



GEOTECHNICAL ENGINEERING • ENVIRONMENTAL ENGINEERING
CONSTRUCTION TESTING & INSPECTION

June 19, 2019

Project No. 024-19033

Mr. Milo Terzich
USA Properties Fund, Inc.
3200 Douglas Boulevard, Suite 200
Roseville, California 95661
mterzich@usapropfund.com

RE: Phase I Environmental Site Assessment
1752 East Avenue J-4
APN: 3148-041-001 (11.34 Acres)
Lancaster, California

Dear Mr. Terzich:

Krazan & Associates, Inc., (Krazan) completed a Phase I Environmental Site Assessment at the referenced site summarized in a report dated June 19, 2019. We appreciate the opportunity to serve your environmental due diligence needs. During the course of this assessment, Krazan identified no evidence of recognized environmental conditions (RECs), controlled RECs (CRECs) or historical RECs (HRECs) in conjunction with the subject site as defined by ASTM E 1527-13.

If you have any questions regarding the information presented in this report, please call me at (661) 837-9200.

Respectfully Submitted,
KRAZAN & ASSOCIATES, INC.

William R. Cooper, P.G. 7427
Environmental Manager

WRC/mlt



**PHASE I ENVIRONMENTAL SITE ASSESSMENT
1752 EAST AVENUE J-4
APN: 3148-041-001 (11.34 ACRES)
LANCASTER, CALIFORNIA**

Pursuant to ASTM E 1527-13

Project No. 024-19033
June 19, 2019

Prepared for:
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TABLE OF CONTENTS

Project No. 024-19033

1.0 EXECUTIVE SUMMARY.....	1
2.0 PURPOSE AND SCOPE OF ASSESSMENT	2
2.1 Purpose	2
2.2 Scope of Work.....	2
3.0 SITE DESCRIPTION.....	2
3.1 Geology and Hydrogeology	3
4.0 SITE RECONNAISSANCE.....	3
4.1 Observations	4
4.2 Utilities	5
4.3 Adjacent Streets and Property Usage	6
4.4 ASTM Non-Scope Considerations	6
5.0 USER-PROVIDED INFORMATION.....	8
5.1 Environmental Liens/Activity and Use Limitations Report	9
5.2 Phase I Environmental Site Assessment User Questionnaire.....	9
6.0 SITE USAGE SURVEY	10
6.1 Site History.....	10
6.2 Interviews and Questionnaires	12
6.3 Agricultural Chemicals.....	12
6.4 Regulatory Agency Interface.....	13
6.5 Regulatory Agency Lists Review	14
7.0 DISCUSSION OF FINDINGS	20
7.1 Evaluation of Data Gaps/Data Failure.....	21
8.0 CONCLUSIONS/OPINIONS	21
9.0 RELIANCE.....	22
10.0 LIMITATIONS	22
11.0 QUALIFICATIONS.....	23
REFERENCES.....	25
GLOSSARY OF TERMS.....	26

Maps

Figure No. 1: Vicinity Map.....	following Glossary of Terms
Figure No. 2: Topographic Map	following Figure No. 1
Figure No. 3: Site Map.....	following Figure No. 2
Figure No. 4: Parcel Map.....	following Figure No. 3

Color Photographs

Photographs	following Figure No. 4
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TABLE OF CONTENTS (continued)

Project No. 024-19033

Appendices

AFX Environmental Lien Search.....	A
User Questionnaire.....	B
Historical Aerial Photographs.....	C
Sanborn HFIM No Coverage & EDR, Regulatory Database Reports	D
Professional Resumes	E



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LANCASTER, CALIFORNIA**

1.0 EXECUTIVE SUMMARY

Krazan & Associates, Inc. (Krazan) has conducted a Phase I Environmental Site Assessment (ESA) of the Proposed Residential Property located at 1752 East Avenue J-4, Los Angeles County Assessor's Parcel Number 3148-041-001, approximately 11.34 acres in Lancaster, California (subject site). It is incumbent upon the user to read this Phase I ESA report in its entirety. If not otherwise defined within the text of this report, please refer to the Glossary of Terms Section following the References Section for definitions of terms and acronyms utilized within this Phase I ESA report. Krazan conducted the Phase I ESA of the subject site in conformance with the American Society for Testing and Materials (ASTM) E 1527-13 *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process*. This Phase I ESA constitutes all appropriate inquiry (AAI) designed to identify recognized environmental conditions (RECs) in connection with the previous ownership and uses of the subject site as defined by ASTM E 1527-13.

ASTM E 1527-13 Section 1.1.1 *Recognized Environmental Conditions* – In defining a standard of good commercial and customary practice for conducting an environmental site assessment of a Parcel of property, the goal of the processes established by this practice is to identify recognized environmental conditions. The term recognized environmental conditions means the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: (1) due to any release to the environment; (2) under conditions indicative of a release to the environment; or (3) under conditions that pose a material threat of a future release to the environment. *De minimis* conditions are not recognized environmental conditions.

During the course of this assessment, Krazan identified no evidence of recognized environmental conditions (RECs), controlled RECs (CRECs) or historical RECs (HRECs) in conjunction with the subject site as defined by ASTM E 1527-13.

2.0 PURPOSE AND SCOPE OF ASSESSMENT

2.1 Purpose

According to ASTM E 1527-13, the purpose of this practice is to define good commercial and customary practice in the United States of America for conducting an *environmental site assessment* of a Parcel of *commercial real estate* with respect to the range of contaminants within the scope of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) (42 U.S.C. §9601) and *petroleum products*. As such, this practice is intended to permit a *user* to satisfy one of the requirements to qualify for the *innocent landowner, contiguous property owner, or bona fide prospective purchaser* limitation on CERCLA liability (hereinafter, the *landowner liability protections, or LLPs*): that is, the practice that constitutes “*all appropriate inquiry* into the previous ownership and uses of the *property* consistent with good commercial or customary practice” as defined at 42 U.S.C. §9601(35)(B). This report was also conducted in conformance with the ASTM E 1527-13 *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process*.

2.2 Scope of Work

The Phase I ESA includes the following scope of work: a) a site reconnaissance of existing on-site conditions and observations of adjacent property uses, b) a review of user-provided documents, c) a review of historical aerial photographs, a review of pertinent building permit records, city directories, historical Sanborn Historical Fire Insurance Maps (HFIMs), and interview(s) with person(s) knowledgeable of the previous and current ownership and uses of the subject site, d) a review of local regulatory agency records, and e) a review of local, state, and federal regulatory agency lists compiled by Environmental Data Resources, Inc. (EDR). The scope of work for this Phase I ESA conforms to ASTM E 1527-13. Krazan was provided written authorization to conduct the Phase I ESA by Mr. Milo Terzich with USA Properties Fund, Inc. on May 3, 2019 in USA Properties Fund, Inc. Professional Service Agreement.

3.0 SITE DESCRIPTION

The subject site is located between East Avenues J-2 and J-4 and east of 17th Street in the city of Lancaster, California. The subject site has been assigned the physical address of 1752 East Avenue J-4 and comprises approximately 11.34 acres. The subject site is currently vacant land within a mixed commercial and residential use area of Lancaster.

General property information and property use are summarized in the following Table I. Refer to Figures No. 1 – 4 following the Reference Section.

TABLE I
Subject Site Information Summary

Current Owner:	1752 East Avenue J-4, LLC
Assessor's Parcel Number:	3148-041-001
Address:	1752 East Avenue J-4
Historical Address:	None
General Location:	Between East Avenues J-2 and J-4 and east of 17 th Street
Acreage:	Approximately 11.34 acres
Existing Use:	Vacant
Original Building Construction Date:	None
Building Demolition Date:	None
Proposed Use:	Residential
Topographic Map:	U.S. Geological Survey, 7.5 minute Lancaster East, California topographic quadrangle map, dated 1974
Topographic Map Location:	A Portion of Section 24, Township 07 North, Range 12 West San Bernardino Baseline and Meridian
Latitude/Longitude:	34.6868/ -118.0977
Topography:	Level; approximately 2,408 feet above mean sea level
Approximate Depth to Groundwater:	Greater than 200 feet below ground surface (bgs), County of Los Angeles Department of Public Works (CLADPW).
Regional Groundwater Flow Direction:	Southerly, CLADPW

3.1 Geology and Hydrogeology

The Antelope Valley, which includes the Lancaster area, is within the southwestern portion of the Mojave Desert Geometamorphic Providence. Antelope Valley is bounded by the Tehachapi Mountains of the Sierra Nevada Providence to the northwest and the San Gabriel of the Transverse Ranges to the southwest. A major portion of the Mojave Desert Providence is underlain by Mesozoic granitic rocks. Quarternary alluvium covers a majority of the Antelope Valley floor. Both the Tehachapi and San Gabriel mountain ranges are geologically young mountain ranges and possess active and potentially active fault zones. Approximate depth to first groundwater in the area of the subject site occurs at an elevation of approximately 280 feet below existing grade. The general direction of groundwater flow is reported to be toward the south in the vicinity of the subject site.

4.0 SITE RECONNAISSANCE

A site reconnaissance, which included a visual observation of the subject site and surrounding properties, was conducted by Mr. William Cooper, Krazan's Environmental Professional, on May 22, 2019. Krazan's Environmental Assessor was unaccompanied during the site reconnaissance. The objective of

the site reconnaissance is to obtain information indicating the likelihood of identifying recognized environmental conditions, including hazardous substances and petroleum products, in connection with the property (including soils, surface waters, and groundwater).

4.1 Observations

The following Table II summarizes conditions encountered during our site reconnaissance. A discussion of visual observations follows Table II. Refer to the Site Map (Figure No. 3) and color photographs following the text for the locations of items discussed in this section of the report.

TABLE II
Summary of Site Reconnaissance

Feature	Observed	Not Observed
Structures (existing)		X
Evidence of Past Uses (<i>Concrete pads</i>)	X	
Hazardous Substances and/or Petroleum Products		X
Aboveground Storage Tanks (ASTs)		X
Underground Storage Tanks (USTs) or Evidence of USTs		X
Evidence of Underground Pipelines		X
Strong, Pungent, or Noxious Odors		X
Stained Soil and/or Pavement		X
Pools of Liquid Likely to be Hazardous Materials or Petroleum Products		X
Drums		X
Unidentified Substance Containers		X
Potential Polychlorinated Biphenyl (PCB)-Containing Equipment		X
Subsurface Hydraulic Equipment		X
Heating/Ventilation/Air conditioning (HVAC)		X
Stains or Corrosion on Floors, Walls, or Ceilings		X
Floor Drains, Sumps, or Oil/Water Clarifiers		X
Storm Drains		X
Pits, Ponds, or Lagoons (Stormwater Basin)		X
Soil Piles		X
Stressed Vegetation		X
Railroad tracks/spurs		X
Waste or Wastewater (including stormwater) Discharges to Surface/ Surface Waters		X
Wells (irrigation, domestic, dry, oil wells, monitoring wells)		X
Septic Systems		X

The subject site comprises approximately 11.34 acres of land located on the south side of East Avenue J-2 and on the north side of East Avenue J-4 in Lancaster, California. The subject site has been assigned the address of 1752 East Avenue J-4 and the associated Los Angeles County Assessor Parcel No. 3148-041-001:

- The subject site was observed to be predominantly vacant land with no significant features except for concrete building pads within the southern part of the subject site. The concrete building pads are adjacent to East Avenue J-4 and do not appear to have been utilized for buildings. The

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remainder of the subject site is sparsely to moderately covered with weeds and grasses. Wind-blown litter and minor dumping of household refuse was observed on the subject site (a mattress and box springs were observed dumped along the northern side). The subject site is bordered by residential properties to the east, west and south, and a commercial shopping mall to the north. East Avenue J-4 and East Avenue J-2 are present along the southern and northern boundaries, respectively, and 17th Street East is present along the western side of the subject site.

- During the visual observations of the subject site, no hazardous materials or wastes were observed on the subject site. No pole- or pad-mounted transformers were observed on the subject site. Exposed surface soils did not exhibit obvious signs of discoloration. No obvious evidence (vent pipes, fill pipes, dispensers, etc.) of USTs was noted within the areas observed on the subject site.

4.2 Utilities

Based on Krazan's historical research and observations, utilities have not been provided to the subject site in the past. Based on Krazan's research, the following Table III summarizes companies/ municipalities that currently provide utility services to the area of the subject site.

TABLE III
Municipal Service / Utility Providers

Service / Utility	Provider	Connection Date
Electricity	Southern California Edison	N/A
Natural Gas	The Gas Company	N/A
Potable Water	*Los Angeles County Waterworks District No. 40	N/A
Sanitary Sewer	City of Lancaster	N/A
Solid Waste Removal	Unknown	N/A

*According to the Los Angeles County Waterworks District 40's *2018 Consumer Confidence Report*, posted on the website (<http://dwp.lacounty.gov/wwd.com>), water provided by the city of Lancaster is in compliance with the Federal and State Maximum Contaminant Levels (MCLs) for primary drinking water.

Potable Water

No potable water is currently provided to the subject site and no water wells were observed at the subject site. The water purveyor for the subject site vicinity is the Los Angeles County Waterworks District 40 (LACWD). The LACWD's water quality monitoring is an on-going program with water samples obtained on a regular basis. It is the responsibility of the LACWD to provide customers with potable water in compliance with the California State Maximum Contaminant Levels (MCLs) for primary drinking water constituents in water supplied to the public.

Sewer Service

The City of Lancaster provides sewer service for the area of the subject site. Krazan's review of historical aerial photographs from 1928 indicates that no structures have been located on the subject site.

Therefore, former septic systems are not anticipated to be present and none were observed at the subject site during Krazan's site reconnaissance.

4.3 Adjacent Streets and Property Usage

The following Table IV summarizes the current adjacent roads and adjacent property uses observed during the site reconnaissance.

TABLE IV
Adjacent Streets and Property Use

Direction	Adjacent Street	Adjacent Property Use
South	East Avenue J-4	Residential
East	None	Residential
North	East Avenue J-2	Commercial Shopping Mall
West	17 th Street East	Residential

Based on the observed uses of the properties located immediately adjacent to the subject site, it is unlikely that significant quantities of hazardous materials are stored or handled at the adjacent properties.

4.4 ASTM Non-Scope Considerations

According to ASTM E 1527-13, there may be environmental issues or conditions at the subject site that are outside the scope of the Phase I ESA practice (non-scope considerations). Some substances may be present at the subject site in quantities and under conditions that may lead to contamination of the subject site or of nearby properties but are not included in CERCLA's definition of hazardous substances (42 U.S.C. §9601[14]). ASTM non-scope considerations are discussed below.

Asbestos-Containing Materials

Asbestos is a group of naturally occurring mineral fibers that have been used commonly in a variety of building construction materials for insulation and as a fire-retardant. Because of its fiber strength and heat resistant properties, asbestos has been used for a wide range of manufactured goods, mostly in building materials, vehicle brakes, and heat-resistant fabrics, packaging, gaskets, and coatings. When asbestos-containing materials (ACMs) are damaged or disturbed by repair, remodeling, or demolition activities, microscopic asbestos fibers may become airborne and can be inhaled into the lungs, where they can cause significant health problems. No structures located on the subject site; therefore, ACMs do not appear to be an environmental concern.

Lead-Based Paint

Although lead-based paint (LBP) was banned in 1978, many building constructed prior to 1978 have paint that contains lead. Lead from paint, chips, and dust can pose serious health hazards if not addressed

properly. No structures located on the subject site; therefore, LBP does not appear to be an environmental concern.

Mold and Moisture Intrusion

A class of fungi, molds have been found to cause a variety of health problems in humans, including allergic, toxicological, and infectious responses. Molds are decomposers of organic materials, and thrive in humid environments, and produce spores to reproduce, just as plants produce seeds. When mold spores land on a damp spot indoors, they may begin growing and digesting whatever they are growing on in order to survive. When excessive moisture or water accumulates indoors, mold growth will often occur, particularly if the moisture problem remains undiscovered or unaddressed. No structures are located on the subject site; therefore, mold and moisture intrusion are not an environmental concern.

Radon

Radon is a radioactive gas that is found in certain geologic environments and is formed by the natural breakdown of radium, which is found in the earth's crust. A radon survey was not included within the scope of this investigation; however, the State of California Department of Health Services (CDHS) maintains a statewide database of radon results in designated geographic areas. Radon detection devices are placed in homes throughout the study region to determine geographic regions with elevated radon concentrations. The U.S. EPA has set the safety standard for radon gas in homes to be 4.0 pico Curies per liter (pCi/L).

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 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. Review of the EPA Map of Radon Zones places the Property in Zone 2, where average predicted radon levels are between 2.0 and 4.0 pCi/L. Therefore, based on the available data, the potential for radon to adversely impact the subject site appears to be low.

Wetlands

As defined by the U.S. EPA and the Department of Army, Corps of Engineers, wetlands are "those areas that are inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for

life in saturated soil conditions.” Jurisdictional wetlands are regulated under Section 404 of the Clean Water Act (1972, 1977, and 1987, and also the 1985 and 1990 Farm Bills), and are important for protection of aquatic waterfowl and species, water purification, and flood control. According to current Corps of Engineers information, three basic criteria are currently used to define wetlands:

- Wetland hydrology - areas exhibiting surface or near-surface saturation or inundation at some point in time (greater than 12.5 percent of growing season defined on basis of frost-free days) during an average rainfall year.
- Hydrophilic vegetation - frequency of occurrence of wetland indicator plants (plant life growing in water, soil, or substrate that is periodically deficient in oxygen as a result of excessive water content).
- Hydric soil - landscape patterns identified by saturation, flooding, or ponding long enough during the growing season (generally seven days) which develop characteristic color changes in the upper part of the soil as a result of anaerobic conditions.

Based on Krazan’s May 2019 reconnaissance of the subject site, evidence was not apparent to suggest that the site contained a wetland. Furthermore, according to the U. S. Fish & Wildlife Service (USFWS) National Wetlands Inventory available via the USFWS Internet website, the subject site does not contain a designated wetland. Therefore, at this time, regulations pertaining to wetlands do not appear to impact the subject site. The adjacent drainage channel to the subject site that parallels State Route 14 is identified as a Wetland.

Environmental Non-Compliance Issue

No material non-compliance issue was identified in connection with the subject site in the process of preparing this report.

Activity and Use Limitations

No activity and use limitations were identified in connection with the subject site in the process of preparing this report.

5.0 USER-PROVIDED INFORMATION

A review of user-provided information was conducted in order to help identify pertinent information regarding potential environmental impacts associated with the subject site.

5.1 Environmental Liens/Activity and Use Limitations Report

On May 28, 2019, an Environmental Lien/Activity and Use Limitations (EL/AUL) Report was prepared by AFX Corp. Inc. (AFX), for the subject site. The AFX EL/AUL Report provides results from a search of available land title records for environmental cleanup liens and other activity and use limitations, such as engineering controls and institutional controls. The subject site EL/AUL Report was reviewed to identify potential environmental liens, institutional controls (ICs), land use controls (LUCs), activity and use limitations (AULs), or declaration of environmental use restrictions (DEULs) which may have been filed against the subject site or exist in connection with the subject site as indicated by the subject site EL/AUL Report. Krazan's review of the EL/AUL Report indicated no liens, judgments, ICs, LUCs, AULs, or DEULs were found for the subject site according to the scope of work and limitations. Please refer to Appendix A in the Table of Contents for a copy of the AFX EL/AUL report.

5.2 Phase I Environmental Site Assessment User Questionnaire

In order to qualify for one of the *Landowner Liability Protections (LLPs)* offered by the Small Business Liability Relief and Brownfields Revitalization Act of 2001 (the *Brownfields Amendments*), the *user* must provide the following information (if available) to the *environmental professional*. Failure to provide this information could result in a determination that *all appropriate inquiry* is not complete.

The user is asked to provide information or knowledge of the following:

1. Environmental cleanup liens that are filed or recorded against the site.
2. Activity and land use limitations that are in place on the site or that have been filed or recorded in a registry.
3. Specialized knowledge or experience of the person seeking to qualify for the LLPs.
4. Relationship of the purchase price to the fair market value of the *property* if it were not contaminated.
5. Commonly known or *reasonably ascertainable* information about the *property*.
6. The degree of obviousness of the presence or likely presence of contamination at the *property*, and the ability to detect the contamination by appropriate investigation.
7. The reason for preparation of this Phase I ESA.

On May 22, 2019, a completed Phase I ESA User Questionnaire was received from Ms. Leatha Clark, a representative of USA Properties, the user of this Phase I ESA. Please refer to Appendix B in the Table of Contents for a copy of the User Questionnaire.

According to Ms. Clark, to the best of her knowledge as the user of this Phase I ESA, she is not aware of any environmental cleanup liens and activity or land use limitations which have been filed or recorded against the subject site. Ms. Clark has no specialized knowledge or experience of the chemical utilization on the subject site. Ms. Clark indicated that she did not have knowledge of unauthorized spills or chemical release in connection with the subject site and Ms. Clark is not aware of obvious indicators that point to the presence or likely presence of contamination at the subject site. Ms. Clark stated that the purchase price of the subject site reasonably reflects fair market value. Additionally, Ms. Clark indicated that the reason for preparation of this Phase I ESA is related to a property purchase and residential development.

6.0 SITE USAGE SURVEY

The property usage survey included assessing property history, and reviewing local, state, and federal regulatory agency records.

6.1 Site History

A review of historical aerial photographs, reasonably ascertainable Haines Criss-Cross Directories (HCCDs) and Polk Guide Directories (PGDs), and Sanborn Historical Fire Insurance Maps (HFIMs) was conducted to assess the history of the subject site.

Previous Environmental Assessment

A previous environmental assessment was not provided to Krazan for review.

Aerial Photograph Interpretation

Historical aerial photographs dated 1928, 1940, 1953, 1968, 1972, 1981, 1989, 1994, 2002, 2009, 2012, and 2016 were reviewed to assess property history. These photographs were provided by EDR. The aerial photograph summary is provided in the following Table V. Please refer to Appendix C in the Table of Contents for a copy of the historical aerial photographs.

TABLE V
Summary of Aerial Photograph Review

Year/Scale	Site Use	Site and Adjacent Property Observation
1928 1" = 500'	Undeveloped Land	The subject site and adjoining properties appear to be undeveloped native desert land.
1940 1" = 500'	Agricultural	The subject site is in agricultural use with row crops, no structures or significant features appear to be present. Adjacent properties to the north and east are in agricultural use and the southern and western adjacent properties are undeveloped.
1953 1" = 500'	Agricultural	Conditions on the subject site and adjacent properties appear similar to the 1940 aerial photograph.
1968 1" = 500'	Agricultural	Conditions on the subject site and adjacent properties appear similar to the 1953 aerial photograph.
1972 1" = 500'	Vacant Land	The subject site and adjoining properties appear to be vacant land.
1981 1" = 500'	Vacant Land	Conditions on the subject site and adjacent properties appear similar to the 1972 aerial photograph.
1989 1" = 500'	Vacant Land	The subject site remains vacant; however, several concrete pads are developed within the southeastern part of the subject site. These concrete pads have a size, shape and location consistent with the concrete pads observed at the subject site during Krazan's May 2019 site reconnaissance. Adjacent properties to the north and west are vacant; the southern- and eastern-adjacent properties are in residential use.
1994 1" = 500'	Vacant Land	Conditions on the subject site and adjacent properties appear relatively similar to the 1989 aerial photograph except the northern-adjacent property is commercially developed with a shopping mall. No structures have been constructed in association with the concrete pads.
2002 1" = 500'	Vacant Land	Conditions on the subject site and adjacent properties appear relatively similar to the 1994 aerial photograph.
2009 1" = 500'	Vacant Land	Conditions on the subject site and adjacent properties appear relatively similar to the 2002 aerial photograph except the western-adjacent property is residentially developed.
2012 1" = 500'	Vacant Land	Conditions on the subject site and adjacent properties appear similar to the 2009 aerial photograph.
2016 1" = 500''	Vacant Land	Conditions on the subject site and adjacent properties appear similar to the 2012 aerial photograph.

USGS Topographic Quadrangle Map

Krazan's review of the USGS, 7.5 minute, Lancaster East, California topographic quadrangle maps dated 1915, 1930, 1958, 1974 and 2012 indicates that the subject site has been undeveloped vacant land with no structures (Refer to Figure No. 4, 1974 Topographic Map, for reference).

City of Lancaster Building and Safety Division

On May 23, 2019 the City of Lancaster Building and Safety Division (CLBSD) was contacted for information regarding the subject site. According to a representative with CLBSD, no permits for

grading, construction or demolition are no file for the subject site address of 1752 E. Avenue J-4, or the subject site APN of 3148-041-001. CLBSD records indicate the subject site is vacant land. Krazan referenced the concrete pads that are located on the subject site to the CLBSD representative. According to the CLBSD representative, permits are not required to install concrete pads. Additionally, the City of Lancaster Planning Department (CLPD) was contacted for information regarding the subject site and the concrete pads that are located on the subject site. According to a representative with the CLPD, the subject site is vacant land zoned for residential use and no information was found on file with CLPD regarding the concrete pads.

Haines Criss-Cross and Polk Guide Directories

Haines Criss-Cross Directories (HCCDs) and Polk Guide Directories (PGDs) were not searched due to the current and historical absence of structures on the subject site.

Sanborn Historical Fire Insurance Maps

Krazan reviews Sanborn HFIMs to evaluate prior land use of the subject site and the adjacent properties. HFIMs typically exist for cities with populations of 2,000 or more, the coverage dependent on the location of the subject site within the city limits. Krazan's research did not reveal HFIM coverage for the subject site area. Please refer to Appendix D in the Table of Contents for a copy of the Sanborn HFIM No Coverage report.

6.2 Interviews and Questionnaires

Interviews are designed to provide pertinent information regarding potential environmental impacts associated with the subject site.

Owner and Previous Owners/Occupants Interview

An interview with the current and previous owner of the subject site was not reasonably ascertainable. Consequently, information regarding the history and historical uses of the subject site obtained from an interview of a previous owner and/or occupant constitutes a data gap. Additionally, an occupant was not identified in connection with the subject site. Therefore, an interview with a subject site occupant was not conducted.

6.3 Agricultural Chemicals

Review of historical aerial photographs indicates that the subject site was utilized for agricultural row crop purposes from at least 1940 until at least 1968. Although the potential exists that environmentally persistent pesticides/herbicides were historically applied to crops grown on the subject site; 1) no

structures were noted on historical aerial photographs of the subject site taken between 1928 to the present, and impacts from agricultural chemicals are most often identified in association with chemical mixing and storage areas (structures); 2) no material evidence of the use of environmentally persistent pesticides/herbicides was obtained during the course of this assessment; and 3) Krazan's experience generally indicates that the potential is low for elevated concentrations of environmentally persistent pesticides/herbicides to exist in the near-surface soils related to row crop cultivation of common agricultural ground in the subject site area. Therefore, given the above-referenced factors and despite the absence of specific data, the potential for elevated concentrations of environmentally persistent pesticides/herbicides to currently exist in the near-surface soils of the subject site at concentrations which would require regulatory action appears to be low.

6.4 Regulatory Agency Interface

A review of regulatory agency records was conducted to help determine if hazardous materials have been handled, stored, or generated on the subject site and/or the adjacent properties and businesses. Regulatory records are reviewed based on the following criteria: 1) properties with known soils and/or groundwater releases considered to represent the potential for impact to the subject site that are located within 1,760 feet of the subject site for constituents of concern impacts or 528 feet of the subject site for petroleum hydrocarbon impacts; 2) properties that are adjacent or in proximity to the subject site included within the EDR regulatory database report or noted during the site reconnaissance to possibly handle, store, or generate hazardous materials. Applicable property records are discussed below.

County of Los Angeles Public Works Department –Environmental Programs Division

The County of Los Angeles Public Works Department- Environmental Programs Division (EPD) is the lead regulatory agency or Certified Unified Program Agency (CUPA) for hazardous materials handling facilities in Lancaster, California. Krazan's review of the EPD CUPA list indicated that no records are on file with the EPD for the subject site or adjacent properties. Additionally, no records for facilities within 1760 feet of the subject site, with reported releases to the subsurface, were identified in Krazan's review of the EDR regulatory database report.

State of California Regional Water Quality Control Board - Geotracker

Krazan's review of the State of California Regional Water Quality Control Board (RWQCB) Geotracker database available via the RWQCB Internet Website indicated that no LUST sites, land disposal sites, or military sites are listed for the subject site, adjacent properties or vicinity properties. Additionally, no permitted UST sites were determined to be located on or adjacent to the subject site.

State of California Department of Toxic Substances Control - Envirostor

Krazan's review of the State of California Department of Toxic Substances Control (DTSC) Envirostor database available via the DTSC's Internet Website indicated that no State response sites, voluntary cleanup sites, school cleanup sites, or military or school evaluation sites are listed for the subject site, the adjacent properties, or properties located within 500 feet of the subject site. Additionally, no Federal Superfund – National Priorities List (NPL) sites were determined to be located within a one-mile radius of the subject site.

California Department of Conservation, Division of Oil, Gas and Geothermal Resources - DOMS

Krazan's review of the State of California Department of Conservation, Division of Oil, Gas and Geothermal Resources (DOGGR) Online Mapping System (DOMS) indicated that there are no oil wells located on or adjacent to the subject site.

Local Area Tribal Records

No Indian reservations, USTs on Indian land, or LUSTs on Indian land were reported on the subject site, adjacent properties, or vicinity properties in the EDR-provided database report.

6.5 Regulatory Agency Lists Review

Several agencies have published documents that list businesses or properties which have handled hazardous materials or waste or may have experienced site contamination. The lists consulted in the course of our assessment were compiled by EDR and Krazan and represent reasonably ascertainable current listings. Krazan did not verify the locations and distances of every property listed by EDR. Krazan verified the location and distances of the properties Krazan deemed as having the potential to adversely impact the subject site. The actual location of the listed properties may differ from the EDR listing. Refer to the following Table VI for a summary of the listed properties located within the specified ASTM Search Radii. The actual distances of the listed properties (which are summarized in the table below) are based on observations during Krazan's site reconnaissance. No EDR-listed unmapped (non geocoded) sites were determined to be located on or adjacent to the subject site. Please refer to Appendix D in the Table of Contents for a copy of the EDR Radius Map report.

**TABLE VI
Summary of Findings**

MAP FINDINGS SUMMARY								
<u>Database</u>	<u>Search Distance (Miles)</u>	<u>Target Property</u>	<u>< 1/8</u>	<u>1/8 - 1/4</u>	<u>1/4 - 1/2</u>	<u>1/2 - 1</u>	<u>> 1</u>	<u>Total Plotted</u>
<u>STANDARD ENVIRONMENTAL RECORDS</u>								
<i>Federal NPL site list</i>								
NPL	1.000		0	0	0	0	NR	0
Proposed NPL	1.000		0	0	0	0	NR	0
NPL LIENS	0.001		0	NR	NR	NR	NR	0
<i>Federal Delisted NPL site list</i>								
Delisted NPL	1.000		0	0	0	0	NR	0
<i>Federal CERCLIS list</i>								
FEDERAL FACILITY	0.500		0	0	0	NR	NR	0
SEMS	0.500		0	0	0	NR	NR	0
<i>Federal CERCLIS NFRAP site list</i>								
SEMS-ARCHIVE	0.500		0	0	0	NR	NR	0
<i>Federal RCRA CORRACTS facilities list</i>								
CORRACTS	1.000		0	0	0	0	NR	0
<i>Federal RCRA non-CORRACTS TSD facilities list</i>								
RCRA-TSDF	0.500		0	0	0	NR	NR	0
<i>Federal RCRA generators list</i>								
RCRA-LQG	0.250		0	0	NR	NR	NR	0
RCRA-SQG	0.250		2	0	NR	NR	NR	2
RCRA-CESQG	0.250		0	0	NR	NR	NR	0
<i>Federal institutional controls / engineering controls registries</i>								
LUCIS	0.500		0	0	0	NR	NR	0
US ENG CONTROLS	0.500		0	0	0	NR	NR	0
US INST CONTROL	0.500		0	0	0	NR	NR	0
<i>Federal ERNS list</i>								
ERNS	0.001		0	NR	NR	NR	NR	0
<i>State- and tribal - equivalent NPL RESPONSE</i>								
RESPONSE	1.000		0	0	0	0	NR	0
<i>State- and tribal - equivalent CERCLIS ENVIROSTOR</i>								
ENVIROSTOR	1.000		0	0	0	3	NR	3
<i>State and tribal landfill and/or solid waste disposal site lists</i>								
SWF/LF	0.500		0	0	0	NR	NR	0
<i>State and tribal leaking storage tank lists LUST</i>								
LUST	0.500		0	0	0	NR	NR	0

**TABLE VI (continued)
Summary of Findings**

MAP FINDINGS SUMMARY								
Database	Search Distance (Miles)	Target Property	< 1/8	1/8 - 1/4	1/4 - 1/2	1/2 - 1	> 1	Total Plotted
INDIAN LUST	0.500		0	0	0	NR	NR	0
CPS-SLIC	0.500		0	0	0	NR	NR	0
State and tribal registered storage tank lists								
FEMA UST	0.250		0	0	NR	NR	NR	0
UST	0.250		0	1	NR	NR	NR	1
AST	0.250		0	0	NR	NR	NR	0
INDIAN UST	0.250		0	0	NR	NR	NR	0
State and tribal voluntary cleanup sites								
VCP	0.500		0	0	0	NR	NR	0
INDIAN VCP	0.500		0	0	0	NR	NR	0
State and tribal Brownfields sites								
BROWNFIELDS	0.500		0	0	0	NR	NR	0
<u>ADDITIONAL ENVIRONMENTAL RECORDS</u>								
Local Brownfield lists								
US BROWNFIELDS	0.500		0	0	0	NR	NR	0
Local Lists of Landfill / Solid Waste Disposal Sites								
WMUDS/SWAT	0.500		0	0	0	NR	NR	0
SWRCY	0.500		0	0	0	NR	NR	0
HAULERS	0.001		0	NR	NR	NR	NR	0
INDIAN ODI	0.500		0	0	0	NR	NR	0
DEBRIS REGION 9	0.500		0	0	0	NR	NR	0
ODI	0.500		0	0	0	NR	NR	0
IHS OPEN DUMPS	0.500		0	0	0	NR	NR	0
Local Lists of Hazardous waste / Contaminated Sites								
AOCONCERN	1.000		0	0	0	0	NR	0
US HIST CDL	0.001		0	NR	NR	NR	NR	0
HIST Cal-Sites	1.000		0	0	0	0	NR	0
SCH	0.250		0	0	NR	NR	NR	0
CDL	0.001		0	NR	NR	NR	NR	0
CERS HAZ WASTE	0.250		2	2	NR	NR	NR	4
Toxic Pits	1.000		0	0	0	0	NR	0
US CDL	0.001		0	NR	NR	NR	NR	0
PFAS	0.001		0	NR	NR	NR	NR	0
Local Lists of Registered Storage Tanks								
SWEEPS UST	0.250		0	0	NR	NR	NR	0
HIST UST	0.250		0	0	NR	NR	NR	0
CA FID UST	0.250		0	0	NR	NR	NR	0
CERS TANKS	0.250		0	1	NR	NR	NR	1
Local Land Records								
LIENS	0.001		0	NR	NR	NR	NR	0

**TABLE VI (continued)
Summary of Findings**

MAP FINDINGS SUMMARY								
<u>Database</u>	<u>Search Distance (Miles)</u>	<u>Target Property</u>	<u>< 1/8</u>	<u>1/8 - 1/4</u>	<u>1/4 - 1/2</u>	<u>1/2 - 1</u>	<u>> 1</u>	<u>Total Plotted</u>
LIENS 2	0.001		0	NR	NR	NR	NR	0
DEED	0.500		0	0	0	NR	NR	0
Records of Emergency Release Reports								
HMIRS	0.001		0	NR	NR	NR	NR	0
CHMIRS	0.001		0	NR	NR	NR	NR	0
LDS	0.001		0	NR	NR	NR	NR	0
MCS	0.001		0	NR	NR	NR	NR	0
SPILLS 90	0.001		0	NR	NR	NR	NR	0
Other Ascertainable Records								
RCRA NonGen / NLR	0.250		2	0	NR	NR	NR	2
FUDS	1.000		0	0	0	0	NR	0
DOD	1.000		0	0	0	0	NR	0
SCRD DRYCLEANERS	0.500		0	0	0	NR	NR	0
US FIN ASSUR	0.001		0	NR	NR	NR	NR	0
EPA WATCH LIST	0.001		0	NR	NR	NR	NR	0
2020 COR ACTION	0.250		0	0	NR	NR	NR	0
TSCA	0.001		0	NR	NR	NR	NR	0
TRIS	0.001		0	NR	NR	NR	NR	0
SSTS	0.001		0	NR	NR	NR	NR	0
ROD	1.000		0	0	0	0	NR	0
RMP	0.001		0	NR	NR	NR	NR	0
RAATS	0.001		0	NR	NR	NR	NR	0
PRP	0.001		0	NR	NR	NR	NR	0
PADS	0.001		0	NR	NR	NR	NR	0
ICIS	0.001		0	NR	NR	NR	NR	0
FTTS	0.001		0	NR	NR	NR	NR	0
MLTS	0.001		0	NR	NR	NR	NR	0
COAL ASH DOE	0.001		0	NR	NR	NR	NR	0
COAL ASH EPA	0.500		0	0	0	NR	NR	0
PCB TRANSFORMER	0.001		0	NR	NR	NR	NR	0
RADINFO	0.001		0	NR	NR	NR	NR	0
HIST FTTS	0.001		0	NR	NR	NR	NR	0
DOT OPS	0.001		0	NR	NR	NR	NR	0
CONSENT	1.000		0	0	0	0	NR	0
INDIAN RESERV	0.001		0	NR	NR	NR	NR	0
FUSRAP	1.000		0	0	0	0	NR	0
UMTRA	0.500		0	0	0	NR	NR	0
LEAD SMELTERS	0.001		0	NR	NR	NR	NR	0
US AIRS	0.001		0	NR	NR	NR	NR	0
US MINES	0.250		0	0	NR	NR	NR	0
ABANDONED MINES	0.001		0	NR	NR	NR	NR	0
FINDS	0.001		0	NR	NR	NR	NR	0
UXO	1.000		0	0	0	0	NR	0
DOCKET HWC	0.001		0	NR	NR	NR	NR	0
ECHO	0.001		0	NR	NR	NR	NR	0
FUELS PROGRAM	0.250		0	0	NR	NR	NR	0
CA BOND EXP. PLAN	1.000		0	0	0	0	NR	0
Cortese	0.500		0	0	0	NR	NR	0
CUPA Listings	0.250		0	0	NR	NR	NR	0

TABLE VI (continued)
Summary of Findings

MAP FINDINGS SUMMARY								
<u>Database</u>	<u>Search Distance (Miles)</u>	<u>Target Property</u>	<u>< 1/8</u>	<u>1/8 - 1/4</u>	<u>1/4 - 1/2</u>	<u>1/2 - 1</u>	<u>> 1</u>	<u>Total Plotted</u>
DRYCLEANERS	0.250		2	0	NR	NR	NR	2
EMI	0.001		0	NR	NR	NR	NR	0
ENF	0.001		0	NR	NR	NR	NR	0
Financial Assurance	0.001		0	NR	NR	NR	NR	0
HAZNET	0.001		0	NR	NR	NR	NR	0
ICE	0.001		0	NR	NR	NR	NR	0
HIST CORTESE	0.500		0	0	0	NR	NR	0
LOS ANGELES CO. HMS	0.001		0	NR	NR	NR	NR	0
HWP	1.000		0	0	0	0	NR	0
HWT	0.250		0	0	NR	NR	NR	0
MINES	0.001		0	NR	NR	NR	NR	0
MWMP	0.250		0	0	NR	NR	NR	0
NPDES	0.001		0	NR	NR	NR	NR	0
PEST LIC	0.001		0	NR	NR	NR	NR	0
PROC	0.500		0	0	0	NR	NR	0
Notify 65	1.000		0	0	0	0	NR	0
LA Co. Site Mitigation	0.001		0	NR	NR	NR	NR	0
UIC	0.001		0	NR	NR	NR	NR	0
UIC GEO	0.001		0	NR	NR	NR	NR	0
WASTEWATER PITS	0.500		0	0	0	NR	NR	0
WDS	0.001		0	NR	NR	NR	NR	0
MILITARY PRIV SITES	0.001		0	NR	NR	NR	NR	0
PROJECT	0.001		0	NR	NR	NR	NR	0
WDR	0.001		0	NR	NR	NR	NR	0
CIWQS	0.001		0	NR	NR	NR	NR	0
CERS	0.001		0	NR	NR	NR	NR	0
WIP	0.250		0	0	NR	NR	NR	0
NON-CASE INFO	0.001		0	NR	NR	NR	NR	0
OTHER OIL GAS	0.001		0	NR	NR	NR	NR	0
PROD WATER PONDS	0.001		0	NR	NR	NR	NR	0
SAMPLING POINT	0.001		0	NR	NR	NR	NR	0
WELL STIM PROJ	0.001		0	NR	NR	NR	NR	0
<u>EDR HIGH RISK HISTORICAL RECORDS</u>								
<i>EDR Exclusive Records</i>								
EDR MGP	1.000		0	0	0	0	NR	0
EDR Hist Auto	0.125		0	NR	NR	NR	NR	0
EDR Hist Cleaner	0.125		1	NR	NR	NR	NR	1
<u>EDR RECOVERED GOVERNMENT ARCHIVES</u>								
<i>Exclusive Recovered Govt. Archives</i>								
RGA LF	0.001		0	NR	NR	NR	NR	0
RGA LUST	0.001		0	NR	NR	NR	NR	0
- Totals --		0	9	4	0	3	0	16

The subject site location and adjacent properties were not listed in the EDR-provided government database report. Additionally, no facilities with reported releases to the subsurface were identified within 1,760 feet of the subject site.

The following vicinity property was identified and is discussed below.

Century Plaza Cleaners/Plaza Dry Cleaners 500 feet to the northeast
1874 East Avenue
Lancaster, California

This facility is listed by EDR in the following databases: RCRA-Small Quantity Generator (RCRA-SQG); Facility Index System (FINDS); Enforcement and Compliance Online (ECHO); EDR Cleaners; and RCRA Non-gen NLR (no longer regulated). No violations are listed for this facility and no spills, releases or investigations are referenced. The facility is no longer regulated as it does not generate hazardous waste. Based on the absence of documented releases, its distance and hydraulic location from the subject site, there is no material evidence that this vicinity facility represents an environmental concern in connection with the subject site.

The remaining properties identified by EDR within the specified search radius of the subject site, which appeared on local, state, or federally published lists of sites that use of have had releases of hazardous materials, were determined through Krazan's field observations to be of sufficient distance and/or situated hydraulically cross/downgradient of the subject site, such that impacts to the subject site are not likely.

No engineering control sites, sites with institutional controls, or sites with deed restrictions were listed for the subject site, adjacent sites or vicinity properties in the EDR database report.

Hazardous Materials Migration in Soils and/or Groundwater

No sites with reported releases of hazardous materials to the subsurface were reported within the subject site vicinity. In general, potentially hazardous materials or petroleum products released from facilities located approximately hydraulically upgradient within the subject site vicinity, or in a hydraulically cross-gradient direction in proximity to the site, may have a reasonable potential of migrating to the subject site via groundwater flow. This opinion is based on the assumption that non-vaporous hazardous materials generally do not migrate large distances laterally within the soil, but rather tend to migrate with groundwater in the general direction of groundwater flow. However, the potential for migration of volatile hazardous materials may include movement within soils, groundwater flow or potentially omnidirectionally if present in a vaporous state.

Hazardous Materials Migration in Vapor

Hazardous materials or petroleum product vapors which may have the potential to migrate into the subsurface of the subject site may be caused by the release of vapors from contaminated soil or groundwater either on or in the vicinity of the subject site from current or historical uses of the subject site and/or adjacent or vicinity properties. Current or past land uses such as gasoline stations (using petroleum hydrocarbons), dry cleaning establishments (using chlorinated volatile organic compounds), former manufactured gas plant sites (using volatile and semi-volatile organic compounds), and former industrial sites such as those that had vapor degreasing or other parts-cleaning operations (using chlorinated volatile organic compounds) are of particular concern. Constituent of concern vapors are capable of migrating great distances omni-directionally along subsurface conduits such as pipelines, utility lines, sewer and stormwater lines, and building foundations.

Based on Krazan's observations and review of the EDR regulatory database report, no listings of concern were determined to be associated with the subject site, adjacent properties, or properties located within the subject site vicinity. However, the screening process for vapor migration in connection with the subject site is described in the ASTM E 2600-10 *Standard Guide for Vapor Encroachment Screening on Property Involved in Real Estate Transactions*, an industry consensus methodology to assess vapor migration which is not included in the scope of work of this Phase I ESA.

7.0 DISCUSSION OF FINDINGS

Historical Uses

Based on Krazan's review of historical aerial photographs, a site reconnaissance, and contacts with the local regulatory agencies and the owners of the subject site, there is no evidence that recognized environmental conditions exist in connection with the historical uses of the subject site.

Current Uses

Based on Krazan's site reconnaissance, contacts with local regulatory agencies, and interviews with the owners of the subject site, there is no evidence that recognized environmental conditions exist in connection with the current uses of the subject site.

Adjacent or Vicinity Property Uses

Based on Krazan's field observations, review of the EDR government database report, and consultation with local regulatory agencies, there is no evidence that recognized environmental conditions exist in connection with the subject site from adjacent property uses.

7.1 Evaluation of Data Gaps/Data Failure

In accordance with ASTM E 1527-13 guidance, data gaps represent a lack of or inability to obtain information required by this practice despite good faith efforts by the environmental professional to gather such information. Data gaps may result from incompleteness in any of the activities required by this practice. Data failure represents the failure to achieve the historical research objectives of this practice even after reviewing the standard historical sources that are available and likely to be useful. Data failure is one type of data gap. The following is a summary of data gaps encountered in the process of preparing this report including an observation as to the presumed significance of that data gap to the conclusions of this assessment.

- Absence of Interview with a Current or Previous Property Owner (Section 6.2)

An interview with a current or previous property owner was not reasonably ascertainable; therefore, a data gap exists. Taken in consideration with the available information obtained in the course of preparing this report in conjunction with professional experience, there is no evidence to suggest that this data gap might alter the conclusions of this assessment. However, the contents of an interview with a current or previous property owner is unknown.

8.0 CONCLUSIONS/OPINIONS

We have conducted a Phase I ESA of the subject site in conformance with the scope and limitations of the ASTM E 1527-13 *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process* guidance documents. Any deviations from this practice were previously described in this report. During the course of this assessment, Krazan identified no evidence of recognized environmental conditions (RECs), controlled RECs (CRECs) or historical RECs (HRECs) in conjunction with the subject site.

9.0 RELIANCE

This report was prepared solely for use by Client and should not be provided to any other person or entity without Krazan & Associates' prior written consent. No party other than Client may rely on this report without Krazan & Associates' express prior written consent. Reliance rights for third parties will only be in effect once requested by Client and authorized by Krazan & Associates with authorization granted by way of a Reliance Letter. The Reliance Letter will require that the relying party(ies) agree to be bound to the terms and conditions of the agreement between Client and Krazan & Associates as if originally issued to the relying party(ies), or as so stipulated in the Reliance Letter.

10.0 LIMITATIONS

The site reconnaissance and research of the subject site has been limited in scope. This type of assessment is undertaken with the calculated risk that the presence, full nature, and extent of contamination would not be revealed by visual observation alone. Although a thorough site reconnaissance was conducted in accordance with ASTM E 1527-13, and employing a professional standard of care, no warranty is given, either expressed or implied, that hazardous material contamination or buried structures, which would not have been disclosed through this investigation, do not exist at the subject site. Therefore, the data obtained are clear and accurate only to the degree implied by the sources and methods used.

The findings presented in this report were based upon field observations during a single property visit, review of available data, and discussions with local regulatory and advisory agencies. Observations describe only the conditions present at the time of this investigation. The data reviewed and observations made are limited to accessible areas and currently available records searched. Krazan cannot guarantee the completeness or accuracy of the regulatory agency records reviewed. Additionally, in evaluating the property, Krazan has relied in good faith upon representations and information provided by individuals noted in the report with respect to present operations and existing property conditions, and the historic uses of the property. It must also be understood that changing circumstances in the property usage, proposed property usage, subject site zoning, and changes in the environmental status of the other nearby properties can alter the validity of conclusions and information contained in this report. Therefore, the data obtained are clear and accurate only to the degree implied by the sources and methods used. This report is provided for the exclusive use of the client noted on the cover page and shall be subject to the terms and conditions in the applicable contract between the client and Krazan. Any third party use of this

report, including use by Client's lender, shall also be subject to the terms and conditions governing the work in the contract between the client and Krazan. The unauthorized use of, reliance on, or release of the information contained in this report without the express written consent of Krazan is strictly prohibited and will be without risk or liability to Krazan.

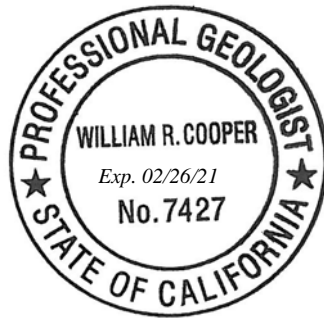
Conclusions and recommendations contained in this report are based on the evaluation of information made available during the course of this assessment. It is not warranted that such data cannot be superseded by future environmental, legal, geotechnical or technical developments. Consequently, given the possibility for unanticipated hazardous conditions to exist on a subject site which may not have been discovered, this Phase I ESA is not intended as the basis for a buyer or developer of real property to waive their rights of recovery based upon environmental unknowns. Parties that choose to waive rights of recovery prior to site development do so at their own risk.

Parties who seek to rely upon Phase I Environmental Site Assessment reports dated more than 180 days prior to the date of reliance do so at their own risk. This limitation in reliance is based on the potential for physical changes at the site, changes in circumstances, technological and professional advances, and guidance related to the continued viability of Environmental Site Assessment reports, user's responsibilities, and requirements for updating of components of the inquiry.

11.0 QUALIFICATIONS

This Phase I ESA was conducted under the supervision or responsible charge of Krazan's undersigned environmental professional. The work was conducted in accordance with ASTM E 1527-13 *for a Phase I Environmental Site Assessment*, and generally accepted industry standards for environmental due diligence in place at the time of the preparation of this report, and Krazan's quality-control policies. We declare that, to the best of our professional knowledge and belief, we meet the definition of Environmental Professional as defined in 40 CFR 312.10. We have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property.

If you have any questions or if we can be of further assistance, please do not hesitate to contact our office at (661) 837-9200.



Respectfully submitted,
KRAZAN & ASSOCIATES, INC.

A handwritten signature in cursive script that reads "William R. Cooper".

William R. Cooper, P.G. No 7427
Environmental Professional

A handwritten signature in cursive script that reads "Arthur C. Farkas".

Arthur C. Farkas, REA
Environmental Division Manger

WRC/ACF/mlt

REFERENCES

Aerial photographs provided by Environmental Data Resources, Inc.

American Society for Testing and Materials (ASTM), *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment (ESA) Process*, ASTM Designations: E 1527-13.

ASTM, *Standard Guide for Vapor Encroachment Screening on Property Involved in Real Estate Transactions*, ASTM Designation E 2600-10.

City of Lancaster Building and Safety Department.

EDR, Regulatory Database Report.

Los Angeles County Public Works Department – Environmental Programs Division.

State of California Department of Conservation, Division of Oil, Gas and Geothermal Resources (DOGGR) Maps Website: http://www.conservation.ca.gov/dog/maps/Pages/index_map.aspx

State of California Department of Toxic Substances Control, Envirostor Website: <http://www.envirostor.dtsc.ca.gov/public>

State of California Regional Water Quality Control Board, Geotracker Website: <http://geotracker.swrcb.ca.gov>

State of California, Department of Water Resources, *Water Data Library*.

U.S. Environmental Protection Agency (EPA) *Map of Radon Zones*.

U.S. Fish & Wildlife Service National Wetland Inventory *Wetlands Mapper*: <http://www.fws.gov/wetlands/Data/Mapper.html>

U.S. Geological Survey, 7.5 minute Lancaster West, California topographic quadrangle map, dated 1974.

GLOSSARY OF TERMS

Subject Site: The real property being investigated under this Phase I ESA.

Adjacent Properties: Properties which are contiguous with the subject site, or would be contiguous except for a street, road, or other public thoroughfare.

Subject Site Vicinity: Properties located within a 500-foot radius of the subject site.

Environmental Professional: A person meeting the education, training, and experience requirements as set forth in 40 CFR §312.10(b). The EP may be an independent contractor or an employee of the user.

User: The party seeking to use Practice E 1527 to complete an environmental site assessment of the subject site. A user may include, without limitation, a potential purchaser of the subject site, a potential tenant of the subject site, an owner of the subject site, a lender, or a property manager.

Recognized Environmental Condition (REC): In defining a standard of good commercial and customary practice for conducting an environmental site assessment of a parcel of property, the goal of the processes established by this practice is to identify recognized environmental conditions. The term recognized environmental conditions means the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: (1) due to any release to the environment; (2) under conditions indicative of a release to the environment; or (3) under conditions that pose a material threat of a future release to the environment. *De minimis* conditions are not recognized environmental conditions.

Controlled Recognized Environmental Condition (CREC): A recognized environmental condition resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority (for example, as evidenced by the issuance of a no further action letter or equivalent, or meeting risk-based criteria established by regulatory authority), with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls (for example, property use restrictions, activity and use limitations, institutional controls, or engineering controls). For example, if a leaking underground storage tank has been cleaned up to a commercial use standard, but does not meet unrestricted residential cleanup criteria, this would be considered a CREC. The “control” is represented by the restriction that the property use remain commercial. A condition considered by the environmental professional to be a CREC shall be listed in the findings section of the Phase I ESA report and as an REC in the conclusions section. A condition identified as a CREC does not imply that the environmental professional has evaluated or confirmed the adequacy, implementation, or continued effectiveness of the required control that has been, or is intended to be, implemented.

Historical Recognized Environmental Condition (HREC): A past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls (for example, property use restrictions, activity and use limitations, institutional controls, or engineering controls). Before calling the past release an HREC, the environmental professional must determine whether the past release is an REC at the time the Phase I ESA is conducted (for example, if there has been change in the regulatory criteria). If the EP considers the past release to be an REC at the time the Phase I ESA is conducted, the condition shall be included in the conclusions section of the report as an REC.

GLOSSARY OF TERMS (continued)

Potential Area of Concern (PAOC): A term adopted to provide an alternative designation to the REC and HREC for a range of environmental issues related to current subject site uses, historical subject site uses, or from adjacent and/or vicinity property uses. The PAOC is utilized to emphasize full disclosure and provide the User with conclusions and recommendations related to potential environmental issues in connection with the subject site based on Krazan's professional experience in cases where official documentation or other evidence may be absent in order to identify an REC or HREC, thereby aiding the User's considerations of environmental due diligence risk tolerance.

Migrate/migration: For the purposes of this practice, "migrate" and "migration" refer to the movement of hazardous substances or petroleum products in any form, including, for example, solid and liquid at the surface or subsurface, and vapor in the subsurface. Vapor migration in the subsurface is described in ASTM E 2600-10 guidance; however, nothing in the E 1527-13 practice should be construed to require application of the E 2600-10 standard to achieve compliance with AAI.

De minimis condition: A condition that generally does not present a threat to human 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. Condition determined to be *de minimis conditions* are not RECS or CRECs.

Data Gap: A lack of or inability to obtain information required by this practice despite good faith efforts by the Environmental Professional to gather such information. Data gaps may result from incompleteness in any of the activities required by this practice, including, but not limited to the site reconnaissance and interviews.

Data Failure: A failure to achieve the historical research objectives even after reviewing the standard historical sources that are reasonably ascertainable and likely to be useful. Data failure is one type of data gap.

GLOSSARY OF TERMS (continued)

AAI	All Appropriate Inquiries	MTBE	Methyl Tertiary Butyl Ether
AC	Asphalt Concrete	MFR	Multi-Family Residential
ACM	Asbestos-Containing Materials	ND	Nondetectable
AOC	Area of Concern	NFA	No Further Action (letter)
APNS	Assessor's Parcel Number	NPDES	National Pollution Discharge Elimination System
AST	Aboveground Storage Tank	NPL	National Priorities List
ASTM	American Society for Testing and Materials	O&M	Operations & Maintenance Plan
AS	Air Sparging	PAOC	Potential Area of Concern
AUL	Activity & Use Limitations	PCB	Polychlorinated Biphenyl
bgs	Below Ground Surface	PCC	Portland Cement Concrete
BTEX	Benzene, Toluene, Ethylbenzene, Xylenes	PCE	Perchloroethylene
CERCLA	Comprehensive Environmental Response Compensation and Liability Act	PEC	Potential Environmental Concern (TS)
CESQG	Conditionally Exempt Small Quantity Generator	PGD	Polk Guide Directory
CFR	Code of Federal Regulations	PG&E	Pacific Gas & Electric
CMU	Concrete Masonry Unit	PHCs	Petroleum Hydrocarbon Constituents
COCs	Constituents of Concern	PID	Photoionization Detector
DEULs	Declaration of Environmental Use Restrictions	ppb	Parts Per Billion
DOGGR	Division of Oil, Gas & Geothermal Resources (CA)	ppm	Parts Per Million
DTSC	Department of Toxic Substances Control (CA)	PRG	Preliminary Remediation Goal
EC	Engineering Control	PRP	Potentially Responsible Party
EDR	Environmental Data Resources	RAP	Remedial Action Plan
EP	Environmental Professional	RCRA	Resource Conservation and Recovery Act
EPA	United States Environmental Protection Agency	REC	Recognized Environmental Condition
ERP	Emergency Response Plan	RP	Responsible Party
ESA	Environmental Site Assessment	RWQCB	Regional Water Quality Control Board (CA)
ESL	Environmental Screening Level	SBA	Small Business Administration
FOIA	Freedom of Information Act	SFR	Single-Family Residential
GPR	Ground Penetrating Radar	SPCC	Spill Prevention Control and Countermeasure Plan
HCCD	Haines Criss-Cross Directory	SQG	Small Quantity Generator
HFIM	Historical Fire Insurance Map	SCE	Southern California Edison
HMBP	Hazardous Materials Business Plan	SVE	Soil Vapor Extraction
HREC	Historical Recognized Environmental Condition	SVOC	Semi-Volatile Organic Compound
HVAC	Heating, Ventilation, Air Conditioning	SWRCB	State Water Resources Control Board
IC	Institutional Control	TCE	Trichloroethylene
LBP	Lead-Based Paint	TPH	Total Petroleum Hydrocarbons
LLP	Landowner Liability Protection	TPH-D	Total Petroleum Hydrocarbons as Diesel
LQG	Large Quantity Generator	TPH-G	Total Petroleum Hydrocarbons as Gasoline
LUC	Land Use Control	TPH-MO	Total Petroleum Hydrocarbons as Motor Oil
LUST	Leaking Underground Storage Tank	TS	Transaction Screen
MCL	Maximum Contaminant Level	USGS	United States Geological Survey
µg/L	Micrograms Per Liter	USFWS	United States Fish & Wildlife Service
mg/kg	Milligrams Per Kilogram	UST	Underground Storage Tank
mg/L	Milligrams Per Liter	VEC	Vapor Encroachment Condition
MSDS	Material Safety Data Sheet	VES	Vapor Encroachment Screening
		VOCs	Volatile Organic Compounds