

Phase I Environmental Assessment Report

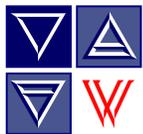
**Subject Property Located at
3601 and 3619 North Mission Road and
2029 Keith Street
Los Angeles, CA 90031**

February 18, 2016

Project: 16-107

Prepared for: PAMC, Ltd
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Section 1.0

Introduction

1.1 Purpose

Waterstone Environmental, Inc. (“Waterstone”) has been retained by Urban Link Realty on behalf of PAMC, Ltd. to prepare a Phase I Environmental Site Assessment (“Phase I”) for the property located at 3601 and 3619 North Mission Road and 2029 Keith Street in Los Angeles, California (“Subject Property”, see Figure 1). The Subject Property is currently occupied by CRI-Help, an in-patient and out-patient drug and alcohol rehabilitation center.

The sole purpose of this environmental assessment is to identify Recognized Environmental Conditions (“REC”) for the Subject Property. This assessment was conducted utilizing generally accepted Phase I industry standards in accordance with the American Society of Testing and Materials (“ASTM”) Standard E 1527-13 – Phase I Environmental Site Assessment Process and All Appropriate Inquiry (“AAI”).

For the purpose of this report, and as defined by the ASTM, an REC 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 RECs.

The work was conducted pursuant to authorization to proceed with the project by Mr. Alex Jimenez of Urban Link Realty.

1.2 Scope of Work

The following scope of work was performed to accomplish the Phase I objectives:

- **Visual Inspection** - A visual evaluation of the Subject Property was conducted in readily accessible areas to identify RECs. Additionally, visual observations of adjoining properties were made from the vantage point of the Subject Property as well as from public right-of-ways to determine the potential impact of these sites on the Subject Property.
- **Subject Property Interview** - Interviews were requested of individuals knowledgeable and familiar with the Subject Property.
- **Records Review** - Available environmental reports, agency records, building department permits, Sanborn Maps and historical aerial photographs of the Subject Property and surrounding areas were reviewed.
- **Agency Document Review** - Appropriate regulatory agencies were contacted for information regarding hazardous materials use, storage, and/or releases at the Subject Property.

- **Published Database Review** - Published governmental agency databases were reviewed to identify properties within ASTM-specified radii of the Subject Property with a reported environmental concern or incident. Waterstone subcontracted the government agency database search to Environmental Data Resources, Inc. (“EDR”).
- **Additional Regulatory Review** - Appropriate regulatory agencies were contacted and available records for properties that may negatively impact the Subject Property were reviewed.
- **Report Preparation** - A summary report was prepared of the environmental assessment findings and conclusions.
- **Environmental Professional** – All Subject Property inquiry was conducted by an environmental professional or under the supervision of an environmental professional.
- **Required Purchaser Activities** – It is the responsibility of the purchaser to assess the purchase price compared to fair market value, conduct a search for environmental cleanup liens, inquire about commonly known or ascertainable information that may affect the environmental conditions of the Subject Property, and provide any specialized knowledge or experience as the landowner or grantee.

1.3 Limitations and Exceptions

If topics are not explicitly discussed within this document, the reader should not assume those topics have been investigated. For example, physical testing, other than that specifically detailed in this document, was not performed. The work performed in conjunction with this study and data developed are intended as a description of available information on the dates and at the locations described. This report does not warrant against future operations or conditions, nor does it warrant against:

- Operations which are not in evidence from visual observations or search of published agency records, or facts that were concealed, withheld, or not fully disclosed at the time the inspection was conducted.
- Conditions that could only be determined by physical sampling or intrusive testing.
- Conditions on locations other than the User-provided Subject Property address and/or legal parcel description.

This report is not intended to address, assess, or otherwise determine whether soil or groundwater contamination, waste emplacement, existing or threatened mold/fungus growth, asbestos containing building materials, and/or lead-based paint actually exists at the Subject Property. Such determination would require comprehensive subsurface exploration and/or other sampling activities, which were beyond the scope of service for this assessment. Additionally, this report does not serve as a comprehensive wetlands, mining, oil, pipeline, and/or gas well survey.

This report summarizes an environmental investigation conducted for the Subject Property. Although conditions at neighboring properties may impact the Subject Property and, to the extent

they were identified, were included in the Subject Property evaluation, this report does not serve as an assessment of sites other than the Subject Property.

1.4 Reliance

The Phase I Environmental Assessment was performed in accordance with a request by Mr. Alex Jimenez of Urban Link Realty on behalf of PAMC, Ltd. The work was performed in accordance with the terms and conditions of the existing contract for the environmental evaluation of the Subject Property for the exclusive use of PAMC, Ltd. This party intends to rely upon this report as an assessment of the existing physical condition of the Subject Property for due diligence purposes for the possible purchase, sale, or refinancing of the property. Waterstone recommends that any authorized party intending to rely upon the report independently determine whether the scope of services meets their expectations for an acquisition or other transaction.

Waterstone's professional services were performed using that degree of care and skill ordinarily exercised, under similar circumstances, by reputable due-diligence professionals practicing in the Phase I Environmental Assessment due-diligence consulting field in this or similar localities at this time. No other warranty, expressed or implied, is made as to the professional opinions described in this report. Waterstone is not responsible or liable for any claims that are associated with the interpretation of the available information. Additionally, Waterstone is not responsible for any claims from third parties not associated with the User, unless this report is assigned in its entirety to a party acceptable to Waterstone.

Note: Waterstone exercised the usual and customary professional care in its efforts to assess property environmental law/code/regulation compliance. However, it is beyond the scope of a Phase I Environmental Assessment to provide definitive and thorough opinions regarding environmental compliance. Due to the existence of literally thousands of laws, codes, and regulations pertaining to the environment, Waterstone does not represent that any observations in this Phase I Environmental Assessment are a complete and definitive opinion regarding regulatory compliance.

Waterstone has based its assessment on prior Subject Property histories, interviews, a review of available records, and observations of activities during a physical site inspection. Some or all of this information has been reported to Waterstone from several sources. Waterstone has relied on this reported information and data without further verification or validation of its accuracy.

1.5 Environmental Professional Statement

We declare that, to the best of our professional knowledge and belief, we meet the definition of Environmental Professional as defined in Section 312.10 of 40 CFR 312. We have the specific qualifications based on education, training, and experience to assess the nature, history, and setting of the Subject Property. We have developed and performed all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312. (See Appendix A for Environmental Professional Resume.)

1.6 Proprietary Notice

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Section 2.0

User Provided Information

Waterstone has performed this Phase I ESA for PAMC, Ltd. As such, PAMC, Ltd. is considered the “User” of the report, as defined under ASTM Standard Practice E 1527-13. In order to satisfy the requirements of AAI and 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 certain information regarding the history of the property, its use, and its fair market value.

As part of this Phase I ESA, Waterstone requested certain information from the User (see Appendix B – User Questionnaire). The information requested and associated responses are outlined in the remainder of this section of the report.

2.1 Reason for Performing the Phase I ESA

Waterstone understands that this assessment has been performed for the User for due diligence purposes which may include purchase of the Subject Property. As such, this Phase I ESA was conducted in accordance with AAI in an effort to qualify for the bona fide prospective purchaser exception to CERCLA liability. It has also been performed as a risk management and due diligence procedure in connection with a real estate transaction in accordance with general industry standards which include ASTM Standard E 1527-13.

2.2 Title Records, Liens, and Property Use Limitations

Waterstone was not provided with title records by the User; however, an environmental lien search was completed (See Appendix C). Waterstone interviewed the User regarding the Subject Property’s usage and history. The interviewee was not aware of any property use limitations.

With reference to Activity Use Limitations (AUL) that are in place on the Subject Property or that have been filed or recorded in a registry (40 CFR 312.26), the User has no knowledge of any AULs, such as engineering controls, land use restrictions, or institutional controls that are in place at the Subject Property and/or have been filed or recorded in a registry under federal, tribal, state or local law and none were noted in the Environmental Lien Search.

2.3 Specialized Knowledge, Commonly Known & Degree of Obviousness

With reference to specialized knowledge or experience of the person seeking to qualify for LLPs (40 CFR 312.28), Waterstone interviewed the User who stated he had no specialized knowledge or experience related to the Subject Property or nearby properties other than the information Waterstone has provided in this Phase I report which Waterstone previously discussed with the User.

With reference to commonly known or reasonably ascertainable information about the Subject Property (40 CFR 312.30), the User was not aware (other than the information Waterstone has provided in this Phase I report which Waterstone previously discussed with the User) of commonly known or reasonably ascertainable information about the Subject Property that would help the environmental professional to identify conditions indicative of releases or threatened releases, such as the historical past uses of the Subject Property:

1. Specific chemicals that are present or once were present at the Subject Property;
2. Spills or other chemical releases that have taken place at the Subject Property; and
3. Environmental cleanups that have taken place at the Subject Property.

With reference to the degree of obviousness of the presence or likely presence of contamination at the Subject Property, and the ability to detect the contamination by appropriate investigation (40 CFR 312.31), the User, based on knowledge and experience related to the Subject Property, was not aware of any obvious indicators that point to the presence or likely presence of contamination at the Subject Property other than the information Waterstone has provided in this Phase I report which Waterstone previously discussed with the User.

Waterstone requested from the User any other specialized knowledge regarding the environmental conditions associated with the Subject Property. The User did not have any specialized knowledge of RECs or other conditions of environmental concern at the Subject Property other than the information Waterstone has provided in this Phase I report which Waterstone previously discussed with the User.

2.4 Value Reduction for Environmental Issues

Waterstone interviewed the User regarding the relationship of the prospective purchase price to the fair market value of the Subject Property if it were not contaminated (40 CFR 312.29). The User indicated that, to his knowledge, the prospective purchase price for the Subject Property reasonably reflects its fair market value and has not been reduced due to contamination known or believed to be present.

Section 3.0 General Subject Property Characteristics

3.1 Subject Property General Description

The Subject Property, which includes the addresses 3601 and 3619 North Mission Road (identified by street address 2010 Lincoln Park Avenue) and 2029 Keith Street, is occupied by CRI-Help, an in-patient and out-patient drug and alcohol rehabilitation center. The eastern side of the property has two buildings used for treatment facilities and the western side of the Subject Property is used for outdoor space and for parking. Historical addresses for the Subject Property also include 3603-3637 North Mission Road, 1123-2005 Keith Street, 2000-2038 Lincoln Park Avenue, and 3615 Barbee Street. Major Subject Property characteristics are summarized as the following:

Subject Property Characteristics Summary Table

Property Characteristics	Observations
Total Subject Property Lot Size	Approximately 2.1 acres
Building Descriptions	One (1) one-story building and one (1) two-story office building
Street Address	2010 Lincoln Park Avenue and 2029 Keith Street
County	Los Angeles
Assessor's Parcel Number (APN)	5211-009-015, 5211-009-016, 5211-009-017
Distance to Major Landmark	The Subject Property is approximately 0.85 miles east of Interstate 5 and 0.88 miles north of Interstate 10.
Current Use	The Subject Property is currently used as an in-patient and out-patient drug and alcohol rehabilitation facility.
Current Owner	CRI-Help Inc.

The history and Subject Property inspection observations are further discussed in Sections 5.0 and 6.0, respectively.

3.2 Adjacent Properties

The Subject Property is located within a mixed commercial and residential area of the City of Los Angeles, Los Angeles County, California (See Figure 1). At the time of the Subject Property inspection, the properties adjacent to the Subject Property were characterized as the following (see Figure 2):

North: Barbee Street is immediately north of the Subject Property. Residential properties are farther north of the Subject Property.

- East:** Keith Street is immediately east of the Subject Property. Residential properties, an unused parking lot, and commercial businesses are farther east of the Subject Property.
- South:** North Mission Road is immediately south of the Subject Property. Lincoln Park is farther south of the Subject Property.
- West:** Lincoln Park Avenue is immediately west of the Subject Property. Residential apartments and the Lincoln Park Department of Motor Vehicles are farther west of the Subject Property.

Section 4.0

Environmental Setting

The following summarizes the general environmental setting of the Subject Property.

4.1 Regional Setting

The Subject Property is situated near latitude 34.068623 (north) and longitude 118.202084 (west) at an approximate elevation of 355 feet above mean sea level. The topography of the Subject Property and vicinity is generally flat and slopes gently to the south with elevated topography to the north, east and west, as shown in the Los Angeles, California USGS Topographic Map. A topographic map is provided in the Physical Source Settings Summary section of the EDR Radius Map report. The Subject Property is not located within a 100- or 500-year flood zone.

4.2 General Geologic Conditions

The Site is located in Los Angeles County, within the central basin portion of the Peninsular Ranges geomorphic physiographic province of California. According to the California Department of Conservation, this area is described as follows:

The Peninsular Ranges is a series of ranges separated by northwest trending valleys, sub-parallel to faults branching from the San Andreas Fault. The trend of topography is similar to the Coast Ranges, but the geology is more like the Sierra Nevada, with granitic rock intruding the older metamorphic rocks. The Peninsular Ranges extend into lower California and are bound on the east by the Colorado Desert. The Los Angeles Basin and the island groups (Santa Catalina, Santa Barbara, and the distinctly terraced San Clemente and San Nicolas islands), together with the surrounding continental shelf (cut by deep submarine fault troughs), are included in this province.

No fault zones are identified on the Subject Property or within one-mile of the Subject Property in the EDR Report Physical Settings Source Summary.

4.3 Groundwater Conditions

The Subject Property is located in Los Angeles County, within the Central Subbasin (4-11.04) of the Coastal Plain of Los Angeles Groundwater Basin. According to the California Department of Water Resources, this area is classified as:

The Central Subbasin occupies a large portion of the southeastern part of the Coastal Plain of Los Angeles Groundwater Basin. This subbasin is commonly referred to as the “Central Basin” and is bounded on the north by a surface divide called the La Brea High, and on the northeast and east by emergent less permeable Tertiary rocks of the Elysian, Repetto, Merced, and Puente Hills. The southeast boundary between the Central Basin and the Orange County Groundwater Basin roughly follows Coyote Creek, which is a regional drainage province boundary. The southwest boundary is formed by the Newport

Inglewood fault system and the associated folded rocks of the Newport Inglewood uplift. The Los Angeles and San Gabriel Rivers drain inland basins and pass across the surface of the Central Basin on their way to the Pacific Ocean.

Except for semi-perched aquifers, the aquifers in the Central Basin Pressure Area are confined and generally separated by fine grained aquicludes. These aquicludes are of varying lateral extent and composition and are absent in some areas where aquifers merge. Eight aquifers have been identified in this area including: the semi-perched and Gaspur Aquifers (Recent alluvium); Exposition / Artesia and Gage Aquifers (Lakewood formation); and Hollydale, Lynwood, Silverado, and Sunnyside Aquifers (San Pedro formation).

According to the EDR Report Physical Settings Source Summary, groundwater in the vicinity of the Subject Property is expected to flow to the southwest. However, based on available groundwater reports for properties in the vicinity of the Subject Property, groundwater flow is highly variable and may range between southeast and southwest. Groundwater depth is estimated to be approximately 35 feet below ground surface (bgs); however, groundwater depths in the area are highly variable.

Section 5.0 Government Database Review

5.1 Government Databases Searched

An investigation of the government environmental databases related to the Subject Property and the nearby area was conducted to identify potential RECs that may be recorded in government database systems or files. Properties that have or may have the potential for existing or future Subject Property contamination, environmental liabilities, or the potential for contamination migration to surrounding areas are listed in this report. The information pertaining to the sites on the regulatory databases was obtained from the *EDR Radius Map Report with GeoCheck* (See Appendix D) provided by EDR. The databases searched are detailed in pages GR-1 through GR-44 of the EDR Radius Map report. The results of the Subject Property and Surrounding Property listings are summarized in Sections 5.2 and 5.3, respectively.

5.2 Subject Property Summary

The Subject Property addresses were not listed in the EDR Radius Report. Additional information regarding the Subject Property was requested from local agencies. The results of file reviews are summarized in Section 6.2 of this report.

5.3 Surrounding Properties Summary

Eight (8) federal, thirty-three (33) state, twenty-six (26) local or other, twelve (12) historical, and three (3) orphan listings are provided in the EDR Report's summary of government databases.¹ The remaining surrounding properties are reviewed in the attached Table 1. Those facilities located within one-eighth mile of the Subject Property are summarized below:

Property Name	Property Address	EDR Direction - Distance	EDR ID	Databases	Comments
Less Than 1/8 Mile - presumed up-gradient					
LA N MISSION HEALTH CARE	3611 N MISSION RD	ESE - 24 ft	A1	RCRA-SQG	No RCRA violations reported
MARSH A C	3701 MISSION RD	E - 81 ft	A5	EDR GAS STATIONS	1924
SELIG PLACE & MISSION ROAD DUM	SELIG PLACE & MISSION ROAD	E - 143 ft	A6	WMUDS/SWA T	Solid Waste Assessment Test Program

¹Note: Although neighboring sites may be listed in multiple governmental databases, only those listings within the specified ASTM radius are detailed above. Those sites that were mis-mapped by EDR are not included in this analysis.

Property Name	Property Address	EDR Direction - Distance	EDR ID	Databases	Comments
LIEBOWITZ LILLIAN	3705 N MISSION RD	E - 148 ft	A7	EDR GAS STATIONS	1929, 1933, 1937, 1942 Service Station
BISOGNO CHAS	3707 N MISSION RD	E - 161 ft	A8	EDR GAS STATIONS	1937, 1942 Auto Repair
LA EAST LA CHILDRENS ASSOC	3839 SELIG PLACE	E - 271 ft	B9	RCRA-SQG	No RCRA violations reported
Not provided	3726 N MISSION RD	ENE - 375 ft	B10	EDR DRY CLEANERS	2003-2010 Clean King Laundry
MORGAN J W	3801 MISSION RD	ENE - 415 ft	C11	EDR GAS STATIONS	1924 Service Station
MEDICAL CENTER CREDIT UNION			C12	FID UST	Active site
				SWEEPS UST	No additional information
JJ DRAIN OIL SERVICE			C13	RCRA-NLR	No RCRA violations reported
A C S MISSION PROPERTY			C14	LUST	Case closed in 2009 for solvent or non-petroleum hydrocarbon impact to groundwater
Not provided	3754 N MISSION RD	ENE - 451 ft	C15	EDR GAS STATIONS	2008-2012 Auto Repair
ROOT CELIA MRS	3717 BALDWIN ST	NNE - 514 ft	16	EDR DRY CLEANERS	1933 Hand Laundries

Due to poor or inadequate address information, three (3) sites were not detailed in the EDR Radius Map. Based on the address information provided and additional information determined by on-line sources, one orphan sites is located within the specified radius from the Subject Property and is included in Table 1.

Due to the historical presence of auto repair and gasoline service stations located across Keith Street at 3701-3707 Mission Road, additional information was requested. As discussed in Section 6.3, Waterstone received a letter report from the User which documents environmental sampling at the neighboring property (3701 Mission Road) which indicated that there is soil known to be impacted with petroleum hydrocarbons. Additionally, based on the site reconnaissance observations, it appears that the property at 3726 Mission Road listed in the EDR Historical Dry Cleaners database is operated as a coin-laundry facility and is unlikely that it was ever a dry cleaners.

None of the other nearby properties are likely to negatively impact the Subject Property based on case status, distance, and/or groundwater flow direction.

Section 6.0 provides further discussion regarding the Subject Property and surrounding site use.

Section 6.0

Historical Document Review

To determine whether RECs exist for the Subject Property based on historical activities and/or operations at the Subject Property and/or a neighboring property, Waterstone conducted a review of historical documents, available local agency or departmental records, and available previous investigation reports. The following sections summarize the findings of these document reviews.

6.1 Proprietary Document Review

Waterstone subcontracted the historical document search to EDR. The information searched and documents available are summarized as the following:

- A search of the EDR Historic Map Collection was conducted for the Subject Property. The EDR Historic Map Collection is the largest and most extensive private collection of prior-use maps in the United States, with coverage ranging from 1867 through 1994. Sanborn Fire Insurance Maps from 1906, 1920, 1951, and 1970 available for review. The Historical Maps Report is provided as Appendix E.
- Historical aerial photographs of the Subject Property and surrounding area were obtained from EDR. Photographs from 1923, 1928, 1938, 1948, 1952, 1964, 1972, 1977, 1983, 1989, 1994, 2002, 2005, 2009, 2010, and 2012 were provided to and reviewed by Waterstone (See Appendix F). A review of the aerial photographs is provided in the table below.
- Historical Topographic Maps of the Subject Property and surrounding area were obtained from EDR. Maps from 1894, 1896, 1900, 1926, 1928, 1953, 1966, 1972, 1981, 1994, and 2012 were provided to and reviewed by Waterstone (See Appendix G). A review of the Topographic Maps is provided in the table below.
- City Directories have been published for many cities and towns across the United States since the 18th century. For each address within an area, City Directories list the name of each resident or, if a business operates from that address, the name and type of business. While the geographic coverage of City Directories is comprehensive for most major cities, many rural areas and small towns may not be included, and many towns and cities have discontinued the practice of issuing City Directories (See Appendix H). City Directory coverage was available for the area and is reviewed in the table below.

Historical Sources Summary Table

Date	Observations	Source
1894/ 1896	<p><i>Due to map scale, specific details in these topographic maps are difficult to discern.</i></p> <p>Subject Property: The Subject Property is located in East Los Angeles.</p> <p>Surrounding Properties: The lake at Lincoln Park and South Pacific Railroad lines are located south of the Subject Property. The community of Brooklyn Heights is located farther south of the Subject Property. City development is primarily depicted west and southwest of the Subject Property. Hilly topography is located north, east, and west of the Subject Property, and to the south of the Subject Property beyond Lincoln Park.</p>	Topographic Map

Historical Sources Summary Table

Date	Observations	Source
1900	<p><i>Due to map scale, specific details in these topographic maps are difficult to discern.</i></p> <p>Subject Property: The Subject Property appears generally similar to the previous topographic map.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous topographic map.</p>	Topographic Map
1906	<p>Subject Property: One dwelling, two restaurants, and a store are depicted along Mission Road on the southern edge of the Subject Property. The remainder of the property appears undeveloped.</p> <p>Surrounding Properties: Barbee Street is directly north of the Subject Property. Residential dwellings are depicted farther north of the Subject Property. Keith Street is directly east of the Subject Property. Undeveloped parcels, commercial sulphur baths, and the Pacific Electric Power Co. are depicted farther east of the Subject Property. Mission Road is directly south of the Subject Property. Eastlake Park is depicted farther south of the Subject Property. S. Prichard Street is directly west of the Subject Property. Undeveloped parcels are depicted farther west of the Subject Property.</p>	Sanborn Map
1920	<p>Subject Property: The Los Angeles Ostrich Farm is depicted on the southwest corner of the Subject Property and the California Alligator Farm is depicted on the southeast corner of the Subject Property. The remainder of the property appears undeveloped.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous Sanborn Map, with the following exceptions. Dwellings and a gas station are depicted to the east across Keith Street, and the commercial sulphur baths and Pacific Electric Power Co. are no longer present. Mission Road is directly south of the Subject Property. Eastlake Park to the south is now known as Lincoln Park. S. Prichard Street to the west is now known as S. Lincoln Park Avenue. Stores, vacant land, and a roller coaster are now depicted farther west of the Subject Property.</p>	Sanborn Map
1920-1929	<p>Subject Property: A restaurant is listed at 3601 N. Mission Road. Lincoln Park Inn is listed at 3631 Mission Road. Residents are listed at 3615 Barbee Street, and 3601 and 3631 Mission Road. The Los Angeles Ostrich Farm and residents are listed at 3609 Mission Road. The Alligator Farm and residents are listed at 3627 Mission Road.</p> <p>Surrounding Properties: Primarily stores and residences are listed at the surrounding addresses. An auto service station and restaurant are listed at 3701-3707 Mission Road, east of the Subject Property beyond Keith Street.</p>	City Directories
1926/1928	<p>Subject Property: Three buildings are depicted on the southern end of the Subject Property.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous topographic map. Development has increased in density to the west and south of the Subject Property. Ascot Speedway is depicted east of the Subject Property.</p>	Topographic Map
1923/1928	<p>Subject Property: The Subject Property appears to be occupied by structures on the south side of the property similar to the depictions in the 1920 Sanborn Map, with vegetation and fenced areas on the north side of the Subject Property likely associated with the ostrich and alligator farm.</p> <p>Surrounding Properties: Residential development is visible north of the Subject Property. Dwellings and a service station are visible east of the Subject Property. Landscaping, buildings, and water features associated with Lincoln Park are visible farther east and south of the Subject Property. Open land, orchards, and commercial buildings likely associated with the former roller coaster are visible west of the Subject Property. Residential dwellings are visible farther west of the Subject Property.</p>	Aerial Photograph
1930-1939	<p>Subject Property: The Subject Property listings are similar to the previous decade.</p> <p>Surrounding Properties: Surrounding property listings are similar to the previous decade.</p>	City Directories
1938	<p>Subject Property: The Subject Property appears similar to the previous aerial photograph.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous aerial photograph. The property to the west appears similar to the 1951 Sanborn Map.</p>	Aerial Photograph

Historical Sources Summary Table

Date	Observations	Source
1940-1949	<p>Subject Property: The Subject Property listings are similar to the previous decade. A resident is listed at 2001 Keith Drive.</p> <p>Surrounding Properties: Businesses, restaurants, and residences are listed at the surrounding addresses.</p>	City Directories
1948	<p>Subject Property: The Subject Property appears generally similar to the previous aerial photograph.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous aerial photograph. A sports field and grandstand appear to be constructed in Lincoln Park east of the Subject Property.</p>	Aerial Photograph
1950-1959	<p>Subject Property: The Subject Property listings are similar to the previous decade. Keith West Coast Tackle Co. is listed at 2005 Keith Drive.</p> <p>Surrounding Properties: Surrounding properties are similar to previous decades. A service station is listed at 3801 N. Mission Road (approximately 480 feet upgradient of the Subject Property). Luna Park Auto Court is listed at 2101 Parkside Avenue.</p>	City Directories
1951	<p>Subject Property: The Subject Property appears similar to the previous Sanborn Map.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous Sanborn Map. Increased residential development is depicted to the north and east. An auto repair facility is depicted next to the gas station east of the Subject Property. Previous development to the west of the Subject Property has been replaced with a Disabled American Veterans salvage depot.</p>	Sanborn Map
1952	<p>Subject Property: The Subject Property appears generally similar to the previous aerial photograph.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous aerial photograph. Grading appears to be taking place east and west of the Subject Property.</p>	Aerial Photograph
1953	<p>Subject Property: The Subject Property appears similar to the previous topographic map.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous topographic map but development has increased in density in all directions.</p>	Topographic Map
1960-1969	<p>Subject Property: The Subject Property listings are similar to the previous decade. Lincoln Care Center is listed at 3611 N. Mission Road. Mission Manor Nursing Home is listed at 3609 N. Lincoln Park Retreat and Lincoln Park Sanitarium are listed at 3601 N. Mission Road. Lincoln Convalescent Hospital is listed at 3619 N. Mission Road.</p> <p>Surrounding Properties: Surrounding property listings are similar to the previous decade.</p>	City Directories
1964	<p>Subject Property: The Subject Property appears to be developed with new buildings, as depicted on the western half of the property in the 1970 Sanborn Map.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous aerial photograph. The portion of Lincoln Park formerly located east of the Subject Property has now been converted to large commercial buildings and parking. New residential development is visible in areas west of the Subject Property.</p>	Aerial Photograph
1966	<p>Subject Property: The Subject Property appears generally similar to the previous topographic map.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous topographic map. Land to the east and south of the Subject Property has been graded and developed with large commercial and industrial buildings.</p>	Topographic Map
1970-1979	<p>Subject Property: The Subject Property listings are similar to the previous decade. Lincoln Care Center is listed at 3609 and 3611 N. Mission Road. Los Angeles County of Community Services is listed at 2029 Keith Street.</p> <p>Surrounding Properties: Surrounding property listings are similar to the previous decade. The auto service station previously listed at 3701-3707 Mission Road is no longer listed.</p>	City Directories

Historical Sources Summary Table

Date	Observations	Source
1970	<p>Subject Property: The Subject Property is depicted with several buildings. On the west side of the Subject Property is the Lincoln Care Center Sanitarium which consists of offices, a kitchen, laundry, and two large buildings. On the east side of the Subject Property is the Lincoln Convalescent Hospital, which consists of two buildings, both of which are still currently present on the Subject Property.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous Sanborn Map. The gasoline station located east of the Subject Property is no longer present. The salvage depot located west of the Subject Property is now depicted as an electric motor warehouse. Residential dwellings and parking is now depicted northwest of the Subject Property.</p>	Sanborn Map
1972/ 1977	<p>Subject Property: The Subject Property appears to be developed with all of the buildings depicted on the 1970 Sanborn Map.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous aerial photograph and the 1970 Sanborn Map. The gas station and auto repair facility is no longer visible on the property east of the Subject Property.</p>	Aerial Photograph
1972	<p>Subject Property: The Subject Property appears generally similar to the previous topographic map.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous topographic map.</p>	Topographic Map
1980- 1989	<p>Subject Property: The Subject Property listings are similar to the previous decade. Minami Nursing Home is listed at 2021 Keith Street and 3619 N. Mission Road. Four Seas Inc. is listed at 2029 Keith Street. La Plazita Head Start and AM PM Ancillary Medical Services is listed at 3611 and 3619 N. Mission Road. International Institute of Los Angeles is listed at 3631 Mission Road.</p> <p>Surrounding Properties: Surrounding property listings are similar to the previous decade. A-1 Smog is listed at 3801 N. Mission Road.</p>	City Directories
1983/ 1989	<p>Subject Property: The Subject Property appears similar to the previous aerial photograph.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous aerial photograph. The property east of the Subject Property appears to be used for parking. A stripmall is now visible farther east of the Subject Property, and the Department of Motor Vehicles is now constructed west of the Subject Property.</p>	Aerial Photograph
1981	<p>Subject Property: The Subject Property appears generally similar to the previous topographic map.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous topographic map.</p>	Topographic Map
1990- 1999	<p>Subject Property: The Subject Property listings are similar to the previous decade. Western Career Institute is listed at 2029 Keith Street.</p> <p>Surrounding Properties: Surrounding property listings are similar to the previous decade.</p>	City Directories
1994	<p>Subject Property: The Subject Property appears generally similar to the previous topographic map.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous topographic map.</p>	Topographic Map
1994	<p>Subject Property: The Subject Property appears similar to its current configuration, with the buildings on the west half of the Subject Property no longer present.</p> <p>Surrounding Properties: Surrounding properties appear generally similar to the previous aerial photograph.</p>	Aerial Photograph
2000- 2009	<p>Subject Property: Cri-Help Inc. is listed at 2010 Lincoln Park Avenue.</p> <p>Surrounding Properties: Surrounding property listings are similar to the previous decade. Clean-King Laundry is listed at 3726 Mission Road (determined to be a coin-operated laundry during site reconnaissance.)</p>	City Directories

Historical Sources Summary Table

Date	Observations	Source
2002/ 2005/ 2009	Subject Property: The Subject Property appears generally similar to the previous aerial photograph. Surrounding Properties: Surrounding properties appear generally similar to the previous aerial photograph. New apartment residences are visible west of the Subject Property.	Aerial Photograph
2010- present	Subject Property: The Subject Property addresses aren't listed in the city directory. Surrounding Properties: Surrounding property listings are similar to the previous decade.	City Directories
2012	Subject Property: The Subject Property appears generally similar to the previous topographic map. Surrounding Properties: Surrounding properties appear generally similar to the previous topographic map.	Topographic Map
2010/ 2012	Subject Property: The Subject Property appears generally similar to the previous aerial photograph. Surrounding Properties: Surrounding properties appear generally similar to the previous aerial photograph.	Aerial Photograph

6.2 Local Agency Records Review

Based on the listings provided in the EDR report review of government databases, Waterstone submitted requests for file review at local agencies (See Appendix I). The agencies contacted and the results of file reviews are discussed in the following sections.

6.2.1 Local Agencies

Based on the listings provided in the EDR report review of government databases, Waterstone submitted requests for information for the Subject Property at local agencies. According to files made available at state and local agencies, available records used to prepare this Phase I are listed below:

Local Agency Records Review

Agency	Subject Property Records	Surrounding Property Records
City of Los Angeles Building Department	Building permits and Certificates of Occupancy found at the City of Los Angeles Building Department confirm the construction of the ostrich farm at 3609 Mission Road and residential dwellings at 3619 Mission Road in 1906. Permits for alterations to various stores, restaurants, residences, and the alligator farm are present through the 1930s. Permits for new construction of a sanitarium were issued in 1952 at 2030 Lincoln Park Avenue, and a permit for a clarifier associated with the laundry was issued in 1953, along with demolition permits for existing dwellings. Permits for new construction of a nursing home were issued in 1965 for the current Subject Property buildings at 3619 Mission Road. Permits for demolition of the three sanitarium buildings were issued in 1991. Certificate of Occupancy permits include a nursing home in 1966, Lincoln Convalescent Hospital in 1977, childcare in 1979, and Cri-Help, Inc. in 2001.	None requested.
Los Angeles County Public Health Investigations (PHI)	No records were available for the Subject Property addresses from PHI.	No records for neighboring property addresses from PHI.
Los Angeles Regional Water Quality Control Board (RWQCB)	No records were available for the Subject Property addresses from the RWQCB. No records for the Subject Property were identified in the online RWQCB Geotracker database.	No records for neighboring property addresses from the RWQCB. No records neighboring properties were identified in the online RWQCB Geotracker database.
City of Los Angeles Fire Department (LAFD), UST and Hazardous Material Divisions	No records were available for the Subject Property addresses from the LAFD UST Division or LAFD Hazardous Material Division.	No records for neighboring property addresses from the LAFD UST Division or LAFD Hazardous Material Division.
South Coast Air Quality Management District	The Subject Property was not identified in the AQMD's online FIND database.	No records for neighboring property addresses were identified in the AQMD's online FIND database.
California Department of Toxic Substances Control (DTSC), Cypress and Chatsworth Offices	No records were available for the Subject Property addresses from the DTSC.	No records for the neighboring property addresses requested.

Local Agency Records Review

Agency	Subject Property Records	Surrounding Property Records
City of Los Angeles Industrial Waste Management Division (IWMD)	Waterstone received copies of Industrial Waste Discharge permits issued for the Subject Property. A permit for a laundry, garbage grinders, boiler blowdown and water softener backwash was issued in 1953 for 2030 Lincoln Park Avenue. A permit application for a nursing home for a washing machine, garbage grinder, floor washing, boiler blowdown and recycled air conditioner water was received in 1978 for 3619 N. Mission Road. No citations issued in the past 5 years.	Waterstone received copies of Industrial Waste Discharge permits issued for a neighboring property address. A permit application for Dave's Motor Rebuilding for parts washing, floor washing, and motor steam cleaning to be treated in a three-compartment clarifier was received in 1964 for 3707 N. Mission Road.

As noted above, some local agencies have not completed the requested search of records for the Subject Property as of the issuance of this report. If additional information becomes available which affects the findings and conclusions of this report, Waterstone will submit an addendum report.

6.3 Review of Previous Environmental Documents

The User provided Waterstone with an *Update Letter for Mission Road Properties, 3701 North Mission Road* prepared by Enviro Assess on February 3, 2016. The letter report (included as attachment J) summarizes environmental soil sampling which was conducted at the neighboring property to the east of the Subject Property across Keith Street. The property located at 3701-3707 Mission Road was formerly used a gasoline service station and an auto repair facility from approximately the 1920s to the 1950s. A total of twenty-two (22) boreholes were drilled on the property to a maximum depth of 25 feet bgs in October and November, 2015. Soil analytical results, which are summarized in the letter report, indicate that soils between 8-feet and 25-feet below ground surface (bgs) are impacted with petroleum hydrocarbons. Samples did not contain detectable benzene, toluene, ethylbenzene, or xylene (BTEX) concentrations, which lead Enviro Assess to believe the impacts represent aged fuel. No groundwater was encountered during sampling so no groundwater samples were collected. However, a deeper non-detect sample was collected at all boring locations where petroleum hydrocarbons were detected, indicating that soil impact does not likely extend to groundwater.

6.4 Potential for Vapor Encroachment

As a part of the Phase I investigation, Waterstone reviewed all reasonably ascertainable information for the Subject Property and nearby properties to determine if potential vapor-phase migration concerns may be present which could impact the Subject Property. The information reviewed includes regulatory databases, files for nearby sites, and historical documentation.

Based on the information available, there is no information or data that suggest a vapor encroachment issue is likely to exist at the Subject Property from historical or ongoing operations.

Current and historic operations at the surrounding properties were also investigated. The property located at 3701-3707 Mission Road, located east of the Subject Property across Keith Street, was formerly used as a gasoline service station and an auto repair facility from approximately the 1920s to the 1960s. Soil sampling conducted at this location in October and November, 2015, indicates that soil between 8-feet and 25-feet is impacted with hydrocarbons but does not contain BTEX compounds. No groundwater data was available to review, however, a deeper non-detect sample was collected at all boring locations where petroleum hydrocarbons were detected, indicating that soil impact does not likely extend to groundwater. In addition, due to the lack of volatile constituents, this property is unlikely to present a vapor encroachment issue at the Subject Property.

6.5 Summary of Subject Property and Vicinity History/Land Use

Waterstone reviewed available historical documents, local agency records, and previous environmental assessments to determine the history of the Subject Property. The history of the Subject Property and vicinity is summarized as the following:

- The Subject Property is located in a mixed commercial/residential area of the city of Los Angeles.
- The Subject Property was initially developed with residential dwellings, restaurants, and stores in the early 1900s. From 1906 through the early 1950s, the Los Angeles Ostrich Farm and the California Alligator Farm were situated on the Subject Property. In 1953, a sanitarium was constructed on the western half of the Subject Property. In 1965, the current Subject Property buildings were constructed as a nursing home on the eastern half of the Subject Property, which was subsequently used for child care and as a convalescent home. In 1991, the sanitarium buildings on the west side of the Subject Property were demolished.
- In 2001, the current Subject Property owner, Cri-Help, Inc., began operation at the Subject Property, utilizing the two buildings constructed on the eastern half of the property as an in-patient and out-patient drug and alcohol rehabilitation center and using the western half of the property as open space and for parking.

The history of surrounding properties is summarized as the following:

- The land to the north of the Subject Property were primarily developed for residential use in the early 1900s and were developed throughout the 1960s. The land south of the Subject Property has been used as a public park since the early 1900s. In the 1910s and 1920s a zoo, roller coaster, sulphur baths, and other various tourist venues were associated with Lincoln Park. In the 1960s, parts of Lincoln Park east of the Subject Property were redeveloped as commercial and industrial buildings.
- From prior to 1920 through the 1950s, various gasoline service stations and an auto repair facility were located across the street to the east of the Subject Property at 3701-3707 Mission Road. Sampling conducted in 2015 by Enviro Assess indicate that aged petroleum products are present in the soil from 8-feet and 25-feet below bgs, but that no BTEX was detected. Groundwater was not sampled at the time of this investigation, but

deeper non-detect soil samples suggest that it does not appear that soil impact extends to groundwater.

Section 7.0

Subject Property Inspection Observations

7.1 Personnel Interviews

Prior to the site inspection, Waterstone interviewed Alex Jimenez, the agent for the buyer, using the attached questionnaire and during the Subject Property inspection. His responses are included throughout this report.

7.2 Subject Property Inspection Observations

On January 27, 2016, Waterstone performed an inspection of the Subject Property and vicinity. Waterstone interviewed Anthony Martinez, the facility maintenance manager for Cri-Help, Inc., during the Subject Property inspection. Subject Property photographs are included as Appendix K. At the time of the Subject Property inspection, the following was observed at the Subject Property:

Subject Property Feature Summary Table

Feature / Characteristic	Y/N	Comments
Underground Storage Tanks (USTs)	N	None observed.
Aboveground Storage Tanks (ASTs)	N	None observed.
Hazardous Chemicals (including petroleum and pesticides)	Y	Small quantities of cleaning supplies, paint (up to 5-gallon buckets), and fuel (up to 1-gallon containers) used for a lawn mower are stored in the storage room of the two story building (2029 Keith Street) located at the Subject Property building. The paints and fuel are kept in cabinets with no secondary containment, but there is no evidence of spills and the floor appeared to be in good condition. 55-gallon poly drums of kitchen grease and additional 5-gallon buckets of cleaners were kept outside of the storage room on the north edge of the Subject Property.
Other or Unidentified Drums and Containers	N	An above-ground grease trap is located in the kitchen, and it is emptied approximately once per month.
Septic Tanks	N	None observed.
Drainage Systems	Y	Storm drains were observed around the outside of the Subject Property building, with several floor drains located between the two Subject Property buildings in the northeast corner of the property. Storm water drains towards the street to the south.
Sumps	N	None observed.
Clarifiers	N	No evidence was observed of a historical clarifier associated with the former laundry located in the northwestern portion of the Subject Property, which was demolished in 1991.
Hoists or Lifts	N	None observed.
Dumping or Filling Activities	N	None observed.
Vapor Intrusion	N	No evidence observed.
Floor Drains	Y	Floor drains observed in the kitchen.
Materials Spills	N	No evidence observed.

Subject Property Feature Summary Table

Feature / Characteristic	Y/N	Comments
Monitor/Supply/ Disposal Wells	N	None observed.
Odors	N	None noted.
Air Emissions	N	None observed
Unusually Stained Pavement Or Flooring	N	None observed
Pits, Ponds, Lagoons	N	None observed.
Pools Of Liquid	N	None observed.
Roads And Trails With No Apparent Purpose	N	None observed.
Stained Or Disturbed Soil	N	None observed.
Stressed Vegetation	N	None observed.
High Voltage Power Lines/ Magnetic Fields	N	None observed.
Waste Water Generation	N	None observed.
Solid Waste Storage	N	A dumpster was observed on the north side of the Subject Property, adjacent to the 2029 Keith Street building.
Electrical Transformers	N	A large transformer which appeared to be in good condition was observed in the sidewalk adjacent to the Subject Property, to the northeast of the parking lot area.
Evidence of Historical Features	N	None observed.
Evidence of Historical Processes Or Material Usage/Storage	N	None observed.

7.2.1 Historical Materials of Concern

Polychlorinated Biphenyls (PCBs)

Polychlorinated Biphenyls (PCBs) were used as coolants and insulators in electrical transformers beginning in 1929. Exposure to PCBs has since been found to cause liver ailments, skin lesions, tumors, and growth and reproductive problems. Use of PCBs was regulated in 1977. No records or evidence were identified indicating the presence of PCBs on the Subject Property.

No transformers were observed at the Subject Property; however, a large transformer which appeared to be in good condition was observed in the sidewalk adjacent to the Subject Property, northeast of the parking lot area.

Suspect Asbestos-Containing Materials

While the use of asbestos in the manufacture of most building materials has not been fully prohibited by federal law, the use of asbestos, for the most part, has voluntarily been discontinued since the late 1970s. Some non-friable materials, such as roofing material and floor coverings (floor tile and mastic) may have been manufactured with asbestos materials and may have been used into the early 1980s.

The Subject Property buildings were constructed in 1965; therefore, it is possible that asbestos-containing building materials were used during their construction.

Lead-based Paint

Lead was a major ingredient in paint pigment prior to and through the 1940s. While other pigments were used in the 1950s, the use of lead in paint continued until the mid 1970s. In 1978, the Consumer Products Safety Commission banned paint and other surface coating materials which are lead-containing.

The Subject Property buildings were constructed in 1965; therefore, it is possible that lead-containing paint was used during their construction and/or maintenance.

Lead in Drinking Water

The USEPA sets drinking water standards and has determined that lead is a health concern at certain exposure levels. Materials that contain lead have frequently been used in the construction of water supply distribution systems, and plumbing systems in private home and other buildings. The most commonly found materials include service lines, pipes, brass and bronze fixtures, and solders and fluxes. Lead in these materials can contaminate drinking water as a result of the corrosion that takes place when water comes into contact with those materials.

EPA's national primary drinking water regulations requires all public water systems to optimize corrosion control to minimize lead contamination results from the corrosion of plumbing materials. EPA has established an action level of 15 parts per billion (ppb) for lead in drinking water. Any water system that continues to exceed the action level after installation of corrosion control and/or source water treatment must eventually replace all lead service lines contributing in excess of 15 ppb of lead to drinking water. Any water system that exceeds the action level must also undertake a public education program to inform users of ways they can reduce their exposure to potentially high levels of lead in drinking water.

According to the City of Los Angeles, the water provided to their customers meets the Federal and state primary and secondary drinking water standards.

7.2.2 Utilities

According to the User, the following utilities service the area:

- Water – City of Los Angeles Department of Water and Power
- Gas – Southern California Gas Company
- Electric – City of Los Angeles Department of Water and Power
- Sewer – City of Los Angeles

7.2.3 Oil and Gas Wells and Pipelines

Wells can act as potential conduits for the migration of contamination, unless they have been properly abandoned (i.e., filled and plugged) in such a manner as to prevent the transport of

hazardous material into the groundwater aquifers. Oil or gas wells or pipelines were not identified on the Subject Property during the Subject Property inspection. Nine (9) oil wells are located between one-quarter mile and one mile from the Subject Property.

7.2.4 Public Water Wells

No public water wells were observed on the Subject Property during the Subject Property inspection. According to the EDR Report, no federal USGS wells, state database wells, or federal public water supply well are located within one mile of the Subject Property.

7.2.5 Sensitive Environmental Receptors

Primary concerns associated with sensitive receptors and wetlands are:

- Federal and state environmental regulations often limit an owner's ability to modify the Property when sensitive receptors or wetlands are potentially impacted; and
- The potential of a release or discharge from a facility that could impact a sensitive receptor or wetland.

Sensitive environmental receptors, such as wetlands, historical landmarks, or endangered species were not identified at or within the Subject Property or in the EDR Report.

7.2.6 Radon

Radon is a gas that can seep into structures constructed in areas with soils containing uranium. Radon travels through soil and enters the structure through cracks and holes in basement walls or floor drains, or other openings. Based on the location of the Subject Property and according to information provided by the USEPA, radon levels in Los Angeles County, California are between the USEPA action level of 2.0 and 4.0 picocuries per liter (Zone 2), which is not a significant concern.

7.2.7 Mold

Mold and/or fungi growth generally occurs on cellulose-based material, such as wood or drywall paper, that has been inundated with excess moisture. The presence of mold and/or fungi growth is normally an indication of a plumbing, roofing, or other leak, and/or a water source that results in the abnormal presence of moisture. It is possible that significant fungal spore growth inside walls, insulation, attic spaces, or other areas can exist and not be visible on the finished surfaces of a building's interior spaces. Waterstone did not (i) perform a mold/fungi inspection, (ii) perform any building material surface mold sampling, or (iii) perform air sampling for mold spores at the Subject Property as part of this Phase I. Waterstone did not identify any obvious signs of mold growth at the Subject Property.

7.2.8 Engineering Controls

No engineering controls were identified at the time of the site inspection.

7.3 Neighboring Property Inspection Observations

Visual observations of adjoining properties were made from the vantage point of the Subject Property as well as from public right-of-ways to determine the potential impact of these sites on the Subject Property. The following table summarizes neighboring property observations and neighboring properties listed in the EDR Radius Report:

Neighboring Property Summary Table

Property Characteristics	Observations
Surrounding Property General Description	The Subject Property is located in a mixed commercial/residential area of the City of Los Angeles, Los Angeles County, California.
Neighboring Properties Listed In EDR Radius Report	A historical gasoline service station is listed at 3701-3707 Mission Road in the 1920s through the 1950s.
Groundwater Monitoring Wells	Groundwater monitoring wells were not observed on adjacent properties; however, Waterstone did not enter adjacent properties to perform a thorough inspection.
Underground Features	No evidence of underground features was observed in the vicinity of the Subject Property but Waterstone did not enter adjacent properties to perform a thorough inspection.
Evidence of Subsurface Investigation	Waterstone observed evidence of drums remaining from a subsurface investigation conducted at 3701-3707 Mission Road, located east of the Subject Property, but Waterstone did not enter adjacent properties to perform a thorough inspection. See Section 6.3 for discussion.

Section 8.0

Summary and Conclusions

8.1 Summary

The Subject Property, which includes the addresses 3601 and 3619 North Mission Road (identified by street address 2010 Lincoln Park Avenue) and 2029 Keith Street, is occupied by CRI-Help, an in-patient and out-patient drug and alcohol rehabilitation center. The eastern side of the property has two buildings used for treatment facilities and the western side of the Subject Property is used for outdoor space and for parking. Historical addresses for the Subject Property also include 3603-3637 North Mission Road, 1123-2005 Keith Street, 2000-2038 Lincoln Park Avenue, and 3615 Barbee Street. The Subject Property is comprised of three parcels with a total area of approximately 2.1 acres.

Waterstone reviewed available historical documents, local agency records, and previous environmental assessments to determine the history of the Subject Property. The history of the Subject Property and vicinity is summarized as the following:

- The Subject Property is located in a mixed commercial/residential area of the city of Los Angeles.
- The Subject Property was initially developed with residential dwellings, restaurants, and stores in the early 1900s. From 1906 through the early 1950s, the Los Angeles Ostrich Farm and the California Alligator Farm were situated on the Subject Property. In 1953, a sanitarium was constructed on the western half of the Subject Property. In 1965, the current Subject Property buildings were constructed as a nursing home on the eastern half of the Subject Property, which was subsequently used for child care and as a convalescent home. In 1991, the sanitarium buildings on the west side of the Subject Property were demolished.
- In 2001, the current Subject Property owner, Cri-Help, Inc., began operation at the Subject Property, utilizing the two buildings constructed on the eastern half of the property as an in-patient and out-patient drug and alcohol rehabilitation center and using the western half of the property as open space and for parking.
- The Subject Property was not listed in the EDR Radius Report.

The Subject Property is located within a mixed commercial and residential area of the City of Los Angeles, Los Angeles County, California (See Figure 1). At the time of the Subject Property inspection, the properties adjacent to the Subject Property were characterized as the following (see Figure 2):

North: Barbee Street is immediately north of the Subject Property. Residential properties are farther north of the Subject Property.

- East:** Keith Street is immediately east of the Subject Property. Residential properties, an unused parking lot, and commercial businesses are farther east of the Subject Property.
- South:** North Mission Road is immediately south of the Subject Property. Lincoln Park is farther south of the Subject Property.
- West:** Lincoln Park Avenue is immediately west of the Subject Property. Residential apartments and the Lincoln Park Department of Motor Vehicles are farther west of the Subject Property.

The history of surrounding properties is summarized as the following:

- The land to the north of the Subject Property were primarily developed for residential use in the early 1900s and were developed throughout the 1960s. The land south of the Subject Property has been used as a public park since the early 1900s. In the 1910s and 1920s a zoo, roller coaster, sulphur baths, and other various tourist venues were associated with Lincoln Park. In the 1960s, parts of Lincoln Park east of the Subject Property were redeveloped as commercial and industrial buildings.
- From prior to 1920 through the 1950s, various gasoline service stations and an auto repair facility were located across the street to the east of the Subject Property at 3701-3707 Mission Road. Sampling conducted in 2015 by Enviro Assess indicate that aged petroleum products are present in the soil from 8-feet and 25-feet below bgs, but that no BTEX was detected. Groundwater was not sampled at the time of this investigation, but deeper non-detect soil samples suggest that it does not appear that soil impact likely extends to groundwater.
- Eight (8) federal, thirty-three (33) state, twenty-six (26) local or other, twelve (12) historical, and three (3) orphan listings are provided in the EDR Report's summary of government databases. None of the nearby properties are likely to negatively impact the Subject Property based on case status, distance, and/or groundwater flow direction.

8.2 Findings and Conclusions

Waterstone has performed a Phase I Environmental Site Assessment in general conformance with the scope and limitations of ASTM Practice E 1527-13 of the Subject Property. Potential on- and off-Subject Property issues identified during this investigation are summarized as the following:

8.2.1 Potential Subject Property Issues

Recognized Environmental Conditions (RECs) **were not** identified for the Subject Property. However, the following should be noted:

- The Subject Property buildings were constructed in 1962; therefore, it is possible that lead-based paint and/or asbestos-containing materials (ACMs) were used in its construction and may be present.

8.2.2 Potential Off-Site Property Issues

Recognized Environmental Conditions (RECs) **were** identified in connection with off-Subject Property properties.

- Sampling conducted in 2015 by Enviro Assess indicate that aged petroleum products are present in the soil from 8-feet and 25-feet below bgs, but that no BTEX compounds were detected. Groundwater was not sampled at the time of this investigation. Groundwater was not sampled at the time of this investigation, but deeper non-detect soil samples suggest that it does not appear that soil impact likely extends to groundwater.

8.3 Recommendations

Based on the foregoing, as well as representations made by individuals interviewed for this report, no further assessment is recommended at this time.

Section 9.0 References

Published References

AFX Corp., Inc., January 22, 2016, Environmental Liens/AUL Reports

Environmental Data Resources, Inc., January 22, 2016, Radius Map with GeoCheck

Environmental Data Resources, Inc., January 22, 2016, Historical Topographic Map Report

Environmental Data Resources, Inc., January 22, 2016, Certified Sanborn Map Report

Environmental Data Resources, Inc., January 22, 2016, City Directory Report

Environmental Data Resources, Inc., January 25, 2016, Aerial Photographs

Other Resources

Regional Water Quality Control Board, Los Angeles Region

California Department of Toxic Substances Control (DTSC), Cypress and Chatsworth Offices

City of Los Angeles Building Department

City of Los Angeles Fire Department

City of Los Angeles Industrial Waste Management

California Department of Conservation, Department of Oil, Gas, and Geothermal Resources

United States Environmental Protection Agency – Radon Research Program

California Geological Survey

South Coast Air Quality Management District

Update Letter for Mission Road Properties, 3701 North Mission Road, Enviro Assess, February 3, 2016.