

PARTNER



PHASE I ENVIRONMENTAL SITE ASSESSMENT REPORT

2082 Michelson Drive

Irvine, California 92612

Report Date: February 20, 2020

Partner Project No. 20-272783.1



Prepared for:

Global Atlantic Financial Company

150 Greenwich Street, 51st Floor
New York, New York 10007

February 20, 2020

Chase Tarantino
Global Atlantic Financial Company
150 Greenwich Street, 51st Floor
New York, New York 10007

Subject: Phase I Environmental Site Assessment
2082 Michelson Drive
Irvine, California 92612
Partner Project No. 20-272783.1

Dear Mr. Tarantino:

Partner Assessment Corporation (Partner) is pleased to provide the results of the *Phase I Environmental Site Assessment* (Phase I ESA) report of the abovementioned address (the "subject property"). This assessment was performed in conformance with the scope and limitations as detailed in the ASTM Practice E1527-13 Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process.

This assessment included a site reconnaissance as well as research and interviews with representatives of the public, property ownership, site manager, and regulatory agencies. An assessment was made, conclusions stated, and recommendations outlined.

We appreciate the opportunity to provide environmental services to you. If you have any questions concerning this report, or if we can assist you in any other matter, please contact me at (810) 936-4805.

Sincerely,



Wes Skinner
Relationship Manager

EXECUTIVE SUMMARY

Partner Assessment Corporation (Partner) has performed a Phase I Environmental Site Assessment (ESA) in accordance with the scope of work and limitations of ASTM Standard Practice E1527-13, the Environmental Protection Agency Standards and Practices for All Appropriate Inquiries (AAI) (40 CFR Part 312) and set forth by Global Atlantic Financial Company for the property located at 2082 Michelson Drive in Irvine, Orange County, California (the "subject property"). The Phase I Environmental Site Assessment is designed to provide Global Atlantic Financial Company with an assessment concerning environmental conditions (limited to those issues identified in the report) as they exist at the subject property.

Property Description

The subject property is located on the southeast corner of the intersection of Michelson Drive and Dupont Drive within a commercial area of Orange County. Please refer to the table below for further description of the subject property:

Subject Property Data

Address(es):	2082 Michelson Drive, Irvine, California
Property Use:	Office
Land Acreage (Ac):	1.76 Ac per the Orange County Assessor
Number of Buildings:	One
Number of Floors:	Four
Gross Building Area (SF):	37,944 SF
Net Rentable Area (SF):	34,455 SF (Total)
Date of Construction:	1969
Assessor's Parcel Number (APN):	445-111-11
Type of Construction:	Steel-Framed
Current Tenants:	Commercial office building: 14 tenant offices
Site Assessment Performed By:	Dan Frizzell of Partner
Site Assessment Conducted On:	January 31, 2020

The subject property is currently occupied for commercial office use. In addition to the current structure, the subject property is also improved with asphalt-paved parking areas, associated landscaping, and drainage features.

According to available historical sources, the subject property was formerly undeveloped as early as 1896-1942; developed with agricultural dikes between 1948 and 1951; developed for agricultural use between 1952 and circa 1962; fallow vacant land between 1963 circa 1964; developed with duck ponds between 1965 circa 1968; and developed with the current structure in 1969. Tenants on the subject property have included agricultural tenants (1948-1962); vacant fallow land (1963-1964); duck pond tenants (1965); current office building tenants (1969-Present).

The immediately surrounding properties consist of a parking lot and Java Hut Express (2001 Michelson Drive) to the north across Michelson Drive; Union Bank (2001 Michelson Drive) to the northwest across Michelson Drive; Union Credit Solutions (2151 Michelson Drive) to the northeast across Michelson Drive; commercial office building (2152 Michelson Drive) to the south; a parking lot, Atrium Hotel (18700

MacArthur Boulevard), and Chevron gas station (18692 MacArthur Boulevard) to the southwest; Dupont Drive beyond which is Glidewell Dental (2201 Dupont Drive) and Glidewell International Technology Center (2181 Dupont Drive) to the southeast; commercial office building (2132-2168 Michelson Drive) to the east across Dupont Drive; parking lot and Glidewell Dental (2201 Dupont Drive) to the southeast across Dupont Drive; and a parking lot, Bank of America (18622 MacArthur Boulevard), and commercial office building (18650-18662) MacArthur Boulevard) to the west.

Based on review of documents available on the State Water Resources Control Board Geotracker website for 18692 MacArthur Boulevard (located approximately 489 feet to the west), the depth of groundwater in the vicinity of the subject property is inferred to be approximately 20 feet below ground surface (bgs) and groundwater flow is inferred to be flow toward the northwest.

Findings

A *recognized environmental condition (REC)* refers to the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: due to release to the environment; under conditions indicative of a release to the environment; or under conditions that pose a material threat of a future release to the environment. The following was identified during the course of this assessment:

- Partner did not identify any recognized environmental conditions during the course of this assessment.

A *controlled recognized environmental condition (CREC)* refers to a REC resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority, with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls. The following was identified during the course of this assessment:

- Partner did not identify any controlled recognized environmental conditions during the course of this assessment.

A *historical recognized environmental condition (HREC)* refers to 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. The following was identified during the course of this assessment:

- Partner did not identify any historical recognized environmental conditions during the course of this assessment.

An *environmental issue* refers to environmental concerns identified by Partner, which do not qualify as RECs; however, warrant further discussion. The following was identified during the course of this assessment:

- The potential exists that asbestos-containing materials (ACMs) are present on-site. Readily visible suspect ACMs were observed in good condition.

Conclusions, Opinions and Recommendations

Partner has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E1527-13 of 2082 Michelson Drive in Irvine, Orange County, California (the "subject property"). Any exceptions to, or deletions from, this practice are described in Section 1.5 of this report.

This assessment has revealed no evidence of recognized environmental conditions in connection with the subject property; however, environmental issues were identified. Based on the conclusions of this assessment, Partner recommends the following:

- An Operations and Maintenance (O&M) Program should be implemented in order to safely manage the suspect ACMs located at the subject property.

TABLE OF CONTENTS

1.0	INTRODUCTION.....	1
1.1	Purpose.....	1
1.2	Scope of Work.....	1
1.3	Limitations	2
1.4	User Reliance	3
1.5	Limiting Conditions	4
2.0	SITE DESCRIPTION.....	5
2.1	Site Location and Legal Description	5
2.2	Current Property Use	5
2.3	Current Use of Adjacent Properties	5
2.4	Physical Setting Sources.....	6
2.4.1	Topography.....	6
2.4.2	Hydrology	6
2.4.3	Geology/Soils	6
2.4.4	Flood Zone Information	7
3.0	HISTORICAL INFORMATION	8
3.1	Aerial Photograph Review	8
3.2	Fire Insurance Maps	10
3.3	City Directories.....	10
3.4	Historical Topographic Maps	10
4.0	REGULATORY RECORDS REVIEW	12
4.1	Regulatory Agencies.....	12
4.1.1	State Department	12
4.1.2	Health Department	12
4.1.3	Fire Department	12
4.1.4	Air Pollution Control Agency.....	13
4.1.5	Regional Water Quality Agency	13
4.1.6	Department of Toxic Substances Control	13
4.1.7	Building Department	13
4.1.8	Planning Department.....	14
4.1.9	Assessor's Office.....	14
4.2	Mapped Database Records Search.....	14
4.2.1	Regulatory Database Summary.....	15
4.2.2	Subject Property Listings	15
4.2.3	Adjacent Property Listings	16
4.2.4	Sites of Concern Listings.....	18
4.2.5	Orphan Listings.....	18
5.0	USER PROVIDED INFORMATION AND INTERVIEWS.....	19
5.1	Interviews	19
5.1.1	Interview with Owner	19
5.1.2	Interview with Report User.....	20
5.1.3	Interview with Key Site Manager	20

5.1.4	Interviews with Past Owners, Operators and Occupants	20
5.1.5	Interview with Others	20
5.2	User Provided Information	20
5.2.1	Title Records, Environmental Liens, and AULs.....	20
5.2.2	Specialized Knowledge.....	20
5.2.3	Actual Knowledge of the User	20
5.2.4	Valuation Reduction for Environmental Issues	21
5.2.5	Commonly Known or Reasonably Ascertainable Information	21
5.2.6	Previous Reports and Other Provided Documentation	21
6.0	SITE RECONNAISSANCE.....	22
6.1	General Site Characteristics.....	22
6.2	Potential Environmental Hazards.....	23
6.3	Non-ASTM Services.....	24
6.3.1	Asbestos-Containing Materials (ACMs)	24
6.3.2	Lead-Based Paint (LBP)	25
6.3.3	Radon	25
6.3.4	Lead in Drinking Water.....	26
6.3.5	Mold	26
6.4	Adjacent Property Reconnaissance.....	27
7.0	FINDINGS AND CONCLUSIONS.....	28
8.0	SIGNATURES OF ENVIRONMENTAL PROFESSIONALS	30
9.0	REFERENCES	31

Figures

- Figure 1** Site Location Map
Figure 2 Site Plan
Figure 3 Topographic Map

Appendices

- Appendix A** Site Photographs
Appendix B Historical/Regulatory Documentation
Appendix C Regulatory Database Report
Appendix D Qualifications

1.0 INTRODUCTION

Partner Assessment Corporation (Partner) has performed a Phase I Environmental Site Assessment (ESA) in conformance with the scope and limitations of ASTM Standard Practice E1527-13 and the Environmental Protection Agency Standards and Practices for All Appropriate Inquiries (AAI) (40 CFR Part 312) for the property located at 2082 Michelson Drive in Irvine, Orange County, California (the "subject property"). Any exceptions to, or deletions from, this scope of work are described in the report.

1.1 Purpose

The purpose of this ESA is to identify existing or potential Recognized Environmental Conditions (as defined by ASTM Standard E1527-13) affecting the subject property that: 1) constitute or result in a material violation or a potential material violation of any applicable environmental law; 2) impose any material constraints on the operation of the subject property or require a material change in the use thereof; 3) require clean-up, remedial action or other response with respect to Hazardous Substances or Petroleum Products on or affecting the subject property under any applicable environmental law; 4) may affect the value of the subject property; and 5) may require specific actions to be performed with regard to such conditions and circumstances. The information contained in the ESA Report will be used by Client to: 1) evaluate its legal and financial liabilities for transactions related to foreclosure, purchase, sale, loan origination, loan workout or seller financing; 2) evaluate the subject property's overall development potential, the associated market value and the impact of applicable laws that restrict financial and other types of assistance for the future development of the subject property; and/or 3) determine whether specific actions are required to be performed prior to the foreclosure, purchase, sale, loan origination, loan workout or seller financing of the subject property.

This ESA was performed to permit the *User* to satisfy one of the requirements to qualify for the innocent landowner, contiguous property owner, or bona fide prospective purchaser limitations on scope of Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) (42 U.S.C. §9601) liability (hereinafter, the "*landowner liability protections*," or "*LLPs*"). ASTM Standard E1527-13 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).

1.2 Scope of Work

The scope of work for this ESA is in accordance with the requirements of ASTM Standard E1527-13. This assessment included: 1) a property and adjacent site reconnaissance; 2) interviews with key personnel; 3) a review of historical sources; 4) a review of regulatory agency records; and 5) a review of a regulatory database report provided by a third-party vendor. Partner contacted local agencies, such as environmental health departments, fire departments and building departments in order to determine any current and/or former hazardous substances usage, storage and/or releases of hazardous substances on the subject property. Additionally, Partner researched information on the presence of activity and use limitations (AULs) at these agencies. As defined by ASTM E1527-13, AULs are the legal or physical restrictions or limitations on the use of, or access to, a site or facility: 1) to reduce or eliminate potential exposure to hazardous substances or petroleum products in the soil or groundwater on the subject

property; or 2) to prevent activities that could interfere with the effectiveness of a response action, in order to ensure maintenance of a condition of no significant risk to public health or the environment. These legal or physical restrictions, which may include institutional and/or engineering controls (IC/ECs), are intended to prevent adverse impacts to individuals or populations that may be exposed to hazardous substances and petroleum products in the soil or groundwater on the property.

If requested by Client, this report may also include the identification, discussion of, and/or limited sampling of asbestos-containing materials (ACMs), lead-based paint (LBP), mold, and/or radon.

1.3 Limitations

Partner warrants that the findings and conclusions contained herein were accomplished in accordance with the methodologies set forth in the Scope of Work. These methodologies are described as representing good commercial and customary practice for conducting an ESA of a property for the purpose of identifying recognized environmental conditions. There is a possibility that even with the proper application of these methodologies there may exist on the subject property conditions that could not be identified within the scope of the assessment or which were not reasonably identifiable from the available information. Partner believes that the information obtained from the record review and the interviews concerning the subject property is reliable. However, Partner cannot and does not warrant or guarantee that the information provided by these other sources is accurate or complete. The conclusions and findings set forth in this report are strictly limited in time and scope to the date of the evaluations. The conclusions presented in the report are based solely on the services described therein, and not on scientific tasks or procedures beyond the scope of agreed-upon services or the time and budgeting restraints imposed by the Client. No other warranties are implied or expressed.

Some of the information provided in this report is based upon personal interviews, and research of available documents, records, and maps held by the appropriate government and private agencies. This report is subject to the limitations of historical documentation, availability, and accuracy of pertinent records, and the personal recollections of those persons contacted.

This practice does not address requirements of any state or local laws or of any federal laws other than the all appropriate inquiry provisions of the LLPs. Further, this report does not intend to address all of the safety concerns, if any, associated with the subject property.

Environmental concerns, which are beyond the scope of a Phase I ESA as defined by ASTM include the following: ACMs, LBP, radon, and lead in drinking water. These issues may affect environmental risk at the subject property and may warrant discussion and/or assessment; however, are considered non-scope issues. If specifically requested by the Client, these non-scope issues are discussed in Section 6.3.

1.4 User Reliance

Global Atlantic Financial Company ("GAFC"), its affiliates, employees, agents, successors and assigns, and its co-lender, may rely upon this report in evaluating a request for an extension of credit to be secured by the property and/or any pledges of the property owner's equity (the "Property Note"). This information may also be used by any actual or prospective purchase, transferee, assignee or service of the Property Note (or any portion thereof), any actual or prospective investor (including an agent or advisor) in any securities evidencing a beneficial interest in or backed by the Property Note (or any portion thereof), any rating agency actually or prospectively rating any such securities, any indenture trustee, and any institutional provider(s) from time to time of any liquidity facility or credit support for such financing and by any actual or prospective purchaser, transferee, assignee or servicer of a note given by the holder of the equity interests of the entity giving the Property Note. In addition, this report or a reference to this report may be included or quoted in any offering circular, private placement memorandum, registration statement or prospectus and Partner agrees to cooperate in answering questions by any of the above parties in connection with a securitization or transaction involving the Property Note (or any portion thereof) and/or such securities.

Global Atlantic Financial Company engaged Partner to perform this assessment in accordance with an agreement governing the nature, scope and purpose of the work as well as other matters critical to the engagement. All reports, both verbal and written, are for the sole use and benefit of Global Atlantic Financial Company. 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 Partner granting such rights, no third parties shall have rights of recourse or recovery whatsoever under any course of action against Partner, its officers, employees, vendors, successors or assigns. Any such unauthorized user shall be responsible to protect, indemnify and hold Partner, Client and their respective officers, employees, vendors, successors and assigns harmless from any and all claims, damages, losses, liabilities, expenses (including reasonable attorneys' fees) and costs attributable to such Use. Unauthorized use of this report shall constitute acceptance of and commitment to these responsibilities, which shall be irrevocable and shall apply regardless of the cause of action or legal theory pled or asserted. Additional legal penalties may apply.

This report has been completed under specific Terms and Conditions relating to scope, relying parties, limitations of liability, indemnification, dispute resolution, and other factors relevant to any reliance on this report. Any parties relying on this report do so having accepted the Terms and Conditions for which this report was completed. A copy of Partner's standard Terms and Conditions can be found at <http://www.partneresi.com/terms-and-conditions.php>.

1.5 Limiting Conditions

The findings and conclusions contain all of the limitations inherent in these methodologies that are referred to in ASTM E1527-13.

- Interviews with past or current owners, past operators and occupants were not reasonably ascertainable and thus constitute a data gap. Based on information obtained from other historical sources (as discussed in Section 3.0), this data gap is not expected to alter the findings of this assessment.
- Partner requested information relative to deed restrictions and environmental liens, a title search, and completion of a pre-survey questionnaire from the Report User. This information was not provided at the time of the assessment.
- Partner submitted Freedom of Information Act (FOIA) requests to Orange County (OC) Environmental Health Division, OC Fire Department for information pertaining to hazardous substances, underground storage tanks, releases, inspection records, etc. for the subject property and/or adjacent properties. As of this writing, these agencies have not responded to Partner's request. Based on information obtained from other historical sources, this limitation is not expected to alter the overall findings of this assessment.
- Partner observed approximately 10% of all interior units and all common areas. Based on the size and nature of use of the unobserved units (office), this limited method of survey is not expected to alter the overall findings of this assessment.

Due to time constraints associated with this report, the Client has requested the report despite the above-listed limitations.

2.0 SITE DESCRIPTION

2.1 Site Location and Legal Description

The subject property at 2082 Michelson Drive in Irvine, California is located on the southwest corner of the intersection of Michelson Drive and Dupont Drive. According to the Orange County Assessor, the subject property is legally described as N-TRACT: 6551 BLOCK: LOT: 1, and ownership is currently vested in LUCCA INVESTMENTS GP since 2011.

Please refer to Figure 1: Site Location Map, Figure 2: Site Plan, Figure 3: Topographic Map, and Appendix A: Site Photographs for the location and site characteristics of the subject property.

2.2 Current Property Use

The subject property is currently occupied by 2082 Michelson Drive for office use. The subject property consists of one four-story building located on the northeast side of the property. In addition to the current structures, the subject property is also improved with asphalt-paved parking areas, associated landscaping, and drainage features. Management reported that the entire interior of the building was remodeled/renovated in 2014.

The subject property is designated for commercial development by the City of Irvine.

The subject property was identified as a Facility Index System (FINDS), Enforcement, Compliance and History Online (ECHO), Resource Conservation and Recovery Act (RCRA)-Nongenerator (NONGEN), and HAZNET site in the regulatory database report, as further discussed in Section 4.2.

2.3 Current Use of Adjacent Properties

The subject property is located within a commercial area of Orange County. During the vicinity reconnaissance, Partner observed the following land use on properties in the immediate vicinity of the subject property:

Immediately Surrounding Properties

North:	Michelson Drive beyond which is a parking lot and Java Hut Express (2001 Michelson Drive)
Northwest:	Michelson Drive beyond which is a parking lot and Union Bank (2001 Michelson Drive)
Northeast:	Michelson Drive and Dupont Drive beyond which is Union Credit Solutions (2151 Michelson Drive)
South:	Driveway beyond which is commercial office building (2152 Michelson Drive)
Southwest:	Parking lot beyond which is Atrium Hotel (18700 MacArthur Boulevard), and Chevron gas station (18692 MacArthur Boulevard)
Southeast:	Dupont Drive beyond which is Glidewell Dental (2201 Dupont Drive) and Glidewell International Technology Center (2181 Dupont Drive)
East:	Dupont Drive beyond which is commercial office building (2132-2168 Michelson Drive)
West:	Parking lot beyond which is Bank of America (18622 MacArthur Boulevard), and commercial office building (18650-18662 MacArthur Boulevard) to the west.

The adjacent properties on all sides of the subject property were identified in the regulatory database report of Section 4.2.

2.4 Physical Setting Sources

2.4.1 Topography

The United States Geological Survey (USGS) *Tustin, California* Quadrangle 7.5-minute series topographic map was reviewed for this ESA. According to the contour lines on the topographic map, the subject property is located at approximately 39 feet above mean sea level. The contour lines in the area of the subject property indicate the area is sloping gently toward the north east. The subject property is depicted on the 2012 map as urban land.

A copy of the most recent topographic map is included as Figure 3 of this report.

2.4.2 Hydrology

According to topographic map interpretation, the direction of groundwater in the vicinity of the subject property is inferred to flow toward the northwest. The nearest surface water in the vicinity of the subject property is the Pacific Ocean located approximately six miles and geographical southwest of the subject property. No settling ponds, lagoons, surface impoundments, wetlands or natural catch basins were observed at the subject property during this assessment.

According to available information, a public water system operated by the Irvine Ranch Water District serves the subject property vicinity.

The sources of public water for Irvine are a blend of ground water from the Orange County Groundwater Basin and surface water imported by the Metropolitan Water District. MWD's imported water sources come from the State Water Project and the Colorado River Aqueduct. Local ground water is pumped from a natural underground reservoir that stretches from the Prado Dam and fans across the north western portions of Orange County, stretching as far south as the El Toro "Y." Additional groundwater comes from the Harding Canyon Dam watershed in the Cleveland National Forest. Local ground water comprises approximately 65% of the total IRWD drinking water supply.

Based on review of documents available on the State Water Resources Control Board Geotracker website for 18692 MacArthur Boulevard (located approximately 489 feet to the west), the depth of groundwater in the vicinity of the subject property is inferred to be approximately 20 feet below ground surface (bgs) and groundwater flow is inferred to flow toward the northwest.

2.4.3 Geology/Soils

The Subject Property is located on Quaternary-aged sedimentary rocks. The Subject Property is underlain by Myford sandy loam. These soils are clayey, have a high-water table, or are shallow to an impervious layer. The Subject Property is also underlain by Omni clay. These soils are clayey, have a high-water table, or are shallow to an impervious layer. The Subject Property lies within the Coastal Basin aquifer system. The California coastal region has been subjected to intense tectonic forces for millions of years. Folding, faulting of marine sediments, and associated volcanism resulted in the formation of the Klamath and the Salmon Mountains in northern California and the Coast Ranges that extend along most of the California coast. Terrestrial, marine, and volcanic rocks deposited in intermountain valleys compose the aquifers herein called the Coastal Basins aquifers. The California Department of Water Resources considers more

than 100 coastal basins to be "significant" because of the amount of ground water potentially obtainable or the scarcity of surface-water sources in a basin. Nearly all of the large population centers in California are located in the coastal basins.

2.4.4 Flood Zone Information

Partner performed a review of the Flood Insurance Rate Map, published by the Federal Emergency Management Agency. According to Community Panel Number 06059C0286J, dated December 3, 2009, the subject property appears to be located in Zone X, an area located outside of the 100-year and 500-year flood plains.

A copy of the reviewed flood map is not included in Appendix B of this report.

3.0 HISTORICAL INFORMATION

Partner obtained historical use information about the subject property from a variety of sources. A chronological listing of the historical data found is summarized in the table below:

Historical Use Information		
Period/Date	Source	Description/Use
1896-1942	Topographic Maps, Aerial Photographs	Undeveloped land
1948-1951	Topographic Maps	Dikes depicted
1952-1962	Aerial Photographs	Appears to be agricultural use
1963	Aerial Photographs	Appears to be vacant fallow land
1965	Topographic Maps	Duck pond depicted
1969- Present	Topographic Maps, Aerial Photographs, Building Records, City Directories, Interviews, Onsite Observations	Commercial office building/multiple office tenants

Tenants on the subject property have included agricultural tenants (1948-1962); vacant fallow land (1963-1964); duck pond tenants (1965); current office building tenants (1969-Present).

The subject property parcel was historically used for agricultural purposes. There is a potential that agricultural related chemicals such as pesticides, herbicides, and fertilizers, may have been used and stored onsite. The subject property is either paved over or covered by building structures that minimize direct contact to any potential remaining concentrations in the soil. Additionally, during previous site development activities, near surface soils (where residual agricultural chemical concentrations would have most likely been present, if at all) were likely mixed with fill material or disturbed during grading. Also, it is common that engineered fill material is placed over underlying soils as part of the development activities. These additional variables serve to further reduce the potential for exposure to residual agricultural chemicals (if any). Based on these reasons, Partner concludes that the possible former use of agricultural chemicals is not expected to represent a significant environmental concern at this time.

3.1 Aerial Photograph Review

Partner obtained available aerial photographs of the subject property and surrounding area from Environmental Data Resources, Inc. (EDR) on January 28, 2020. The following observations were noted to be visible on the subject property and adjacent properties during the aerial photograph review:

Date:	1938	Scale:	1"=500'
Subject Property:	Appears to be undeveloped grassland		
North:	Appears to be undeveloped grassland		
South:	Appears to be undeveloped grassland		
East:	Appears to be undeveloped grassland		
West:	Appears to be undeveloped grassland		

Date:	1952	Scale:	1"=500'
Subject Property:	Appears to be agricultural land		
North:	Appears to be agricultural land		
South:	Appears to be agricultural land		
East:	Appears to be agricultural land		
West:	Appears to be agricultural land		

Date:	1963	Scale:	1"=500'
Subject Property:	Appears to be vacant fallow land		
North:	Appears to be vacant fallow land		
South:	Appears to be vacant fallow land		
East:	Appears to be vacant fallow land		
West:	Appears to be vacant fallow land		

Date:	1972	Scale:	1"=500'
Subject Property:	Appears to be developed with the existing structure and improvements		
North:	Developed with the existing structures and improvements across Michelson Drive. Appears to be graded land to the northeast.		
South:	Appears to be developed with the existing structures and improvements. Appears to be graded land to the southeast.		
East:	Appears to be graded land		
West:	Developed with the existing structures and improvements.		

Date:	1977	Scale:	1"=500'
Subject Property:	No significant changes visible		
North:	Appears to be developed with the existing structures and improvements		
South:	Appears to be developed with the existing structure and improvements		
East:	No significant changes visible		
West:	Appears to be developed with the existing structures and improvements and graded land		

Dates:	1985, 1989, 1994	Scale:	1"=500'
Subject Property:	No significant changes visible		
North:	No significant changes visible		
South:	No significant changes visible but appears to be developed with the existing parking lot to the southeast across Dupont Drive.		
East:	No significant changes visible		
West:	No significant changes visible other than what appears to be the addition of a small gas station		

Dates:	2005, 2009, 2012, 2016	Scale:	1"=500'
Subject Property:	No significant changes visible		
North:	No significant changes visible		
South:	No significant changes visible		
East:	No significant changes visible		
West:	No significant changes visible except the addition of the existing Chevron gas station		

Copies of select aerial photographs are included in Appendix B of this report.

3.2 Fire Insurance Maps

Partner reviewed the collection of Sanborn Fire insurance maps from EDR on January 28, 2020. Sanborn map coverage was not available for the subject property.

3.3 City Directories

Partner reviewed historical city directories obtained from EDR on January 28, 2020 for past names and businesses that were listed for the subject property and adjacent properties.

Based on the city directory review, no environmentally sensitive listings were identified for the subject property address.

Based on the city directory review, the adjacent Chevron at 18692 MacArthur Boulevard is considered an environmentally sensitive listing for the adjacent property addresses.

Copies of reviewed city directories are included in Appendix B of this report.

3.4 Historical Topographic Maps

Partner reviewed historical topographic maps obtained from EDR on January 28, 2020. The following observations were noted to be depicted on the subject property and adjacent properties during the topographic map review:

Dates:	1896, 1901, 1902, 1932, 1935, 1942
Subject Property:	Undeveloped grassland
North:	Undeveloped grassland
South:	Undeveloped grassland
East:	Undeveloped grassland
West:	Undeveloped grassland

Dates:	1948, 1949, 1950, 1951
Subject Property:	Agricultural dikes depicted
North:	Agricultural dikes depicted
South:	Agricultural dikes depicted
East:	Agricultural dikes depicted
West:	Agricultural dikes depicted

Date: 1965

Subject Property: "Duck ponds" depicted
North: "Duck ponds" depicted
South: "Duck ponds" depicted
East: "Duck ponds" depicted
West: "Duck ponds" depicted

Dates: 1972, 1981

Subject Property: Existing structures depicted
North: Existing structures depicted
South: Existing structures depicted
East: Existing structures depicted
West: Existing structures depicted

Date: 2012

Subject Property: Depicted as developed urban land
North: Depicted as developed urban land
South: Depicted as developed urban land
East: Depicted as developed urban land
West: Depicted as developed urban land

Copies of reviewed topographic maps are included in Appendix B of this report.

4.0 REGULATORY RECORDS REVIEW

4.1 Regulatory Agencies

4.1.1 State Department

Regulatory Agency Data

Name of Agency:	California Environmental Protection Agency (CalEPA)
Point of Contact:	https://siteportal.calepa.ca.gov
Agency Address:	1001 "I" Street, Sacramento, California 95812
Agency Phone Number:	(916) 323-2514
Date of Contact:	January 28, 2020
Method of Communication:	Online database
Summary of Communication:	No records regarding hazardous substance use, storage or releases, or the presence of USTs and AULs on the subject property were on file with CalEPA.

4.1.2 Health Department

Regulatory Agency Data

Name of Agency:	Orange County Environmental Health Division (OCEHD)
Point of Contact:	Lisa Rodriguez
Agency Address:	1241 E. Dyer Road, Suite 120, Santa Ana, California
Agency Phone Number:	(714) 433-6015
Date of Contact:	January 31, 2020
Method of Communication:	Email
Summary of Communication:	As of the date of this report, Partner has not received a response from the OCEHD for inclusion in this report.

Copies of pertinent documents are included in Appendix B of this report.

4.1.3 Fire Department

Regulatory Agency Data

Name of Agency:	Orange County Fire Department (OCFD)/OCEHD
Point of Contact:	Suzanne Peralta
Agency Address:	1 Fire Authority, Irvine, CA 92602
Agency Phone Number:	(714) 573-6000
Date of Contact:	January 31, 2020
Method of Communication:	Email
Summary of Communication:	As of the date of this report, Partner has not received a response from the OCFD/OCEHD for inclusion in this report.

Copies of pertinent documents are included in Appendix B of this report.

4.1.4 Air Pollution Control Agency

Regulatory Agency Data

Name of Agency:	South Coast Air Quality Management District (SCAQMD)
Point of Contact:	https://xappprod.aqmd.gov/find
Agency Address:	21865 Copley Dr, Diamond Bar, California
Agency Phone Number:	(909) 396-2000
Date of Contact:	January 28, 2020
Method of Communication:	Online
Summary of Communication:	No Permits to Operate (PTO), Notices of Violation (NOV), or Notices to Comply (NTC) or the presence of AULs, dry cleaning machines, or USTs were on file for the subject property with the AQMD.

4.1.5 Regional Water Quality Agency

Regulatory Agency Data

Name of Agency:	Regional Water Quality Control Board (RWQCB)
Point of Contact:	SWRCB GeoTracker Database
Agency Address:	http://geotracker.waterboards.ca.gov/ http://geotracker.waterboards.ca.gov/historical_ust_facilities
Date of Contact:	January 28, 2020
Method of Communication:	Online Review
Summary of Communication:	No records regarding hazardous substance use, storage or releases, or the presence of USTs and AULs on the subject property were on file with the RWQCB.

4.1.6 Department of Toxic Substances Control

Regulatory Agency Data

Name of Agency:	California Department of Toxic Substances Control (DTSC)
Point of Contact:	DTSC EnviroStor Database
Agency Address:	http://www.envirostor.dtsc.ca.gov/public/ http://hwts.dtsc.ca.gov/report_list.cfm
Date of Contact:	January 28, 2020
Method of Communication:	Online Review
Summary of Communication:	No records regarding hazardous substance use, storage or releases, or the presence of USTs and AULs on the subject property were on file with the Envirostor Database. EPA ID profiles are listed for.

4.1.7 Building Department

Regulatory Agency Data

Name of Agency:	Irvine Building & Safety
Point of Contact:	Online
Agency Address:	1 Civic Center Plaza, Irvine, CA 92606
Agency Phone Number:	(949) 724-6300
Date of Contact:	January 28, 2020
Method of Communication:	Online
Summary of Communication:	Records were not available for review.

4.1.8 Planning Department

Regulatory Agency Data

Name of Agency:	Irvine Building & Safety
Point of Contact:	Online
Agency Address:	1 Civic Center Plaza, Irvine, CA 92606
Agency Phone Number:	(949) 724-6300
Date of Contact:	January 28, 2020
Method of Communication:	Online
Summary of Communication:	According to records reviewed, the subject property is zoned IBC (Irvine Business Complex): 5.1 IBC Multi Use for commercial development by the City of Irvine.

4.1.9 Assessor's Office

Regulatory Agency Data

Name of Agency:	Orange County Assessor
Point of Contact:	Jennifer L.
Agency Address:	11 Civic Center Plaza, 625 North Ross Street #142, Santa Ana, California
Agency Phone Number:	(714) 834-2727
Date of Contact:	September 4, 2019
Method of Communication:	Telephone and Online
Summary of Communication:	According to records reviewed, the subject property is identified by Assessor Parcel Number (APN) 445-111-11 and is currently owned by FLT Michelson, LLC. The current building was constructed in 1969 and totals approximately 37,704 square feet on a 1.76-acre lot.

4.2 Mapped Database Records Search

Information from standard federal, state, county, and city environmental record sources were provided by EDR. Data from governmental agency lists are updated and integrated into one database, which is updated as these data are released. The information contained in this report was compiled from publicly available sources and the locations of the sites are plotted utilizing a geographic information system, which geocodes the site addresses. The accuracy of the geocoded locations is approximately +/-300 feet.

Using the ASTM definition of migration, Partner considers the migration of hazardous substances or petroleum products in any form onto the subject property during the evaluation of each site listed on the radius report, which includes solid, liquid, and vapor.

4.2.1 Regulatory Database Summary

Radius Report Data				
Database	Search Radius (mile)	Subject Property	Adjacent Properties	Sites of Concern
Federal NPL or Delisted NPL Site	1.00	N	N	N
Federal CERCLIS Site	0.50	N	N	N
Federal CERCLIS-NFRAP Site	0.50	N	N	N
Federal RCRA CORRACTS Facility	1.00	N	N	N
Federal RCRA TSDF Facility	0.50	N	N	N
Federal RCRA Generators Site (LQG, SQG, CESQG)	0.25	Y	Y	N
Federal IC/EC Registries	0.50	N	N	N
Federal ERNS Site	Subject Property	N	N	N
State/Tribal Equivalent NPL	1.00	N	N	N
State/Tribal Equivalent CERCLIS	1.00	N	N	N
State/Tribal Landfill/Solid Waste Disposal Site	0.50	N	N	N
State/Tribal Leaking Storage Tank Site	0.50	N	Y	N
State/Tribal Registered Storage Tank Sites (UST/AST)	0.25	N	Y	N
State/Tribal Voluntary Cleanup Sites (VCP)	0.50	N	N	N
State/Tribal Spills	0.50	N	N	N
Federal Brownfield Sites	0.50	N	N	N
State Brownfield Sites	0.50	N	N	N
EDR MGP	Varies	N	N	N
EDR US Hist Auto Station	Varies	N	Y	N
EDR US Hist Cleaners	Varies	N	N	N

4.2.2 Subject Property Listings

The subject property was identified as a FINDS, ECHO, RCRA-NONGEN/NLR, and CA HAZNET site in the regulatory database report, site in the regulatory database report, as discussed below:

- The subject property, identified as FPA Howard Associates LP at 2082 Michelson Drive, is listed as a FINDS, ECHO, RCRA-NONGEN/NLR site. This listing is an inactive site as of 2018 and was listed with no violations or spills reported. Based on the absence of recorded release and the regulatory status, this listing is not expected to represent a significant environmental concern.
- The subject property, identified as Airport Towers at 2082 Michelson Drive, is listed as a CA HAZNET site. This listing is an inactive site and was listed with no violations or spills reported. On October 20, 1998 five ton of "other organic solids" were disposed of via a transfer station. Based on the analytical data, and the regulatory status, this listing is not expected to represent a significant environmental concern.

4.2.3 *Adjacent Property Listings*

The adjacent properties surrounding the subject property were identified in the regulatory database report, as discussed below:

- The property, identified as Irvine Company ABC South at 18662 MacArthur Boulevard, is located adjacent to the west-northwest of the subject property and listed as a FINDS, ECHO, RCRA-NONGEN site. This listing is an inactive site and was listed with no violations or spills reported. Based on the analytical data, and the regulatory status, this listing is not expected to represent a significant environmental concern.
- The property, identified as Irvine Company ABC North at 18552 MacArthur Boulevard, is located adjacent to the north-northwest of the subject property and listed as a FINDS, ECHO, RCRA-NONGEN/NLR site. This listing is an inactive site and was listed with no violations or spills reported. Based on the analytical data, and the regulatory status, this listing is not expected to represent a significant environmental concern.
- The property, identified as Irvine Company Office Property – Airport Business at 18662 MacArthur Boulevard, is located adjacent to the west-northwest of the subject property and listed as a FINDS, ECHO, RCRA-NONGEN/NLR site. This listing is an inactive site and was listed with no violations or spills reported. Based on the analytical data, and the regulatory status, this listing is not expected to represent a significant environmental concern.
- The property, identified as James R Glidewell Dentist Ceramics dba Biotemps Dental Lab at 2181 Dupont Drive, is located adjacent to the south-southeast of the subject property and listed as an RCRA-NONGEN site. This site was listed with no violations or spills reported. Based on the analytical data, and the regulatory status, this listing is not expected to represent a significant environmental concern.
- The property, identified as Glidewell Laboratories Biotemps Dental Lab at 2181 Dupont Drive, is located adjacent to the south-southeast of the subject property and listed as a CA CERS HAZ Waste, CA HAZNET, and CA CERS site. The site reportedly generated 3.336 tons of unspecified oil-containing waste in 2006 with the HAZNET name listed as Southern California Edison. The unspecified oil-containing waste was disposed of via transfer station. The facility utilizes CERS (California Environmental Reporting System) for their electronic HMBEP submissions. Facility conducts annual employee safety procedure training in the event of a release or a threatened release of hazardous material and maintains records of topics covered and employees trained. This site was listed with no current violations or past or present spills reported. Based on the analytical data, and the regulatory status, this listing is not expected to represent a significant environmental concern.
- The property, identified as American Supply Hospital at 2132 Michelson Drive, is located adjacent to the east of the subject property and listed as a FINDS, ECHO, RCRA-NONGEN/NLR, and CA HAZNET site. Handler: generates more than 100 and less than 1000 kg of hazardous waste during any calendar month and accumulates less than 6000 kg of hazardous waste at any time; or

generates 100 kg or less of hazardous waste during any calendar month, and accumulates more than 1000 kg of hazardous waste at any time. The facility utilizes CERS (California Environmental Reporting System) for their electronic HMBEP submissions. Facility conducts annual employee safety procedure training in the event of a release or a threatened release of hazardous material and maintains records of topics covered and employees trained. This site was listed with no violations or spills reported. Based on the analytical data, and the regulatory status, this listing is not expected to represent a significant environmental concern.

- The property, identified as Barco Graphics at 2134 Dupont Drive, is located adjacent to the east-northeast of the subject property and listed as an NY Manifest site. This site was listed with no violations or spills reported. Based on the analytical data, and the regulatory status, this listing is not expected to represent a significant environmental concern.
- The property, identified as Chevron #95418 at 18692 MacArthur Boulevard, is located adjacent to the west of the subject property. This site reported a release of gasoline on March 29, 1989, which reportedly impacted soil and groundwater. The release occurred as a result of three leaking UST's and was reported to the lead agency (Orange County Health Care Agency) on September 27, 1989. A vapor extraction system was installed in November 1994. The system removed 17,814 pounds of petroleum hydrocarbons through June 24, 1996 when the system was shut down. The system was restarted in January 1997 through April 1997 and removed an additional 2,106 pounds of petroleum hydrocarbons. Between March 1989 and March 2005 eleven groundwater monitoring wells (monitored quarterly – samples during remediation) were installed. An enhanced bioremediation system was installed at the site in April 2008. Hydrocarbon concentrations have remained low or non-detect in all wells following remedial activities. The responsible party is identified as Chevron #9-5418, and regulatory closure was obtained on March 3, 2015. Based on the removal of petroleum-impacted soil, below regulatory action level or non-detect of hydrocarbons, and the closure, this listing is not expected to represent a significant environmental concern and it is unlikely that a regulatory file review for this site would alter the findings of this assessment.
- The property, identified as Irvine Company at 18650 MacArthur Boulevard, is located adjacent to the northwest of the subject property and listed as a RCRA-NONGEN site. This listing is listed with no violations or spills reported. Based on the analytical data, and the regulatory status, this listing is not expected to represent a significant environmental concern.
- The property, identified as Bank of America at 18622 MacArthur Boulevard, is located adjacent to the northwest of the subject property and listed as a RCRA-NONGEN site. This listing is listed with no violations or spills reported. Based on the analytical data, and the regulatory status, this listing is not expected to represent a significant environmental concern.

- The property, identified as Irvine Corporate Office at 18600 MacArthur Boulevard, is located adjacent to the northwest of the subject property and listed as a RCRA-NONGEN site. This listing is listed with no violations or spills reported. Based on the analytical data, and the regulatory status, this listing is not expected to represent a significant environmental concern.

Based on the findings, vapor migration is not expected to represent a significant environmental concern at this time.

4.2.4 Sites of Concern Listings

No sites of concern are identified in the regulatory database report.

4.2.5 Orphan Listings

No adjacent orphan listings are identified in the regulatory database report.

A copy of the regulatory database report is included in Appendix C of this report.

5.0 USER PROVIDED INFORMATION AND INTERVIEWS

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 conduct the following inquiries required by 40 CFR 312.25, 312.28, 312.29, 312.30, and 312.31. The *User* should provide the following information to the *environmental professional*. Failure to provide this information could result in a determination that *all appropriate inquiries* is not complete. The *User* is asked to provide information or knowledge of the following:

- Review Title and Judicial Records for Environmental Liens and AULs
- Specialized Knowledge or Experience of the User
- Actual Knowledge of the User
- Reason for Significantly Lower Purchase Price
- Commonly Known or *Reasonably Ascertainable* information
- Degree of Obviousness
- Reason for Preparation of this Phase I ESA

Fulfillment of these user responsibilities is key to qualification for the identified defenses to CERCLA liability. Partner requested our Client to provide information to satisfy User Responsibilities as identified in Section 6 of the ASTM guidance.

Pursuant to ASTM E1527-13, Partner requested the following site information from Global Atlantic Financial Company (User of this report).

User Responsibilities				
Item	Provided By User	Not Provided By User	Discussed Below	Does Not Apply
Environmental Pre-Survey Questionnaire	X			
Title Records, Environmental Liens, and AULs			X	
Specialized Knowledge			X	
Actual Knowledge			X	
Valuation Reduction for Environmental Issues			X	
Identification of Key Site Manager	Section 5.1.3			
Reason for Performing Phase I ESA	Section 1.1			
Prior Environmental Reports	X			
Other		X		

5.1 Interviews

5.1.1 Interview with Owner

The owner of the subject property since 2014, identified as FLT Michelson, LLC, was not available to be interviewed at the time of the assessment.

5.1.2 Interview with Report User

Please refer to Section 5.2 below for information requested from the Report User. The information requested was not received prior to the issuance of this report. Because the Report User (Client) is a lender, it is understood that the Report User would not have knowledge of the property that would significantly impact our ability to satisfy the objectives of this assessment. The lack of this information is not considered to represent a significant data gap.

5.1.3 Interview with Key Site Manager

Joan Camera, key site manager, indicated that she had no information pertaining to any pending, threatened, or past litigation relevant to hazardous substances or petroleum products in, on, or from the subject property; any pending, threatened, or past administrative proceedings relevant to hazardous substances or petroleum products in, on, or from the subject property; or any notices from a governmental entity regarding any possible violation of environmental laws or possible liability relating to hazardous substances or petroleum products.

According to Ms. Joan Camera, the subject property was developed in 1969 for commercial office use. Prior to that, the subject property was undeveloped as early as 1938 until circa 1948. Ms. Camera further stated that there are no USTs, ASTs, clarifiers, oil/water separators, groundwater monitoring wells, or hazardous substance use/storage/generation on the subject property to the best of her knowledge.

5.1.4 Interviews with Past Owners, Operators and Occupants

Interviews with past owners, operators and occupants were not conducted since information regarding the potential for contamination at the subject property was obtained from other sources.

5.1.5 Interview with Others

As the subject property is not an abandoned property as defined in ASTM 1527-13, interview with others were not performed.

5.2 User Provided Information

5.2.1 Title Records, Environmental Liens, and AULs

Partner was not provided with title records or environmental lien and AUL information for review as part of this assessment.

5.2.2 Specialized Knowledge

No specialized knowledge of environmental conditions associated with the subject property was provided by the User at the time of the assessment.

5.2.3 Actual Knowledge of the User

The User was not aware of environmental liens and/or AULs encumbering the subject property or in connection with the subject property at the time of the assessment.

5.2.4 Valuation Reduction for Environmental Issues

The User was not aware of any reductions in property value due to environmental issues.

5.2.5 Commonly Known or Reasonably Ascertainable Information

The User did not provide information that is commonly known or *reasonably ascertainable* within the local community about the subject property at the time of the assessment.

5.2.6 Previous Reports and Other Provided Documentation

The following information was provided to Partner for review during the course of this assessment:

PHASE I ENVIRONMENTAL SITE ASSESSMENT REPORT, AARON & WRIGHT ASSESSMENT, LLC (February 11, 2015)

Aaron & Wright Assessment, LLC (Aaron & Wright) prepared this report on behalf of RED TAIL ACQUISITIONS. The assessment was performed in accordance with ASTM Standard E1527-13. The assessment consisted of a site reconnaissance, interviews with knowledgeable personnel, review of historical information, a review of federal, state and local regulatory databases and included a limited asbestos survey, and a limited lead paint survey. Aaron & Wright identified no RECs.

Copies of pertinent pages reviewed are/are not included in Appendix B of this report.

6.0 SITE RECONNAISSANCE

The weather at the time of the site visit was sunny and clear. Refer to Section 1.5 for limitations encountered during the field reconnaissance and Sections 2.1 and 2.2 for subject property operations. The table below provides the site assessment details:

Site Assessment Data

Site Assessment Performed By: Dan Frizzell
Site Assessment Conducted On: January 31, 2020

The table below provides the subject property personnel interviewed during the field reconnaissance:

Site Visit Personnel for 2082 Michelson Drive (Subject Property)

Name	Title/Role	Contact Number	Site Walk* Yes/No
Ms. Camera	Key Site Manager	(949) 399-2500	Yes

* Accompanied Partner during the field reconnaissance activities and provided information pertaining to the current operations and maintenance of the subject property

No potential environmental concerns were identified during the onsite reconnaissance.

6.1 General Site Characteristics

6.1.1 Solid Waste Disposal

Solid waste generated at the subject property is disposed of in commercial dumpsters located southwest on the subject property. An independent solid waste disposal contractor, Waste Management, removes solid waste from the subject property. According to property personnel, only household trash is collected in the on-site solid waste dumpsters. No evidence of illegal dumping of solid waste was observed during the Partner site reconnaissance.

6.1.2 Sewage Discharge and Disposal

Storm water is removed from the subject property primarily by sheet flow action across the paved surfaces towards storm water drains located throughout the subject property and in the public right of way. Site storm water from roofs, landscaped areas, and paved areas is directed to on-site concrete swales, which drain to the public right of way, and to on-site storm water drains. The subject property is connected to a municipal owned and maintained sewer system.

The subject property does not appear to be a designated wetland area, based on information obtained from the United States Department of Agriculture; however, a comprehensive wetlands survey would be required in order to formally determine actual wetlands on the subject property. No surface impoundments, wetlands, natural catch basins, settling ponds, or lagoons are located on the subject property. No drywells were identified on the subject property.

6.1.4 Source of Heating and Cooling

Heating and cooling systems as well as domestic hot water equipment are fueled by electricity/ natural gas provided by SCE, and SoCalGas. The mechanical system is comprised of rooftop packaged units and split systems with interior air-handlers and an exterior condenser/rooftop-mounted packaged electric/natural gas in each building. Hot water is provided by individual on-demand electric hot water heaters.

6.1.5 Wells and Cisterns

No aboveground evidence of wells or cisterns was observed during the site reconnaissance.

6.1.6 Wastewater

Domestic wastewater generated at the subject property is disposed by means of the sanitary sewer system. No industrial process is currently performed at the subject property.

6.1.7 Septic Systems

No septic systems were observed or reported on the subject property.

6.1.8 Additional Site Observations

No additional general site characteristics were observed during the site reconnaissance.

6.2 Potential Environmental Hazards

6.2.1 Hazardous Substances and Petroleum Products Used or Stored at the Site

No evidence of the use of reportable quantities of hazardous substances was observed on the subject property. Small quantities of general maintenance supplies were found to be properly labeled and stored at the time of the assessment with no signs of leaks, stains, or spills. The storage and use of maintenance supplies does not appear to pose a significant threat to the environmental integrity of the subject property at this time.

6.2.2 Aboveground & Underground Hazardous Substance or Petroleum Product Storage Tanks (ASTs/USTs)

No evidence of current or former ASTs or USTs was observed during the site reconnaissance.

6.2.3 Evidence of Releases

No spills, stains or other indications that a surficial release has occurred at the subject property were observed.

6.2.4 Polychlorinated Biphenyls (PCBs)

The on-site reconnaissance addressed indoor and outdoor transformers that may contain PCBs. Three pad-mounted transformers were observed on the subject property. The transformers are not labeled indicating PCB content. No staining or leakage was observed in the vicinity of the transformers. Based on the good condition of the equipment, the transformers are not expected to represent a significant environmental concern.

There are two hydraulic passenger elevators that service the subject property. The elevator hydraulic motors appeared to be in good condition and no leaks were apparent. The hydraulic equipment associated with the elevators is located within a room on the roof of the subject building.

Additionally, no other potential PCB-containing equipment (interior transformers, oil-filled switches, hoists, lifts, dock levelers, balers, etc.) was observed on the subject property during Partner's reconnaissance.

6.2.5 Strong, Pungent or Noxious Odors

No strong, pungent or noxious odors were evident during the site reconnaissance.

6.2.6 Pools of Liquid

No pools of liquid were observed on the subject property during the site reconnaissance.

6.2.7 Drains, Sumps and Clarifiers

No drains, sumps, or clarifiers, other than those associated with storm water removal, were observed on the subject property during the site reconnaissance.

6.2.8 Pits, Ponds and Lagoons

No pits, ponds or lagoons were observed on the subject property.

6.2.9 Stressed Vegetation

No stressed vegetation was observed on the subject property.

6.2.10 Additional Potential Environmental Hazards

No additional environmental hazards, including landfill activities or radiological hazards, were observed.

6.3 Non-ASTM Services

6.3.1 Asbestos-Containing Materials (ACMs)

Asbestos is the name given to a number of naturally occurring, fibrous silicate minerals mined for their useful properties such as thermal insulation, chemical and thermal stability, and high tensile strength. The Occupational Safety and Health Administration (OSHA) regulation 29 CFR 1926.1101 requires certain construction materials to be *presumed* to contain asbestos, for purposes of this regulation. Construction materials including, but not limited to, thermal system insulation (TSI), surfacing material, and asphalt/vinyl flooring that are present in a building and that have not been appropriately tested may be considered "presumed asbestos-containing material" (PACM).

The subject property building was constructed in 1969. Partner has conducted a limited, visual evaluation of accessible areas for the presence of suspect ACMs at the subject property. The objective of this visual survey was to note the presence and condition of suspect ACM observed. Please refer to the table below for identified suspect ACMs:

Suspect ACMs

Suspect ACM	Location	Friable Yes/No	Physical Condition
Drywall Systems	Throughout Building Interior	No	Good
Floor Tiles	Throughout Building Interior	No	Good
Floor Tile Mastic	Throughout Building Interior	No	Good

The limited visual survey consisted of noting observable materials (materials which were readily accessible and visible during the course of the site reconnaissance) that are commonly known to potentially contain asbestos. This activity was not designed to discover all sources of suspect ACM, PACM, or asbestos at the site; or to comply with any regulations and/or laws relative to planned disturbance of building materials such as renovation or demolition, or any other regulatory purpose. Rather, it is intended to give the User an indication if significant (significant due to quantity, accessibility, or condition) potential sources of ACM or PACM are present at the subject property. Additional sampling, assessment, and evaluation will be warranted for any other use.

Partner was not provided building plans or specifications for review, which may have been useful in determining areas likely to have used ACM.

6.3.2 Lead-Based Paint (LBP)

Lead is a highly toxic metal that affects virtually every system of the body. LBP is defined as any paint, varnish, stain, or other applied coating that has 1 mg/cm² (or 5,000 ug/g or 0.5% by weight) or more of lead. Congress passed the Residential Lead-Based Paint Hazard Reduction Act of 1992, also known as "Title X", to protect families from exposure to lead from paint, dust, and soil. Under Section 1017 of Title X, intact LBP on most walls and ceilings is not considered a "hazard," although the condition of the paint should be monitored and maintained to ensure that it does not become deteriorated. Further, Section 1018 of this law directed the Housing and Urban Development (HUD) and the US EPA to require the disclosure of known information on LBP and LBP hazards before the sale or lease of most housing built before 1978.

Based on the age of the subject property building (pre-1978), there is a potential that LBP is present. Interior and exterior painted surfaces were observed in good condition and therefore not expected to represent a "hazard," although the condition of the paint should be monitored and maintained to ensure that it does not become deteriorated.

6.3.3 Radon

Radon is a colorless, odorless, naturally occurring, radioactive, inert, gaseous element formed by radioactive decay of radium (Ra) atoms. 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, according to the table below:

EPA Radon Zones

EPA Zones	Average Predicted Radon Levels	Potential
Zone 1	Exceed 4.0 pCi/L	Highest
Zone 2	Between 2.0 and 4.0 pCi/L	Moderate
Zone 3	Less than 2.0 pCi/L	Low

It is important to note that the EPA has found homes with elevated levels of radon in all three zones, and the US 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 conducted as part of this assessment. Review of the US EPA Map of Radon Zones places the subject property in Zone 2. Based upon the radon zone classification, radon is not considered to be a significant environmental concern.

6.3.4 Lead in Drinking Water

According to available information, a public water system operated by the Irvine Ranch Water District serves the subject property vicinity. The sources of public water for Irvine are a blend of ground water from the Orange County Groundwater Basin and surface water imported by the Metropolitan Water District. MWD's imported water sources come from the State Water Project and the Colorado River Aqueduct. Local ground water is pumped from a natural underground reservoir that stretches from the Prado Dam and fans across the north western portions of Orange County, stretching as far south as the El Toro "Y." Additional groundwater comes from the Harding Canyon Dam watershed in the Cleveland National Forest. Local ground water comprises approximately 65% of the total IRWD drinking water supply.

According to the Irvine Ranch Water District and the 2019 Annual Water Quality Report, water supplied to the subject property is in compliance with all State and Federal regulations pertaining to drinking water standards, including lead and copper. Water sampling was not conducted to verify water quality.

6.3.5 Mold

Molds are microscopic organisms found virtually everywhere, indoors and outdoors. Mold will grow and multiply under the right conditions, needing only sufficient moisture (e.g. in the form of very high humidity, condensation, or water from a leaking pipe, etc.) and organic material (e.g., ceiling tile, drywall, paper, or natural fiber carpet padding).

Partner observed accessible, interior areas for the subject property buildings for significant evidence of mold growth with the exceptions detailed in Section 1.5 of this report; however, this ESA should not be used as a mold survey or inspection. Additionally, this limited assessment was not designed to assess all areas of potential mold growth that may be affected by mold growth on the subject property. Rather, it is intended to give the client an indication as to whether or not conspicuous (based on observed areas) mold growth is present at the subject property. This evaluation did not include a review of pipe chases, mechanical systems, or areas behind enclosed walls and ceilings.

No obvious indications of water damage or mold growth were observed during Partner's visual assessment.

6.4 Adjacent Property Reconnaissance

The adjacent property reconnaissance consisted of observing the adjacent properties from the subject property premises. No items of environmental concern were identified on the adjacent properties during the site assessment, including hazardous substances, petroleum products, ASTs, USTs, evidence of releases, PCBs, strong or noxious odors, pools of liquids, sumps or clarifiers, pits or lagoons, stressed vegetation, or any other potential environmental hazards.

7.0 FINDINGS AND CONCLUSIONS

Findings

A *recognized environmental condition (REC)* refers to the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: due to release to the environment; under conditions indicative of a release to the environment; or under conditions that pose a material threat of a future release to the environment. The following was identified during the course of this assessment:

- Partner did not identify any recognized environmental conditions during the course of this assessment.

A *controlled recognized environmental condition (CREC)* refers to a REC resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority, with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls. The following was identified during the course of this assessment:

- Partner did not identify any controlled recognized environmental conditions during the course of this assessment.

A *historical recognized environmental condition (HREC)* refers to 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. The following was identified during the course of this assessment:

- Partner did not identify any historical recognized environmental conditions during the course of this assessment.

An *environmental issue* refers to environmental concerns identified by Partner, which do not qualify as RECs; however, warrant further discussion. The following was identified during the course of this assessment:

- The potential exists that asbestos-containing materials (ACMs) are present on-site. Readily visible suspect ACMs were observed in good condition.

Conclusions, Opinions and Recommendations

Partner has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E1527-13 of 2082 Michelson Drive in Irvine, Orange County, California (the "subject property"). Any exceptions to, or deletions from, this practice are described in Section 1.5 of this report.

This assessment has revealed no evidence of recognized environmental conditions in connection with the subject property; however, environmental issues were identified. Based on the conclusions of this assessment, Partner recommends the following:

- An Operations and Maintenance (O&M) Program should be implemented in order to safely manage the suspect ACMs located at the subject property.

8.0 SIGNATURES OF ENVIRONMENTAL PROFESSIONALS

Partner has performed a Phase I Environmental Site Assessment of the property located at 2082 Michelson Drive in Irvine, Orange County, California in conformance with the scope and limitations of the protocol and the limitations stated earlier in this report. Exceptions to or deletions from this protocol are discussed earlier in this report.

By signing below, Partner declares that, to the best of our professional knowledge and belief, we meet the definition of *Environmental Professional* as defined in §312.10 of 40 CFR §312. Partner has the specific qualifications based on education, training, and experience to assess a *property* of the nature, history, and setting of the subject *property*. Partner has developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

Prepared By:



Dan Frizzell
Environmental Professional

Reviewed By:



Anthony C. Rehrmann
Senior Author

9.0 REFERENCES

Reference Documents

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United States Geological Survey, accessed via the Internet, January 2020

United States Geological Survey Topographic Map 1995, 7.5 minute series, accessed via internet, January 2020

FIGURES

- 1 SITE LOCATION MAP**
- 2 SITE PLAN**
- 3 TOPOGRAPHIC MAP**

APPENDIX A: SITE PHOTOGRAPHS

APPENDIX B: HISTORICAL/REGULATORY DOCUMENTATION

APPENDIX C: REGULATORY DATABASE REPORT

APPENDIX D: QUALIFICATIONS
