOUS REPORTS AND OTHER PROVIDED DOCUMENTATION

No prior reports or relevant documentation in association with the subject property were made available to AEI during the course of this assessment.

7.0 SITE INSPECTION AND RECONNAISSANCE

On December 2, 2011, a site reconnaissance of the subject property and adjacent properties was conducted by Ms. Angela Sanan of AEI in order to obtain information indicating the likelihood of RECs at the subject property and adjacent properties as specified in ASTM Standard Practice E1527-05 §8.4.2, 8.4.3 and 8.4.4. During the on-site reconnaissance, AEI was not accompanied. During the on-site reconnaissance, AEI inspected the interior courtyard and hallways in the subject property building. AEI was not provided full access to the interiors offices and suites in the subject property building. However, based on the information provided by the site representative regarding on-site operations, this limitation is not expected to alter the findings of this investigation.

7.1 SUBJECT PROPERTY RECONNAISSANCE FINDINGS

Yes	No	Observation
	X	Hazardous Substances and/or Petroleum Products in Connection with Property Use
	X	Aboveground & Underground Hazardous Substance or Petroleum Product Storage Tanks (ASTs / USTs)
	X	Hazardous Substance and Petroleum Product Containers and Unidentified Containers not in Connection with Property Use
	X	Unidentified Substance Containers
	X	Electrical or Mechanical Equipment Likely to Contain Fluids
	X	Interior Stains or Corrosion
	X	Strong, Pungent or Noxious Odors
	X	Pools of Liquid
	X	Drains, Sumps and Clarifiers
	X	Pits, Ponds and Lagoons
	X	Stained Soil or Pavement
	X	Stressed Vegetation
	X	Solid Waste Disposal or Evidence of Fill Materials
	X	Waste Water Discharges
	X	Wells
	X	Septic Systems
	X	Other

The subject property is currently occupied by various office tenants as well as a camera shop. On-site operations consist of administrative activities and camera repair and retail sales. None of the above listed items were observed during the site inspection.

7.2 NON-ASTM SERVICES

7.2.1 ASBESTOS-CONTAINING BUILDING MATERIALS

OSHA

For buildings constructed prior to 1981, the Code of Federal Regulations (29 CFR 1926.1101 and 29 CFR 1910.1001) define presumed asbestos-containing material (PACM) as 1. Thermal

System Insulation (TSI), e.g., boiler insulation, pipe lagging, fireproofing; and 2. Surfacing Materials, e.g., acoustical ceilings. Building owners/employers are responsible for locating the presence and quantity of PACM. Building Owners/employers can rebut installed material as PACM by either having an inspection in accordance with Asbestos Hazard Emergency Response Act (AHERA) (40 CFR Part 763, Subpart E) or hiring an accredited inspector to take bulk samples of the suspect material.

Typical materials not covered by the presumptive rule include but are not limited to: floor tiles and adhesives, wallboard systems, siding and roofing. Building materials such as wallboard systems may contain asbestos but unless a building owner/employer has specific knowledge or should have known through the exercise of due diligence that these other materials contain asbestos, the standard does not compel the building owner to sample these materials.

NESHAP

The applicability of the EPA's National Emission Standards for Hazardous Air Pollutants (NESHAP, 40 CFR Chapter 61, Subpart M) apply to the owner or operator of a facility where an inspection for the presence of asbestos-containing materials (ACM), including Category I (asbestos containing packings, gaskets, resilient floor coverings and asphalt roofing products), and Category II (all remaining types of non-friable asbestos containing material not included in Category I that when dry, cannot be crumbled, pulverized or reduced to powder by hand pressure), non-friable ACM must occur prior to the commencement of demolition or renovation activities. NESHAP defines ACM as any material or product that contains *greater than 1%* asbestos. It should be noted that the NESHAP regulation applies to all facilities regardless of construction date, including: 1. Any institutional, commercial, public, industrial, or residential structure, installation, or building; 2. Any ship; and 3. Any active or inactive waste disposal site. This requirement is typically enforced by the EPA or by local air pollution control/air quality management districts.

The information below is for general informational purposes only and does not constitute an asbestos survey. In addition, the information is not intended to comply with federal, state or local regulations in regards to ACM.

Due to the age of the subject property building(s), there is a potential that ACMs are present. The condition and friability of the identified suspect ACMs is noted in the following table:

Suspect Asbestos Containing Materials (ACMs)

Material	Location	Friable	Condition
Drywall Systems	Throughout Building Interior	Yes	Good
12"x12" Vinyl Floor Tiles	Central Courtyard in Building Interior	No	Slightly Damaged and Some Tiles Missing
Acoustical Ceiling Tiles	Throughout Unit Interiors	Yes	Good
Roofing Systems	Roof	Not Inspected	Not Inspected

All observed suspect ACMs were in good condition with the exception of slightly damaged 12"x12" vinyl floor tiles in the center courtyard in the interior of the subject property building. The identified suspect ACMs would need to be sampled to confirm the presence or absence of asbestos prior to any renovation or demolition activities to prevent potential exposure to workers and/or building occupants. Based on the potential presence of ACMs, AEI recommends

the property owner implement an Operations and Maintenance (O & M) Plan which stipulates that assessment, repair and maintenance of damaged materials be performed to protect the health and safety of the building occupants.

7.2.2 LEAD-BASED PAINT

Lead-based paint (LBP) is defined as any paint, varnish, stain, or other applied coating that has $\geq 1 \text{ mg/cm}^2$ (5,000 $\mu\text{g/g}$ or 5,000 ppm) or more of lead by federal guidelines; state and local definitions may differ from the federal definitions in amounts ranging from 0.5 mg/cm^2 to 2.0 mg/cm^2 . Section 1017 of the Housing and Urban Development (HUD) Guidelines, Residential Lead-Based Paint Hazard Reduction Act of 1992, otherwise known as "Title X", defines a LBP hazard is "any condition that causes exposure to lead that would result in adverse human health effects" resulting from lead-contaminated dust, bare, lead-contaminated soil, and/or lead-contaminated paint that is deteriorated or present on accessible, friction, or impact surfaces. Therefore, under Title X, intact lead-based paint on most walls and ceilings would not be considered a "hazard", although the paint should be maintained and its condition and monitored to ensure that it does not deteriorate and become a hazard. Additionally, Section 1018 of this law directed HUD and EPA to require the disclosure of known information on lead-based paint and lead-based paint hazards before the sale or lease of most housing built before 1978. Most private housing, public housing, federally owned or subsidized housing are affected by this rule.

Lead-containing paint (LCP) is defined as any paint with any detectable amount of lead present in it. It is important to note that LCP may create a lead hazard when being removed. The condition of these materials must be monitored when they are being disturbed. In the event LCP is subject to abrading, sanding, torching and/or cutting during demolition or renovation activities, there may be regulatory issues that must be addressed.

The information below is for general informational purposes only and does not constitute a lead hazard evaluation. In addition, the information is not intended to comply with federal, state or local regulations in regards to lead-containing paints.

In buildings constructed after 1978, it is unlikely that LBP is present. Structures built prior to 1978 and especially prior to the 1960s should be expected to contain LBP.

Due to the age of the subject property building, there is a potential that LBP is present. All observed painted surfaces were in good condition and are not expected to pose a health and safety concern to the occupants of the subject property at this time. Local regulations may apply to lead-based paint in association with building demolition/renovations and worker/occupant protection. Actual material samples would need to be collected or an XRF survey performed in order to determine if LBP is present. It should be noted that construction activities that disturb materials or paints containing *any amount* of lead may be subject to certain requirements of the OSHA lead standard contained in 29 CFR 1910.1025 and 1926.62.

7.2.3 RADON

Radon is a naturally-occurring, odorless, invisible gas. Natural radon levels vary and are closely related to geologic formations. Radon may enter buildings through basement sumps or other openings.

The US EPA has prepared a map to assist National, State, and local organizations to target their resources and to implement radon-resistant building codes. The map divides the country into three Radon Zones, Zone 1 being those areas with the average predicted indoor radon concentration in residential dwellings exceeding the EPA Action limit of 4.0 picoCuries per Liter (pCi/L). It is important to note that the EPA has found homes with elevated levels of radon in all three zones, and the EPA recommends site specific testing in order to determine radon levels at a specific location. However, the map does give a valuable indication of the propensity of radon gas accumulation in structures.

Radon sampling was not requested as part of this assessment. According to the US EPA, the radon zone level for the area is Zone 2, which has a predicted average indoor screening level between 2.0 pCi/L and 4.0 pCi/L, equal to or below the action level of 4.0 pCi/L set forth by the EPA.

7.2.4 DRINKING WATER SOURCES AND LEAD IN DRINKING WATER

East Bay Municipal Water District (EBMUD) supplies potable water to the subject property. The most recent water quality report states that lead levels in the areas water supply were well within standards established by the US EPA.

7.2.5 MOLD/INDOOR AIR QUALITY ISSUES

Molds are simple, microscopic organisms, which can often be seen in the form of discoloration, frequently green, gray, white, brown or black. When excessive moisture or water accumulates indoors, mold growth will often occur, particularly if the moisture problem remains undiscovered or is not addressed. As such, interior areas of buildings characterized by poor ventilation and high humidity are the most common locations of mold growth. Building materials including drywall, wallpaper, baseboards, wood framing, insulation, and carpeting often play host to such growth. Mold spores primarily cause health problems through the inhalation of mold spores or the toxins they emit when they are present in large numbers. This can occur primarily when there is active mold growth within places where people live or work.

Mold, if present, may or may not visually manifest itself. Neither the individual completing this inspection, nor AEI has any liability for the identification of mold-related concerns except as defined in applicable industry standards. In short, this Phase I ESA should not be construed as a mold survey or inspection.

AEI Consultants observed interior areas of the subject building in order to identify the significant presence of mold. AEI did not note obvious visual or olfactory indications of the presence of mold, nor did AEI observe obvious indications of significant water damage. As such, no bulk sampling of suspect surfaces was conducted as part of this assessment and no additional action with respect to mold appears to be warranted at this time.

This activity was not designed to discover all areas which may be affected by mold growth on the subject property. Rather, it is intended to give the client an indication if significant (based on observed areas) mold growth is present at the subject property. Additional areas of mold not observed as part of this limited assessment, possibly in pipe chases, heating, ventilation, and air conditioning (HVAC) systems and behind enclosed walls and ceilings, may be present on the subject property.

7.3 ADJACENT PROPERTY RECONNAISSANCE FINDINGS

Yes	No	Observation
	X	Hazardous Substances and/or Petroleum Products in Connection with Property Use
	X	Aboveground & Underground Hazardous Substance or Petroleum Product Storage Tanks (ASTs / USTs)
	X	Hazardous Substance and Petroleum Product Containers and Unidentified Containers not in Connection with Property Use
	X	Unidentified Substance Containers
	X	Electrical or Mechanical Equipment Likely to Contain Fluids
	X	Strong, Pungent or Noxious Odors
	X	Pools of Liquid
	X	Drains, Sumps and Clarifiers
	X	Pits, Ponds and Lagoons
	X	Stained Soil or Pavement
	X	Stressed Vegetation
	X	Solid Waste Disposal or Evidence of Fill Materials
	X	Waste Water Discharges
	X	Wells
	X	Septic Systems
	X	Other

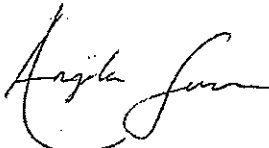
None of the above listed items were observed during the site inspection.

8.0 SIGNATURE OF ENVIRONMENTAL PROFESSIONALS

By signing this report, the senior author declares that, to the best of his or her professional knowledge and belief, he or she meets the definition of *Environmental Professional* as defined in §312.10 of 40 CFR Part 312.

The senior author has the specific qualifications based on education, training, and experience to assess a property of the nature, history and setting of the subject property. The senior author has developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

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