

**REPORT ON PHASE I ENVIRONMENTAL
SITE ASSESSMENT**

DESIGNATION: Paradise Ridge Property (Superblock 3)

LOCATION: South of the Southwest Corner of Mayo Boulevard
and the 64th Street Alignment in Phoenix, Arizona

CLIENT: Olsson Associates

FOR USE BY: Arizona State Land Department

PROJECT NO: 140227EA

DATE: February 26, 2014 (Reissued April 9, 2014)

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TABLE OF CONTENTS

1.0 INTRODUCTION	1
1.1 PURPOSE AND SCOPE OF REPORT	1
1.2 PROPERTY BACKGROUND	3
1.2.1 Property Location	3
1.2.2 Property Description	3
2.0 PHYSICAL SETTING	4
2.1 TOPOGRAPHY	4
2.2 GEOLOGY	5
2.3 REGIONAL CLIMATOLOGY, SURFACE WATER HYDROLOGY, AND HYDROGEOLOGY	5
3.0 STANDARD HISTORICAL SOURCES.....	6
3.1 AERIAL PHOTOGRAPHS	6
3.2 FIRE INSURANCE MAPS	8
3.3 PROPERTY TAX FILES.....	8
3.4 RECORDED LAND TITLE RECORDS.....	9
3.5 USGS TOPOGRAPHIC MAPS	9
3.6 LOCAL STREET DIRECTORIES.....	9
3.7 BUILDING DEPARTMENT RECORDS.....	9
3.8 ZONING/LAND USE RECORDS	9
3.9 OTHER HISTORICAL SOURCES.....	10
3.10 PREVIOUS ENVIRONMENTAL SITE ASSESSMENTS	10
3.11 HISTORICAL DATA GAPS.....	10
4.0 INTERVIEWS	10
4.1 OCCUPANTS, OWNERS, USER AND KEY SITE MANAGER	11
4.2 LOCAL GOVERNMENT OFFICIALS	11
5.0 CURRENT CONDITIONS.....	12
5.1 CURRENT PROPERTY USE	12
5.2 TRANSFORMERS	13
5.3 DRY WELLS.....	13
5.4 ADJOINING LAND USE.....	14
6.0 STANDARD ENVIRONMENTAL RECORD SOURCES.....	14
7.0 NON-SCOPE CONSIDERATIONS	17

TABLE OF CONTENTS (Continued)

7.1 ASBESTOS..... 17
8.0 FINDINGS AND CONCLUSIONS..... 17
9.0 RECOMMENDATIONS 18
10.0 LIMITATIONS 18
11.0 RELIANCE..... 19
12.0 REPORT CERTIFICATION 19
13.0 REFERENCES CITED AND REVIEWED 20

- APPENDIX:** A. Surface Photographs
B. Regulatory Database (ASTM) Search
C. Project Personnel Credentials



1.0 INTRODUCTION

This report presents the results of a Phase I Environmental Site Assessment (ESA) conducted on the subject Property identified as the Paradise Ridge Property (Superblock 3) located south of the southwest corner of Mayo Boulevard and the 64th Street Alignment in Phoenix, Arizona. The work was authorized by Mr. Len Swartz of Olsson Associates and was performed in accordance with our Proposal No. 48441E dated August 23, 2013.

1.1 Purpose and Scope of Report

This ESA report is conducted in conformance with ASTM Standard Practice E 1527-13 (herein denoted ASTM 1527) dated November 2013 to reflect a commercial and customary practice in the United States of America for conducting an environmental site assessment of a parcel of commercial real estate with respect to the range of contaminants within the scope of Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) (42 U.S.C. §9601) and petroleum products. Per ASTM 1527, this practice is intended to permit a user to satisfy one of the requirements to qualify for the innocent landowner, contiguous property owner, or bona fide prospective purchaser limitations on CERCLA liability (hereinafter, the “landowner liability protections,” or “LLPs”): that is, the practice that constitutes “all appropriate inquiries into the previous ownership and uses of the property consistent with good commercial and customary practice” as defined at 42 U.S.C. §9601(35)(B).

In defining a standard of good commercial and customary practice for conducting an environmental site assessment of a parcel of property, the goal of the process established by this practice is to identify, to the extent feasible pursuant to ASTM 1527, *Recognized Environmental Conditions* (RECs) in connection with the Property. The term REC is defined as the presence or likely presence of any hazardous substances or petroleum products in, on, or at a Property due to any release to the environment under conditions indicative of a release to the environment under conditions that pose a material threat of a future release to the environment. A *de minimis* condition is defined as a condition that generally does not present a threat to human health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies. A *Controlled Recognized Environmental Condition* (CREC) is defined as 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. A *Historical Recognized Environmental Condition* (HREC) is defined as a past release of hazardous substances or petroleum products that has occurred in connection with the Property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority,

without subjecting the Property to any required controls (for example, Property use restrictions, activity and use limitations, institutional controls, or engineering controls). *De minimis* conditions are not RECs nor CRECs. (ASTM).

The scope of work for the assessment is in accordance with our above noted proposal and ASTM 1527 and included the following:

- ◆ All services were performed by an environmental professional under the direction of a professional engineer, geologist and/or certified remediation specialist registered in the state of Arizona.
- ◆ Interviews (in person, by telephone or in writing) were attempted with owners, occupants, key site managers, and local government officials, as reasonable, regarding RECs on the Property.
- ◆ ASTM Federal and State Standard Environmental Record Sources as well as selected additional local Environmental Record Sources, were reviewed (when reasonably ascertainable and to limits equal to or exceeding the minimum ASTM search distances) regarding RECs on the Property.
- ◆ Standard Historical Sources were reviewed as reasonably ascertainable to develop a history of the previous uses of the Property and surrounding area in order to identify those uses, which may have led to RECs in connection with the Property.
- ◆ A site reconnaissance of the Property was conducted including a site visit to visually and physically observe the general physical site setting, as well as the site components and structures for current and past Property uses and conditions (so far as these uses and conditions are observable). Additionally, current and past uses of adjoining sites were identified to the extent that these uses were observable during the on-site visit.
- ◆ This final report was written to describe indications of RECs observed during this assessment, our professional opinion thereto, and any recommendations for further investigation, as needed.

The scope of work for our Phase I ESA is based on the items identified herein which follow the general requirements set forth in ASTM Practice E 1527 and the EPA Standards and Practices for AAI Rule, 40 CFR 312. This scope does not address whether requirements in addition to all appropriate inquiries have been met in order to qualify for the LLPs. This scope of work also does not address requirements of any state or local laws or of any federal laws other than the all appropriate inquiries provisions of the LLPs. The scope

of work does not include, unless otherwise stated/included herein, chemical analyses of site soils, air or groundwater, or vapor intrusion. Further, the scope also does not include inquiry into other issues such as wetlands, regulatory compliance, cultural and historic resources, industrial hygiene, health and safety, ecological resources, endangered species, indoor air quality unrelated to releases of hazardous substances or petroleum products into the environment, high voltage power lines, asbestos-containing building materials, radon, lead-based paint, lead in drinking water, biological agents, and mold (considered by the ASTM Standard to be Business Environmental Risks and outside the standard scope of the ASTM practice). It should also be noted that this list of non-scope considerations is not intended to be all-inclusive. Some substances may be present on a property in quantities and under conditions that may lead to contamination of the property or of nearby properties but are not included in CERCLA's definition of hazardous substances (42 U.S.C. §9601(14)) or do not otherwise present potential CERCLA liability.

This report included the items listed in the *Shelf Life of AAI Documents*, which specifies that all appropriate inquiries must be conducted within a one-year period prior to the date a property is acquired. The Environmental Protection Agency (EPA) has defined the acquisition date to be the date on which the property title is transferred. To ensure full coverage under the AAI rule, a valid ESA report must be completed within a 12-month period prior to transfer of title. The AAI date included on the cover of this report indicates the earliest date that research was performed for the different components of this project.

1.2 Property Background

1.2.1 Property Location

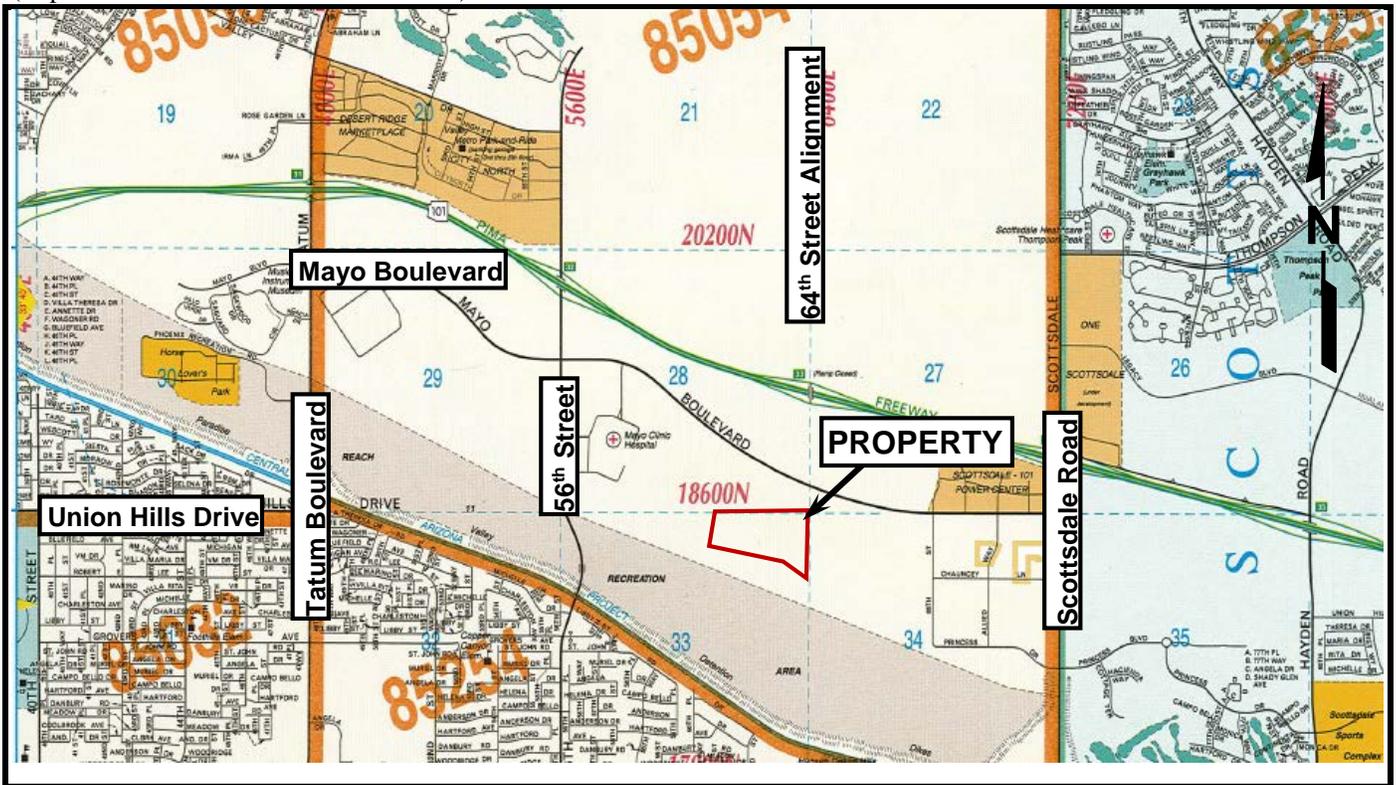
The subject Property is situated in the northeastern quarter of Section 33, Township 4 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona. No physical address was identified for the subject Property. The Property is located south of the southwest corner of Mayo Boulevard and 64th Street Alignment in Phoenix, Arizona. The Property is generally bound on the north by native desert land, on the south and west by a barbed wire fence, and the east by a snow fence (See Figure 1.2.1.1).

1.2.2 Property Description

At the time of the site visit, the Property consisted of approximately 76.9 acres of native desert land. Ground cover consisted of indigenous desert vegetation. No structures or dedicated site uses were observed on the Property. The Property was accessed from a dirt road in the alignment of 64th Street to the east.

Figure 1.2.1.1 - Property Location

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2.0 PHYSICAL SETTING

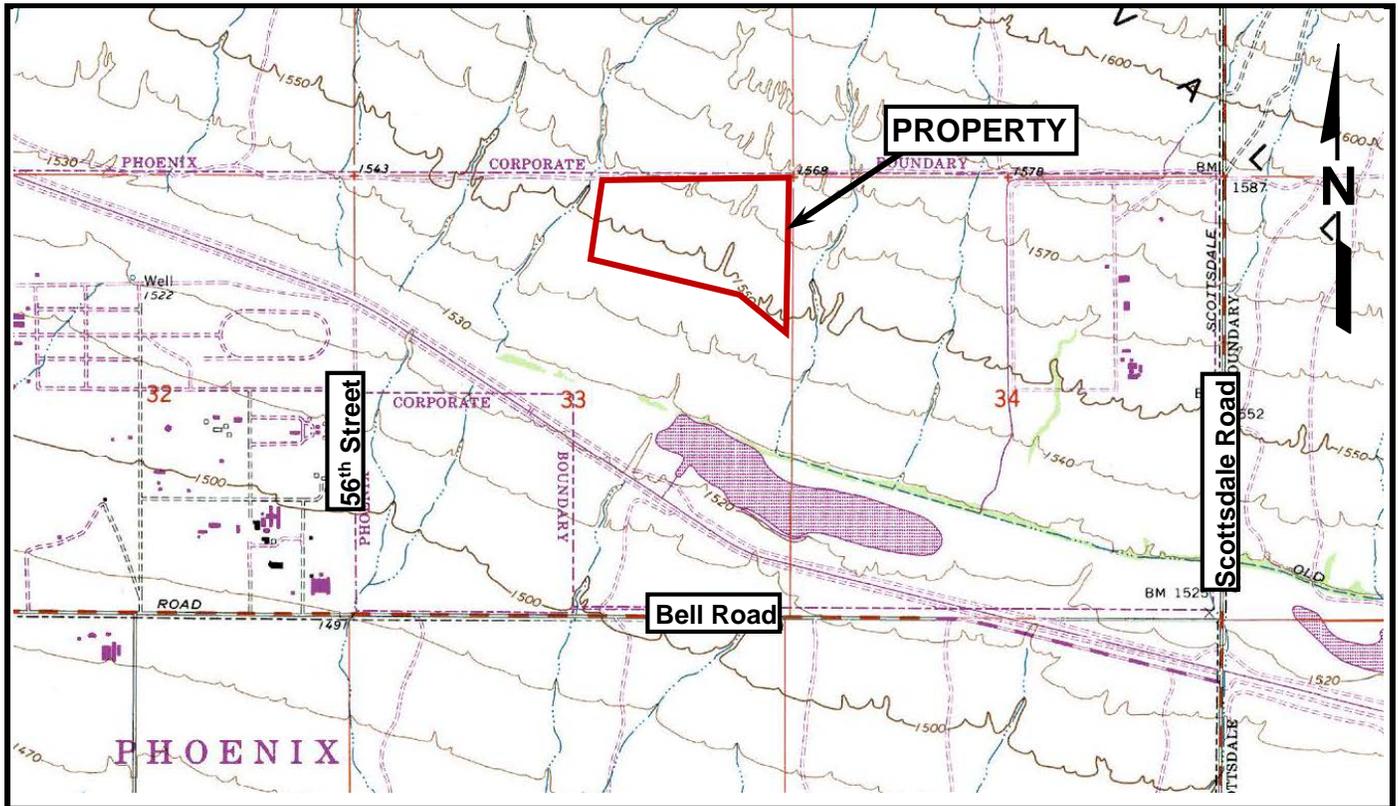
2.1 Topography

Approximate Property elevation: As depicted on the United States Geological Survey (USGS) 7.5 Minute Series Topographical Map (Figure 2.1.1), the Property elevation appears to be approximately 1,540 to 1,570 feet above mean sea level (USGS).

General down slope contour: Southwest (ibid.).

Flooding zone: Zone AO: The 1% annual chance flood (100-year flood), also known as the base flood, is the flood that has a 1% chance of being equaled or exceeded in any given year. The Special Flood Hazard Area is the area subject to flooding by the 1% annual chance flood. Areas of Special Flood Hazard include Zones A, AE, AH, AO, AR, A99, V and VE. The Base Flood Elevation is the water-surface elevation of the 1% annual chance flood. Flood depths of one (1) to three (3) feet (usually sheet flow on sloping terrain); average depths determined. For areas of alluvial fan flooding, velocities also determined (FEMA).

Figure 2.1.1 – Property Topography



2.2 Geology

Local soils: The Property soil is classified as the Gilman Loam (Gm), with slopes that are generally less than 0.6 percent. This deep and well-drained soil is located on flood plains and alluvial fans. This soil type is characterized by moderate permeability, slow runoff, and slight erosion hazard (USDA).

Site specific conditions: Determination of site-specific geologic conditions was not within the scope of work for this phase of the study.

2.3 Regional Climatology, Surface Water Hydrology, and Hydrogeology

Average regional temperatures: 70-80°F to 100-110°F in July, 35-40°F to 65-70°F in January (Rascona).

Average regional precipitation: 7 to 9 inches per year (ibid.).

Average regional evaporation: 65 to 70 inches per year (ibid.).

Regional groundwater elevation: Regional groundwater maps developed by the Arizona Department of Water Resources (ADWR) revealed one (1) well located within a one-mile radius of the Property, with a groundwater elevation of 1,085 feet above mean sea level (432 feet below ground surface) and a southeasterly groundwater flow direction. However, groundwater flow resulting from local groundwater gradients may vary considerably in the area due to surface recharge, groundwater pumping and local subsurface geology (Rascona).

On-site water wells: ADWR Well Registry Reports were reviewed by Allands. The Allands report identified no (0) water wells with coordinates which corresponded to the area encompassing the subject Property (Allands). Further, no obvious visual indications of water wells were observed on the subject Property during the site visit.

Potable water source: City of Phoenix (Swartz).

On-site surface water: No surface water was observed on the Property at the time of the site visit. However, natural washes were visible extending in a north to south direction across the Property. It appeared that excess surface water could migrate across the Property boundaries. Given that the surface area of the Property was contiguous with the adjoining areas, on-site run-on may occur from up-gradient land and off-site discharges to down-gradient land. The washes that traverse the Property may transport off-site discharges onto/across the Property.

3.0 STANDARD HISTORICAL SOURCES

Standard Historical Sources were reviewed as necessary to develop a history of the previous uses of the Property and surrounding area in order to identify those uses that are likely to have led to RECs in connection with the Property. These sources were reviewed in five (or less) year intervals in an attempt to identify all obvious uses of the Property from the present until 1940 or until the Property's first developed use, whichever is earlier. Standard Historical Sources include Aerial Photographs, USGS 7.5 Minute Topographical Maps, Zoning/Land Use Records, Building Department Records, Local Street Directories, Fire Insurance Maps, Property Tax Files, Recorded Land Title Records, Previous Site Studies and Other Historical Sources. The specific sources used to identify the historical use of the subject Property are described in the following sections. The earliest historical source reviewed during this assessment was an aerial photograph dated 1949. Historical research data was not reasonably ascertainable prior to 1949. Based on information gathered during this assessment, the Property appeared to have been native desert land.

3.1 Aerial Photographs

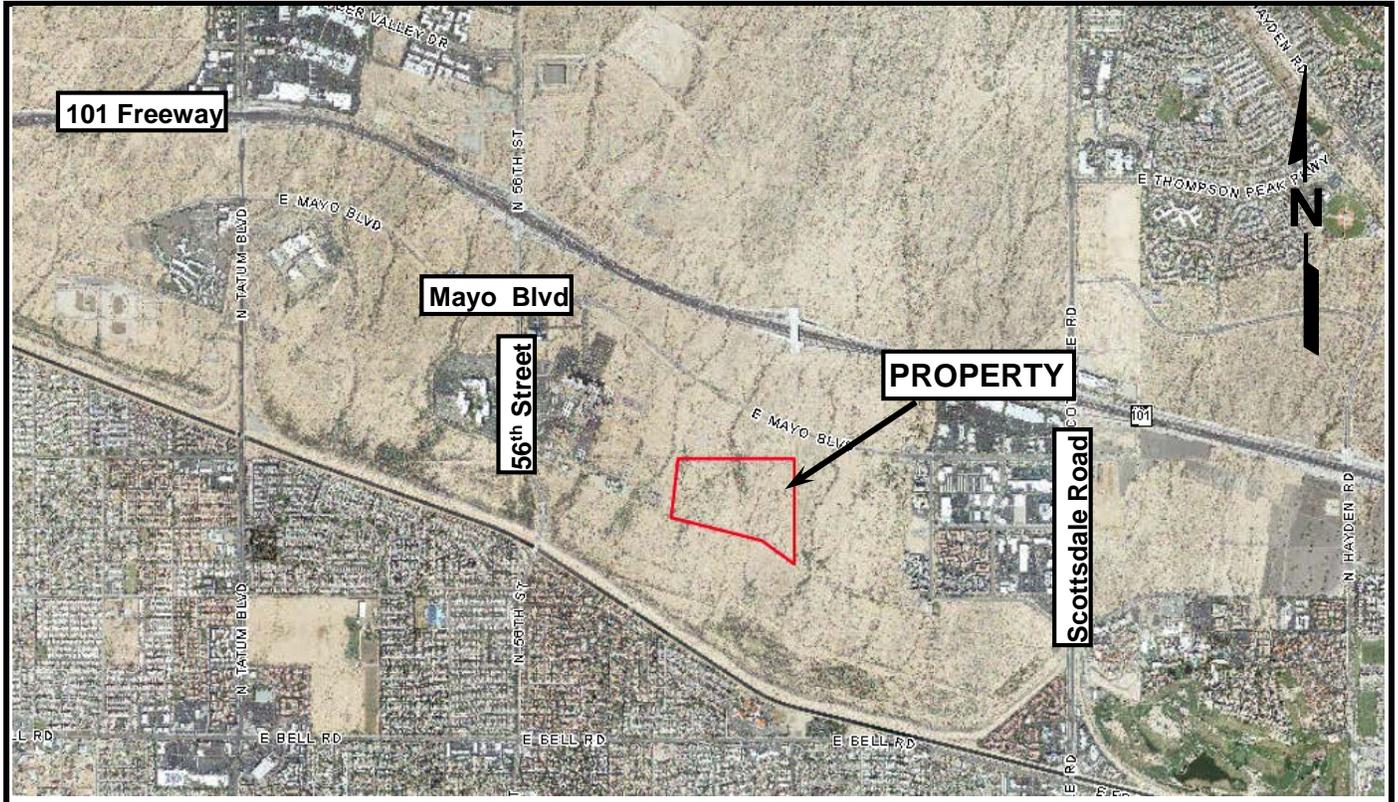
A review of selected aerial photography from 1949 to 2013 was conducted at Arizona State University (ASU), the City of Phoenix (Phoenix), the Maricopa County Assessor's Office and Flood Control

District web pages (Maricopa), Nationwide Environmental Title Research, LLC (NETR), and TerraServer Online Imagery (TerraServer) to identify past uses and characteristics of the Property, and to determine and evaluate the nature of previous activities existing on-site, on adjoining sites or within the adjacent area. A copy of a selected photograph is included in Figure 3.1.1.

Subject Property: In the 1949 aerial photograph, the subject Property consisted of native desert land with traversing natural washes. The Property appeared essentially the same in the 1953 to 2000 aerial photographs. Scattered debris was visible on the eastern portion of the Property in 2002. There were no other significant changes visible on the subject Property in the 2004 to 2013 aerial photographs (ASU; Phoenix; Maricopa; NETR; TerraServer).

Adjacent Areas: In the 1949 aerial photograph, the adjacent areas consisted of native desert land with natural washes. The adjacent areas appeared unchanged in the 1953 to 1969 aerial photographs, except a dirt road in the alignment of Scottsdale Road was visible further to the east. In the 1979 aerial photograph, a dirt road bordered the southern boundary of the Property. Further to the east was an area of agricultural land. In addition, the Central Arizona Project (CAP) had been constructed and residential development was underway further to the south. In the 1982 and 1986 aerial photographs, the adjoining properties appeared as native desert land. In 1991, the land south of the Property appeared to have been disturbed or partially graded. By 1997, commercial development of what appeared to be the existing Mayo Clinic buildings was underway to the northwest. In addition, Mayo Boulevard extended east to west north of the Property. In the 2000 aerial photograph, construction activities associated with the 101 Freeway appeared to be underway north of Mayo Boulevard. In addition, development of a golf course and residential development further to the east were being developed. In 2002, additional residential development was visible in the area that was appeared to be have been used for agricultural purposes. In the 2004 aerial photograph, a commercial development was constructed on the southeast adjoining property. The adjacent areas appeared essentially the same in the 2005 to 2008 aerial photographs. Additional commercial development continued further to the northwest and further to the east. There were no significant changes to the adjacent areas in the 2009 to 2011 aerial photographs. In the 2012 aerial photograph, an electrical substation had been constructed on the west adjoining property. No significant changes were visible on the adjacent areas in the 2013 aerial photograph (ASU; Phoenix; Maricopa; NETR; TerraServer).

Figure 3.1.1- 2013 Aerial Photograph



3.2 Fire Insurance Maps

Fire insurance maps that show uses of properties at specified dates are produced by private fire insurance companies. The Sanborn Fire Insurance Maps, available at the Arizona State Capital were reviewed by Allands. The subject Property is not located within the boundaries of the Sanborn maps available at the Arizona State Capital (Allands).

3.3 Property Tax Files

Property tax files identify past owners of a Property and may contain appraisals, maps, sketches, photographs and other information concerning a Property. Property tax files accompanying the Allands report identified the tax parcel number for the Property as 215-04-717. No address was identified on the Property tax files. No improvements were indicated in the Property tax files. The Property's assessed site use was listed as "State Property" (Allands).

3.4 Recorded Land Title Records

Recorded land title records are various documents regarding past use of a Property such as fee ownership, leases, land contracts, easements, liens, activity use limitations, and other relevant documents that are potentially descriptive of former site use. As part of this assessment, Allands reviewed appropriate public records in an effort to identify activity and use limitations recorded against the Property's legal description. The activity and use limitations researched included environmental permits, Brownfields and/or Voluntary Cleanup Programs, State Institutional/Engineering control registries, Voluntary Environmental Mitigation Use Restrictions (VEMURs), Declaration of Environmental Use Restriction (DEURs), and/or Environmental Liens. The documents reviewed identified no apparent indications of the above activity and use limitations for the subject Property (Allands).

3.5 USGS Topographic Maps

Topographic maps may identify structures, roads and general use of a Property for the year determined by the date of the map. Neither the 1964 map nor the 1982 photorevision depicted any features on the Property (USGS).

3.6 Local Street Directories

City street directories can provide ownership information and/or use of a property as referenced by a street address, once identified. Since no physical address was identified for the Property, city directories were not reviewed.

3.7 Building Department Records

Building department records are those records associated with the construction, alteration, or demolition of improvements on a property. These records are available at the City of Phoenix Development Services, Records Center, and are sorted by address. Since no physical address was identified for the Property, building department records were not reviewed.

3.8 Zoning/Land Use Records

Zoning/land use records show the uses allowed by the local government in the area encompassing a property. The City of Phoenix Planning Department was contacted regarding zoning for the Property. According to a Planner with the City of Phoenix Planning Department, the Property is currently zoned R1-18, which was defined as Single Family Residence. No historical zoning information was provided

by the City of Phoenix Planning Department. It was reported that the Property was annexed by the City of Phoenix on January 20, 1990 (Phoenix).

3.9 Other Historical Sources

Other historical sources may be reviewed in addition to the previously identified Standard Historical Sources to identify past uses of the Property. Other historical sources include, but are not limited to: miscellaneous maps, newspaper archives, internet sites, community organizations, local libraries, historical societies, current owners or occupants of neighboring properties, or records in the files and/or personal knowledge of the Property owner and/or occupants. No other historical sources were reviewed as part of the current Phase I ESA.

3.10 Previous Environmental Site Assessments

Previous environmental assessments are obtained, when possible, and reviewed for indications of previously identified RECs that may have existed on or near the Property. No previous environmental assessments were provided to Speedie and Associates for review and we received no indication that previous environmental assessments have been conducted on the Property.

3.11 Historical Data Gaps

The standard historical sources were reviewed as part of this Phase I ESA and none of these sources were excluded from this assessment. The earliest reasonably ascertainable historical source reviewed during this assessment was an aerial photograph dated 1949. Based on the historical information gathered during this assessment, the Property appeared to have been native desert land. While historical information prior to 1949 was not reasonably ascertainable, based on the location of the Property as well as the growth and use patterns in the Property area, it is Speedie and Associates opinion that the Property was likely native desert land.

4.0 INTERVIEWS

Interviews were attempted with users, owners, occupants, key site managers, and local government officials as necessary, regarding RECs for the Property. These interviews were attempted in person, by telephone, or by a written questionnaire.

4.1 Occupants, Owners, User and Key Site Manager

As part of Speedie and Associates' Phase I ESA procedures, a questionnaire is provided to the client, owner, and key site manager, as necessary to obtain historical and current data about the subject Property prior to the site visit. However, due to the typical brisk period between project initiation and the site visit, it is unusual for all three (3) contacts to have been made prior to the site visit. A questionnaire was sent to Olsson Associates, the client. Mr. Len Swartz reported that currently and historically, the Property has consisted of native desert land. Mr. Swartz reported that the City of Phoenix is the water and sewer service provider, the Arizona Public Service is the electrical service provider, and Southwest Gas is the natural gas service provider for the subject Property. He further reported that he had knowledge that there was a 404 Permit, Community Covenants and Restrictions, and Desert Ridge Master Plan in place and/or recorded for the Property. Mr. Schwartz indicated that he had no information regarding the presence of any environmental liens or other activity use limitations on the Property, and he had no specialized knowledge regarding the Property. However, he was aware of a Stormwater Pollution Prevention Plan (SWPPP) for the Mayo Clinic. He indicated that he had no knowledge of whether the purchase price for the Property reasonably reflected current market values, and he was not aware of obvious indicators of the presence of contamination on the Property. He indicated that there are no underground storage tanks (USTs) or above-ground storage tanks (ASTs) located on the Property. He identified Arizona State Land as the current and past Property owner and the key site manager for the Property (Schwartz).

Mr. Bruce Campbell, Environmental Program Specialist with the Arizona State Land Department completed an environmental questionnaire. Mr. Campbell reported that currently and historically, the Property has consisted of undeveloped desert land. He indicated that the Arizona State Land Department is the original owner of the Property since January 29, 1918. He reported that the City of Phoenix is the water and sewer service provider, the Arizona Public Service is the electrical service provider, and Southwest Gas is the natural gas service provider for the subject Property. He indicated that there are no USTs or ASTs located on the Property. He further reported that he had no information regarding the presence of any environmental liens or activity use limitations on the Property, and he had no specialized knowledge regarding the Property. He indicated that the purchase price for the Property reasonably reflected current market values, and he was not aware of obvious indicators of the presence of contamination on the Property. He identified Arizona State Land as the current Property owner and himself as the key site manager (Campbell).

4.2 Local Government Officials

Interviews were conducted with local agency personnel and other persons noted in the appropriate sections of this report. Typically, the local fire authority is contacted to determine if the documents regarding hazardous materials permits, hazardous materials incidents, or underground storage tank (UST) activities exist for the subject Property. However, the local fire authority maintains their records based on

street address. Since no street address and no indications of significant previous development on the Property were identified, the local fire authority was not contacted.

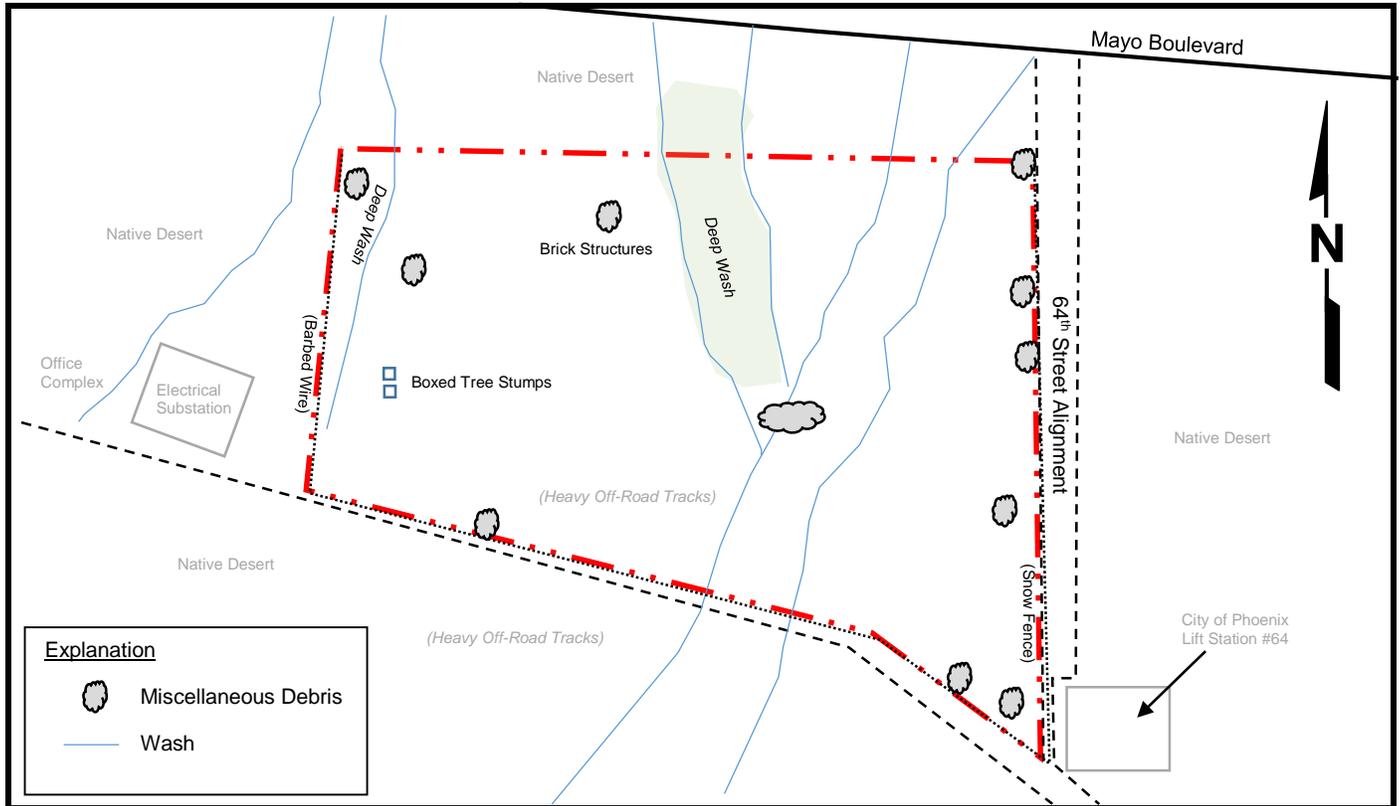
5.0 CURRENT CONDITIONS

5.1 Current Property Use

A site reconnaissance was conducted to observe and record information concerning present site development, use, and conditions. A visual and physical survey of the existing Property was conducted on February 13, 2014 by Mr. Joel "Dallas" DuBose of Speedie and Associates. Complete visual assessment of the Property was hindered by vegetation and terrain. The site visit was conducted by walking and driving about the Property. Selected photographs, taken on the site visit, are included in Appendix A (Surface Photographs). Figure 5.1.1 identifies Property boundaries.

At the time of the site reconnaissance, the subject Property consisted of 76.9 acres of native desert land. The Property surface generally consisted of bare soil with native vegetation. Vegetation included brush, shrubs, trees and cacti. A dense large wash extended north to south through the middle of the Property. Transient living areas were observed in the wash. Areas of unauthorized dumping, as shown on Figure 5.1.1 below, were observed throughout the Property, particularly at the corners and along the eastern Property boundaries. The debris observed in these dumping areas included household trash, toys, blankets, tires, concrete, gravel, asphalt shingles, wood, landscaping debris, rocks, and tree stump boxes. Box tree stumps were located on the western portion of the Property. Brick structures indicative of a fire pit were observed on the northern portion of the Property. No signs of previous development were observed and no unusual stains or odors were detected during the site reconnaissance. No other significant features were observed on the Property at the time of the site visit.

Figure 5.1.1 - Property Plan



5.2 Transformers

In the past, oil found in electrical transformers contained Polychlorinated Biphenyls (PCBs), which have been found to be a human carcinogen. Since 1984, manufacturers of transformers have been certifying them “non-PCB”, containing less than 50 parts per million (ppm). No (0) transformers were observed on the Property at the time of the site visit.

5.3 Dry Wells

The ADEQ maintains a database of dry wells, the registration of which has been required since 1986. Allands reviewed this database for dry wells registered within a 0.125-mile radius of the subject Property. Based on this review, no (0) dry wells were identified within the search radius (Allands). Further, no (0) dry wells were observed on the subject Property at the time of the site visit.

5.4 Adjoining Land Use

A visual survey of the adjoining sites and areas was conducted on February 13, 2014 by Mr. Joel "Dallas" DuBose of Speedie and Associates. The Property was bound on the north by the native desert land followed by Mayo Boulevard, native desert land, and the 101 Freeway. The Property was bound on the south by native desert land followed by the CAP and residential development. The Property was bound on the west by native desert land and an electrical substation followed by an office complex. The Mayo Clinic was located further to the northwest. The Property was bound on the east by the 64th Street alignment followed by native desert land and the City of Phoenix Lift Station #64.

6.0 STANDARD ENVIRONMENTAL RECORD SOURCES

A report of Federal and State Standard Environmental Record sources located with the ASTM prescribed search parameters was generated by Allands. A copy of the Allands report is located in Appendix B. Speedie and Associates reviewed this report for indication of RECs affecting the subject Property. The report revealed no (0) facility records within the search parameters (Allands).

National Priority List Sites: Under Section 105 of CERCLA the Environmental Protection Agency (EPA) established a National Priorities List (NPL) of Superfund sites. Inclusion on the NPL reflects a significant risk to public health and the environment and indicates a Federal Priority to remediate the site. The Allands report identified no (0) NPL sites within a 1.0 mile radius of the Property boundary (Allands).

Delisted NPL Sites: Sites may be delisted from the NPL where no further response is appropriate. The Allands report identified no (0) Delisted NPL sites within a 0.5 mile radius of the Property boundary (Allands).

CERCLIS/NFRAP Sites: The Comprehensive Environmental Response, Compensation and Liability Information System (CERCLIS) list contains sites which are either proposed to or on the NPL and sites which are in the screening and assessment phase for possible inclusion on the NPL. Those sites on the No Further Remedial Action Planned (NFRAP) list are CERCLIS sites which have no further remediation action planned. The Allands report identified no (0) CERCLIS/NFRAP sites within a 0.5 mile radius of the Property boundary (Allands).

RCRA Generators: Under the Resource Conservation and Recovery Act (RCRA) the EPA compiles a database of facilities that are involved in the generation of hazardous materials. RCRAInfo is EPA's comprehensive information system, providing access to data supporting the RCRA of 1976 and the Hazardous and Solid Waste Amendments (HSWA) of 1984. This database includes selective information on sites which

generate, transport, store, treat and/or dispose of hazardous waste as defined by RCRA and is checked for Federal RCRA Conditionally Exempt Small Quantity Generators (CESQG – generate less than 100 kg of hazardous waste, or less than 1 kg of acutely hazardous waste per month); Federal RCRA Small Quantity Generators (SQG – generate between 100 kg and 1,000 kg of non-acutely hazardous waste per month) and Large Quantity Generators (LQG – generate over 1,000 kg of hazardous waste, or over 1 kg of acutely hazardous waste per month). The Allands report identified no (0) RCRA generators within a 0.125 mile radius of the Property boundary (Allands).

RCRA CORRACTS TSD Facilities: Under RCRA, the EPA compiles a database of facilities that are involved in the generation, transportation, treatment, storage, or disposal of hazardous materials, and have been found to be in non-compliance of regulations and have had to implement corrective actions. The Allands report identified no (0) RCRA CORRACTS Treatment Storage and Disposal (TSD) facilities within a 1.0 mile radius of the Property boundary (Allands).

RCRA Non-CORRACTS TSD Facilities: Under RCRA, the EPA compiles a database of facilities that are involved in the transportation, treatment, storage, or disposal of hazardous materials. Inclusion on the TSD Facilities list does not exclude being on the CORRACTS Facility List and is merely a list of TSD facilities compliant with the EPA's registration requirements. The Allands report identified no (0) RCRA Non-CORRACTS TSD facilities within a 0.5 mile radius of the Property boundary (Allands).

RCRA Compliance Facilities: The RCRA Compliance Log lists facilities that have been or presently are under investigation for non-compliance with RCRA regulations. Inclusion of any facility on this list indicates a history of compliance problems and RCRA regulatory violation. This database is from the ADEQ RCRA Compliance Log. The Allands report identified no (0) RCRA Compliance Log facilities within a 0.125 mile radius of the Property boundary (Allands).

ERNS List: The Emergency Response Notification System (ERNS) list is a national database used to collect information on reported releases of oil and hazardous substances. This database is provided by EPA through the Right of Know Net by OMB Watch and Unison Institute. The Allands report identified no (0) ERNS sites within a 0.125 mile radius of the Property boundary (Allands).

WQARF Areas: The state of Arizona established a remedial program under A.R.S. 49-282 to facilitate the conservation and clean-up of Arizona drinking water and water sources. Under the authority of the Water Quality Assurance Revolving Fund (WQARF) program, the state actively identifies any actual or potential impact upon state waters, evaluates the extent of contamination, identifies parties responsible, and provides money grants to assist in clean-up activities. The Allands report identified no (0) WQARF Registry sites within a 1.0 mile radius of the Property boundary (Allands).

Arizona Superfund Program List: The Arizona Superfund Program List replaces the Arizona CERCLIS Information Data System (ACIDS). This list is more representative of the sites and potential sites within jurisdiction of the ADEQ Superfund Programs Section (SPS). This database is provided by ADEQ. The Allands report identified no (0) Arizona Superfund sites within a 0.5 mile radius of the Property boundary (Allands).

Solid Waste Facilities/Landfill Sites: The state of Arizona maintains listings of closed and permitted, operating landfills and solid waste dump sites. Lists of closed facilities are not necessarily complete - older dumping areas may not be documented. This database is from the ADEQ Waste Programs Division; Solid Waste Section Directory of Arizona Active and Inactive Landfills. The Allands report identified no (0) Landfill facilities within a 0.5 mile radius of the Property boundary (Allands).

Brownfields/Voluntary Cleanup Program: The Arizona Department of Environmental Quality has developed an AZURITE Database, which includes sites that are part of the ADEQ Voluntary Remediation Program and/or the ADEQ Brownfields Program. The Allands report identified no (0) Voluntary Remediation or Brownfields Sites within a 0.5 mile radius of the Property boundary (Allands)

Registered Underground Storage Tanks (USTs): State (A.R.S. 49-1001 to 1014) and Federal (RCRA Subtitle I) laws require that persons who own or have owned USTs containing “regulated substances” complete a notification form and register the tank with the state. This database is from the ADEQ UST Log. The Allands report identified no (0) UST sites within a 0.125 mile radius of the Property boundary (Allands).

Leaking Underground Storage Tank (LUST) Incident Reports: Owners of USTs are required to report to ADEQ any and all releases of tank contents for which ADEQ maintains an ongoing file documenting the nature of contamination and the status of each such incident. The Allands report identified no (0) LUST facilities within a 0.5 mile radius of the Property boundary (Allands).

Hazardous Materials Incident Emergency Response Logbook: The ADEQ Response Team documents spills and incidents involving hazardous materials that are reported to the unit. This database is from the ADEQ Emergency Response Log. The Allands report identified no (0) Hazardous Materials Incidents within a 0.125 mile radius of the Property boundary (Allands).

Drycleaners: The ADEQ maintains a Drycleaners Inventory List that summarizes current and historic dry cleaners sites located throughout the state of Arizona. The database is dated June 2006. The Allands report identified no (0) drycleaners located within a 0.125 mile radius of the Property boundary (Allands).

7.0 NON-SCOPE CONSIDERATIONS

The following non-scope issue is not an REC and therefore is of no consequence regarding Appropriate Inquiry (CERCLA liability) per ASTM 1527. However, in an attempt to provide further information that may be required by future Property owner/occupant(s), Speedie and Associates provides the following information.

7.1 Asbestos

Asbestos Containing Material is a given material that contains > 1% Asbestos fibers by volume/layer of building material, and suspect ACMs are those materials that are other than wood, glass, or steel. The asbestos industry is one of the most regulated fields in today's market. Both the Occupational Safety & Health Administration (OSHA) and the EPA have rules that govern the asbestos industry. These rules affect our clients because they govern asbestos containing materials (ACMs), which may be found in all buildings, regardless of the size or age of the structure. OSHA regulations govern the identification and management of ACMs within a structure, and the protection of employees who may disturb ACMs. The EPA governs ACMs within schools, and the disturbance of ACMs within any other structure that is deemed a "facility." The EPA identifies a "facility" as any institutional, commercial, public, industrial, or residential structure, installation, or building (including any structure, installation, or building containing condominiums or individual dwelling units operated as a residential cooperative, but excluding residential buildings having four or fewer dwelling units). No structures deemed a "facility" were identified on the Property.

8.0 FINDINGS AND CONCLUSIONS

At the time of the site visit, the Property consisted of 76.9 acres of native desert land. The Property surface generally consisted of bare soil with native vegetation. Vegetation included brush, shrubs, trees and cacti. A dense large wash extended north to south through the middle of the Property. Transient living areas were observed in the wash. Areas of dumping were observed throughout the Property and particularly at the corners and along the eastern Property boundaries. The debris observed in these dumping areas included household trash, toys, blankets, tires, concrete, gravel, asphalt shingles, wood, landscaping debris, rocks, and tree stump boxes. Box tree stumps were located on the western portion of the Property. Brick structures indicative of a fire pit were observed on the northern portion of the Property. No signs of previous development were observed and no unusual stains or odors were detected during the site reconnaissance. No other significant features were observed on the Property at the time of the site visit. Historically, the Property appeared to be native desert land from 1949 to 2013.

We have performed a Phase I ESA in conformance with the scope and limitations of ASTM Standard Practice E 1527 for the subject Property identified as Paradise Ridge Property (Superblock 3) and located south of the southwest corner of Mayo Boulevard and the 64th Street alignment in Phoenix, Arizona. Any exceptions to, or deletions from, this practice are described in Section 1.1 of this report. Based on information collected during Phase I ESA procedures and analysis, this assessment has revealed no evidence of RECs, controlled recognized environmental conditions (CRECs), historical recognized environmental conditions (HRECs), and *de minimis* conditions in connection with the Property.

9.0 RECOMMENDATIONS

Based on information collected during Phase I ESA procedures and analysis, we recommend no further investigation in regards to RECs at the subject Property at this time.

10.0 LIMITATIONS

Our investigation has been carried out with diligence and detail consistent with prevailing standards and engineering practice. The scope of this investigation was limited to visual and physical observations made during the site visit, interviews with public agency personnel and a review of reasonably ascertainable records and literature. As a result, our conclusions are based largely on information supplied by others. We as environmental professionals are not required to verify the information, but may rely on the information unless actual knowledge concerning the validity of the information is known or is obvious to the professional, based on other collected information. The assessment focus was on identifying the presence or likely presence of any hazardous substances or petroleum products on a Property under conditions that indicate an existing release, a past release, or a material threat of a release of any hazardous substances or petroleum products into structures on the Property or into the ground, groundwater, or surface water of the Property. We are unable to predict events, which may occur after our site visit and result in Property contamination, such as “midnight” dumping or accidental spillage.

No environmental site assessment can wholly eliminate uncertainty regarding the potential for RECs in connection with a Property. Performance with ASTM Practice environmental 1527 is intended to reduce, but not eliminate uncertainty, in connection with a Property while recognizing reasonable limits of time and cost. It should not be concluded or assumed that an inquiry was not appropriate inquiry merely because the inquiry did not identify RECs in connection with a Property. Additionally, it cannot be assumed that any RECs identified during the assessment are the only conditions to exist for the Property. Any conclusion should not

be construed as a guarantee for absence, or an attempt at quantification of materials creating RECs, but merely the results of the assessment.

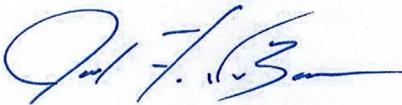
11.0 RELIANCE

We have performed our services for this project in accordance with our proposal and the report is solely for the use of Olsson Associates, the Arizona State Land, and KUD. Any reliance on this report by any other party shall be at such party's sole risk.

12.0 REPORT CERTIFICATION

This environmental site assessment was performed by an environmental professional or conducted under the supervision or responsible charge of an environmental professional. We declare that, to the best of our professional knowledge and belief, the individuals associated with the preparation of this report meet the definition of Environmental professional as defined in §312.10 of 40 CFR 312 and we have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. We have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312. A summary of Project Personnel Credentials is included in Appendix C.

Respectfully submitted,
Speedie and Associates



Joel "Dallas" DuBose
Environmental Specialist



Connie F. Jiron
Project Manager



Timothy J. Rheinschmidt, R.G./C.R.S.
Environmental Division Manager



13.0 REFERENCES CITED and REVIEWED

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**APPENDIX A:
SURFACE PHOTOGRAPHS**

APPENDIX A: Surface Photographs



Photo No. 1: Southwest corner of the Property facing east along the southern boundary.



Photo No. 2: Southwest corner of the Property facing northeast and looking across the Property.



Photo No. 3: Southwest corner of the Property facing north along the western boundary.



Photo No. 4: Northwest corner of the Property facing south along the western boundary.



Photo No. 5: Northwest corner of the Property facing southeast and looking across the Property.



Photo No. 6: Northwest corner of the Property facing east along the northern boundary.

APPENDIX A: Surface Photographs



Photo No. 7: Northeast corner of the Property facing west along the northern boundary.



Photo No. 8: Northeast corner of the Property facing south along the eastern boundary.



Photo No. 9: Southeast corner of the Property facing north along the eastern boundary.



Photo No. 10: Southeast corner of the Property facing northwest and looking across the Property.



Photo No. 11: View of scattered trash and debris disposal near the northeast corner of the Property.



Photo No. 12: Additional scattered trash and debris materials located near the northeast corner of the Property.

APPENDIX A: Surface Photographs



Photo No. 13: View of trash (asphaltic shingles) located on the central portion of the Property.



Photo No. 14: View of tires, concrete, and rock disposed near the southeast corner of the Property.



Photo No. 15: View of carpet and foam padding disposed along the southern Property boundary.



Photo No. 16: View of trash and stockpiled soil located on the northwestern portion of the Property.



Photo No. 17: View of tires located along the western Property boundary.



Photo No. 18: View of debris and other materials associated with transient living areas scattered within the dense central portion of the Property.

APPENDIX A: Surface Photographs



Photo No. 19: View of block feature and tires located on the northwestern portion of the Property.



Photo No. 20: Block debris pile located on the northeastern portion of the Property.



Photo No. 21: View of debris located at the bottom of a wash near the northwest corner of the Property.



Photo No. 22: View of a deep wash that extends north to south near the middle of the Property.

**APPENDIX B:
REGULATORY DATABASE (ASTM) SEARCH**



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Historical Title and Environmental Research

REGULATORY DATABASE (ASTM) SEARCH

YOUR FILE NO: 140227EA / Paradise Ridge

ALLANDS FILE NO: 2014-02-042D

DATE OF REPORT: February 14, 2014

ALLANDS hereby reports the search results of Federal and State Databases according to ASTM standards for Phase I Environmental Site Assessments E 1527-13. Allands is not responsible for errors in the available records. The total liability is limited to the fee paid for this report. This is a confidential, privileged and protected document for the use of Speedie and Associates.

1. The land referred to in this report is located in Maricopa County, Arizona, described as follows:

Property located South of the Southwest corner of 64th Street and Mayo Boulevard, Phoenix, Arizona, being in the Northeast quarter of Section 33, Township 4 North, Range 4 East, Gila and Salt River Base and Meridian.

REGULATORY DATABASE SEARCH SUMMARY

Database	Date of Database	Approximate Minimum Search Distance (miles)	Reported Facilities
Standard Federal ASTM Environmental Record Sources			
NPL (National Priorities List) / Proposed NPL / DOD (Department of Defense Sites)	01/14	1.0	0
Delisted National Priorities List	01/14	0.5	0
CERCLIS (Comprehensive Environmental Response, Compensation and Liability Information System)/No Further Remedial Action Planned (NFRAP)	01/14	0.5	0
RCRA (Resource Conservation and Recovery Act)	01/14	0.125	0
RCRA – CORRACTS TSDFs (Corrective Action Treatment, Storage, and Disposal Facilities)	01/14	1.0	0
RCRA – Non-CORRACTS TSDFs	01/14	0.5	0
ERNS (Emergency Response Notification System)	01/14	0.125	0
Standard State ASTM Environmental Record Sources			
WQARF (Water Quality Assurance Revolving Fund) Areas	01/14	1.0	0
Superfund Program List (replaces ACIDS)	08/04	0.5	0
Solid Waste Facilities/Landfill Sites – Operating and Closed	05/99 & 05/04	0.5	0
Control Registries	01/14	Site and adjoining	0
Brownfields / Voluntary Remediation Program	01/14	0.5	0
Registered USTs (Underground Storage Tanks) (includes Tribal Records)	01/14	0.125	0
LUSTs (Leaking Underground Storage Tanks) Incident Reports (includes Tribal Records)	01/14	0.5	0
Additional Environmental Record Sources			
RCRA Compliance Facilities	01/14	0.125	0
Hazardous Materials Incidents Emergency Response Logbook	1984-06/01	0.125	0
ADEQ Drywell Registration Database (includes Tribal Records)	01/14	0.125	0
Environmental Permits	01/14	Site	0
Fire Insurance Maps	Various	Site and adjoining	0
Topographical / Aerial Maps	See text	Site and adjoining	2
VEMUR / DEUR / LIENS / DEURTRACKER	01/14	Site	0
DRYCLEANER	06/06	0.125	0
Arizona Department of Water Resources Well Registration Database	04/13	Site and adjoining	See Text

Allands contacts the appropriate sources on a quarterly basis to maintain currency of data

Standard Federal ASTM Environmental Record Sources

SUPERFUND NATIONAL PRIORITIES LIST (NPL)

Under Section 105 of the Comprehensive Environmental Response, Compensation and Liability Act the Environmental Protection Agency established a National Priorities List (NPL) of Superfund sites. In addition, Proposed NPL and DOD (Department of Defense) Sites are researched in the section. These databases are provided by the EPA and the Arizona Department of Environmental Quality, dated January, 2014, and searched to identify all NPL/Proposed NPL/ DOD sites within a 1.0 mile search distance from subject property exterior boundaries.

Note: Due to inconsistency between the general area site description in the Narrative site information and the detailed site map, the distance/directions are determined based upon the most current site map available from ADEQ.

No National Priorities List (NPL) / Proposed NPL / DOD Sites were found located within a 1.0 mile search distance from subject property exterior boundaries.

DELISTED NATIONAL PRIORITIES LIST

Site may be delisted from the National Priorities List where no further response is appropriate. This database is provided by the Environmental Protection Agency, dated January, 2014, and searched to identify all Delisted NPL Sites within a 0.5 mile search distance from subject property exterior boundaries.

No Delisted National Priorities List (NPL) Sites were found located within a 0.5 mile search distance from subject property exterior boundaries.

FEDERAL CERCLIS / NFRAP LIST

The CERCLIS list contains sites which are either proposed to or on the NPL and sites which are in the screening and assessment phase for possible inclusion on the NPL. Those sites on the NFRAP list have no further remedial action planned. This database is provided by EPA dated January, 2014, and searched for facilities within a 0.5 mile search distance from subject property exterior boundaries.

No CERCLIS / NFRAP facilities were found located within a 0.5 mile search distance from subject property exterior boundaries.

RESOURCE CONSERVATION AND RECOVERY ACT FACILITIES (RCRA)

Under RCRA the Environmental Protection Agency compiles a database of facilities that are involved in the generation of hazardous materials. This database is from the Arizona Department of Environmental Quality RCRAInfo Database, dated January, 2014 and checked for Federal RCRA facilities located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

No Federal RCRA handlers were found located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

CODES:

LQG: Large quantity generator (more than 1000 kg per month)
SQG: Small quantity generator (100 – 1000 kg per month)
CEG: Conditionally exempt small quantity generator (less than 100 kg per month)
N : Not a generator verified or inactive generator

CORRACTS FACILITIES

Under RCRA the Environmental Protection Agency compiles a database of Corrective Action Sites, sites with known contamination. Also known as the RCRA CORRACTS List, this is a list maintained by the EPA of RCRA sites at which contamination has been discovered and where some level of corrective clean-up activity has been undertaken. For example, a site may have been on the RCRA TSD or the RCRA Generators site list, and was placed on the CORRACTS list once contamination was discovered and remediation was underway. This database is dated January, 2014, and checked for facilities which occurred within a 1.0 mile search distance from subject property exterior boundaries.

No Facilities were found which occurred within a 1.0 mile search distance from subject property exterior boundaries.

TSD FACILITIES

Under RCRA the Environmental Protection Agency compiles a database of facilities that are involved in the transportation, treatment, storage, or disposal of hazardous materials. This database is from the Arizona Department of Environmental Quality Arizona Hazardous Waste Treatment, Storage and Disposal Facilities, dated January, 2014, and checked for Facilities which occurred within a 0.5 mile search distance from subject property exterior boundaries.

No TSD Facilities were found which occurred within a 0.5 mile search distance from subject property exterior boundaries.

FEDERAL EMERGENCY RESPONSE NOTIFICATION SYSTEM (ERNS) LIST

The ERNS list is a national database used to collect information on reported releases of oil and hazardous substances. This database is provided by the National Response Center and the EPA through the Right of Know Net by OMB Watch and Unison Institute from 1983 to January, 2014, and checked for incidents located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

No incidents were found located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

Standard State ASTM Environmental Record Sources

WATER QUALITY ASSURANCE REVOLVING FUND (WQARF)

The state of Arizona established a remedial program under A.R.S. 49-282 to facilitate the conservation and clean-up of Arizona drinking water and water sources. Under the authority of the WQARF program, the state actively identifies any actual or potential impact upon state waters, evaluates the extent of contamination, identifies parties responsible, and provides money grants to assist in clean-up activities. This database is provided by the Arizona Department of Environmental Quality dated January, 2014, and searched to identify all WQARF sites within a 1.0 mile search distance from subject property exterior boundaries.

Note: Due to inconsistency between the general area site description in the Narrative site information and the detailed site map, the distance/directions are determined based upon the most current site map available from ADEQ.

No WQARF Registry List sites were found located within a 1.0 mile search distance from subject property exterior boundaries.

ARIZONA SUPERFUND PROGRAM LIST

The Arizona Superfund Program List replaces the Arizona CERCLIS Information Data System (ACIDS). This list is more representative of the sites and potential sites within jurisdiction of the Arizona Department of Environmental Quality Superfund Programs Section (SPS). This database is provided by the Arizona Department of Environmental Quality, dated August, 2004, and searched to identify all sites within a 0.5 mile search distance from subject property exterior boundaries.

No facilities on the Arizona Superfund Program List were found located within a 0.5 mile search distance from subject property exterior boundaries.

Program Status codes:

Pending PI	WQARF Preliminary Investigation (PI) is scheduled or in process
On Registry	PI has resulted in inclusion of a site on the WQARF Registry
ACTIVE	The Department of Defense is presently addressing the site
On NPL	site has been listed on the CERCLA National Priorities List

LANDFILLS

The state of Arizona maintains listings of closed and permitted, operating landfills and solid waste dump sites. Lists of closed facilities are not necessarily complete - older dumping areas may not be documented. This database is from the Arizona Department of Environmental Quality Waste Programs Division; Solid Waste Section Directory of Arizona Active and Inactive Landfills dated May, 1999 and May, 2004, and checked for active and inactive landfills located within a 0.5 mile search distance from subject property exterior boundaries.

No active nor inactive landfills were found located within a 0.5 mile search distance from subject property exterior boundaries.

Codes:

MSWLF:	Municipal Solid Waste Landfills
CSWLF:	Closed Solid Waste Landfills
CSWOD:	Closed Solid Waste Dumps

CONTROL REGISTRIES

Under ASTM E 1527-05, Federal, State and Tribal institutional control / engineering control registries need to be researched. The Arizona Department of Environmental Quality has developed the AZURITE Database, reviewed through ADEQ GIS eMaps, which retrieves any institutional or engineering controls, dated January, 2014, and searched for sites which occurred at subject property or adjoining properties.

No institutional or engineering controls were found which occurred at subject property or adjoining properties.

BROWNFIELDS / VOLUNTARY CLEANUP PROGRAM

The Arizona Department of Environmental Quality has developed the AZURITE Database, reviewed through ADEQ GIS eMaps, which includes the ADEQ Voluntary Remediation Program and the ADEQ Brownfields Tracking System, dated January, 2014, and searched for sites which occurred within a 0.5 mile search distance from subject property exterior boundaries.

No brownfield sites were found which occurred within a 0.5 mile search distance from subject property exterior boundaries.

REGISTERED UNDERGROUND STORAGE TANKS (UST)

State (A.R.S. 49-1001 to 1014) and Federal (RCRA Subtitle I) laws require that persons who own or have owned underground storage tanks containing “regulated substances” complete a notification form and register the tank with the state. Tribal UST records are researched when subject property exterior boundaries are within search distance of Tribal lands. This database is from the Arizona Department of Environmental Quality UST Log dated January, 2014, and searched for UST sites located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

No registered underground storage tanks were found located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

REGISTERED LEAKING UNDERGROUND STORAGE TANKS (LUST)

Owners of USTs are required to report to the Arizona Department of Environmental Quality any and all releases of tank contents for which ADEQ maintains an ongoing file documenting the nature of contamination and the status of each such incident. Tribal LUST records are researched when subject property exterior boundaries are within search distance of Tribal lands. This database is from the ADEQ LUST Log dated January, 2014, and searched for LUST sites located within a 0.5 mile search distance from subject property exterior boundaries.

No registered leaking underground storage tanks were found located within a 0.5 mile search distance from subject property exterior boundaries.

Additional Environmental Record Sources

RESOURCE CONSERVATION AND RECOVERY ACT (RCRA) COMPLIANCE FACILITIES

The RCRA Compliance Log lists facilities that have been or presently are under investigation for non-compliance with RCRA regulations. Inclusion of any facility on this list indicates a history of compliance problems and RCRA regulatory violation. This database is from the Arizona Department of Environmental Quality RCRA Compliance Log, dated January, 2014, and searched for compliance facilities within a ≤ 0.125 mile search distance from subject property exterior boundaries.

No compliance facilities were found located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

HAZARDOUS MATERIAL INCIDENTS

The Arizona Department of Environmental Quality (ADEQ) Response Team documents spills and incidents involving hazardous materials that are reported to the unit. This database is from the Arizona Department of Environmental Quality Emergency Response Log from 1984 through June, 2001, and checked for hazardous material incidents located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

No hazardous material incidents were found located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

ADEQ DRY WELL REGISTRATION DATA BASE

Dry wells are constructed for the purpose of collecting storm waters. Dry wells are required to be registered with ADEQ. Tribal Drywell records are researched when subject property exterior boundaries are within search distance of Tribal lands. This database is from the ADEQ dry well registration database dated January, 2014, and searched for dry wells located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

No registered dry wells were found located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

ENVIRONMENTAL PERMITS

These lists include Groundwater Permits, Reuse Permits; National Pollutant Discharge Elimination System (NPDES) Permitted Facilities and Aquifer Protection Permits. Any facility which discharges a material that directly or indirectly adds any pollutant to the waters of the state may be required to obtain a permit as required by the Aquifer Protection Permit Rules. These databases are from the Arizona Department of Environmental Quality through its AZURITE Database System and the Environmental Protection Agency and updated to January, 2014, and checked for inclusion of subject property.

Subject property was not found on these lists.

FIRE INSURANCE MAPS

A review was made at the Arizona State Capital Archives for Fire Insurance Maps, more commonly known as Sanborn Maps, which covered the area in which the subject property is located. Subject property is not located within the boundaries of available maps.

USGS 7.5 MINUTE TOPOGRAPHICAL MAPS AERIAL PHOTOS

The United States Geological Survey Topographic maps and Aerial Photos are derived from Terrain Navigator Software from Maptech, Inc. (www.maptech.com) and are for informational purposes only.

NAME	TYPE	DATE	REVISION	CONTOUR INTERVAL
Currys Corner	Topo	1964	1982	10 feet
Currys Corner SW	Aerial	6-8-2010		

VOLUNTARY ENVIRONMENTAL MITIGATION USE RESTRICTIONS BY OWNERS (VEMUR'S); DECLARATION OF ENVIRONMENTAL USE RESTRICTIONS (DEUR); AND ENVIRONMENTAL LIENS

A.R.S. 49-152. This states that the Director of the Arizona Department of Environmental Quality shall allow property owners, who have voluntarily elected to remediate their property for nonresidential uses, to record in the applicable county recorder's office a VEMUR limiting, by legal description, the area necessary to protect public health and the environment to nonresidential uses if contamination remains on the property at or above certain levels. In accordance with Arizona Administrative Code (A.A.C.) R18-7-201 et. Seq., a Declaration of Environmental Use Restriction (DEUR) is a voluntary notice to deed which restricts the use of a property to non-residential use. ADEQ maintains a repository listing of sites remediated under programs administered by the department. This is called the Remediation and DEUR Tracking System (RDT) ADEQ's RDT was researched for inclusion of subject property.

No VEMUR'S, DEUR'S; nor Environmental Liens were found listed for subject property.

DRYCLEANERS

The Drycleaners Inventory List summarizes current and historic dry cleaners sites throughout the state of Arizona and is not all inclusive. This database is from the Report for the Arizona Department of Environmental Quality Dry Cleaners Inventory Project, dated June, 2006, and searched for dry cleaners sites located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

No drycleaners were found located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

**ARIZONA DEPARTMENT OF WATER RESOURCES
WELL REPORT**

This database is from the Arizona Department of Water Resources Well Report Operations Division Report, dated April, 2013. This report identifies existing wells sequenced by legal description and checked for inclusion of subject site and adjacent properties within 10 Acres.

Imaged Records are available at: <http://www.water.az.gov/adwr/Content/ImagedRecords/default.htm>

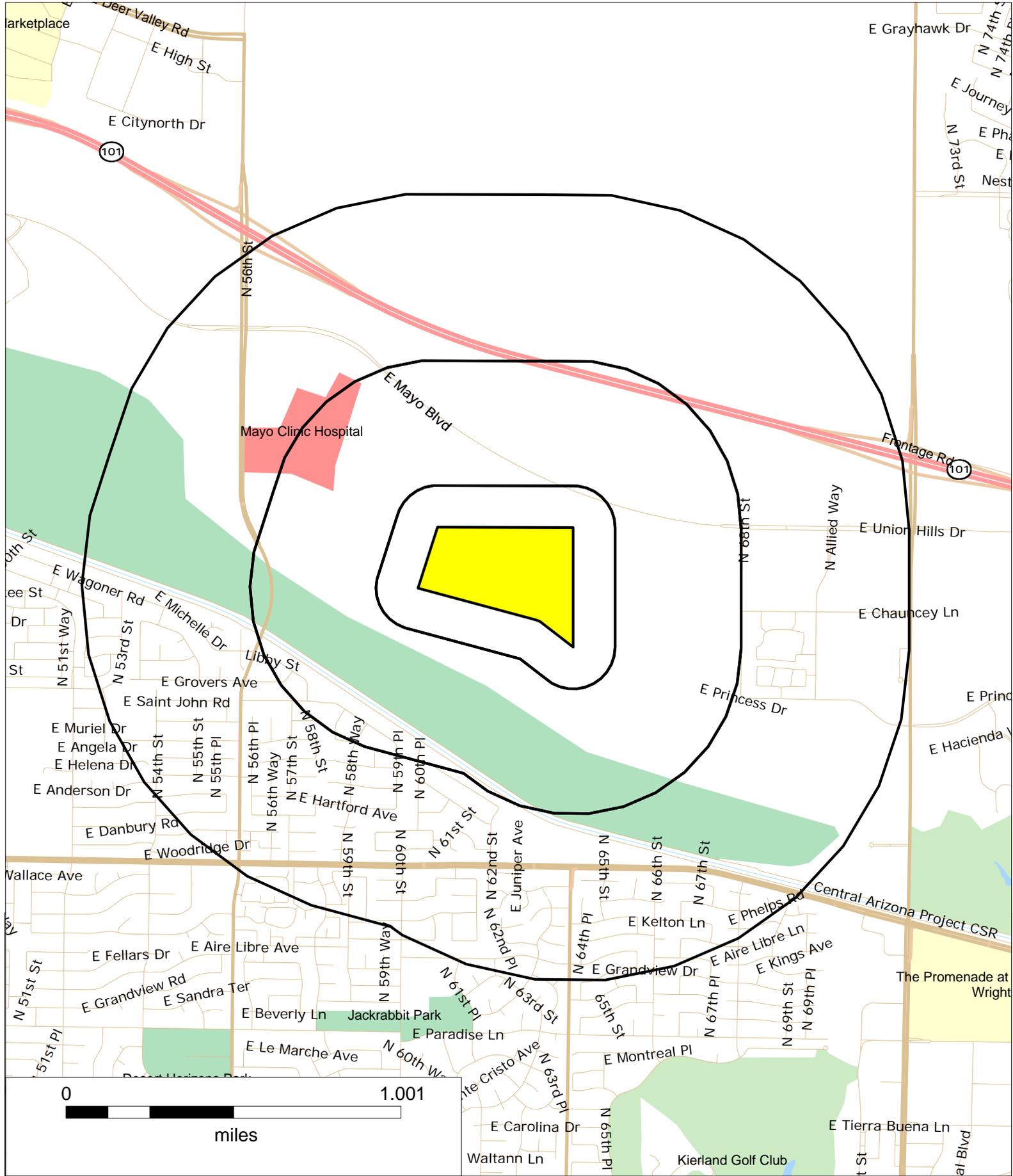
Water Uses (WU)

- A Irrigation
- B Utility (Water Co.)
- C Commercial
- D Domestic
- E Municipal
- F Industrial
- G Recreational
- H Remediation
- I Mining
- J Stock
- K Other - Exploration
- L Drainage
- M Monitoring
- N None
- O Other - Non-Production
- P Remediation
- R Recharge
- T Test
- U Unknown
- V Dewatering

Legal Description

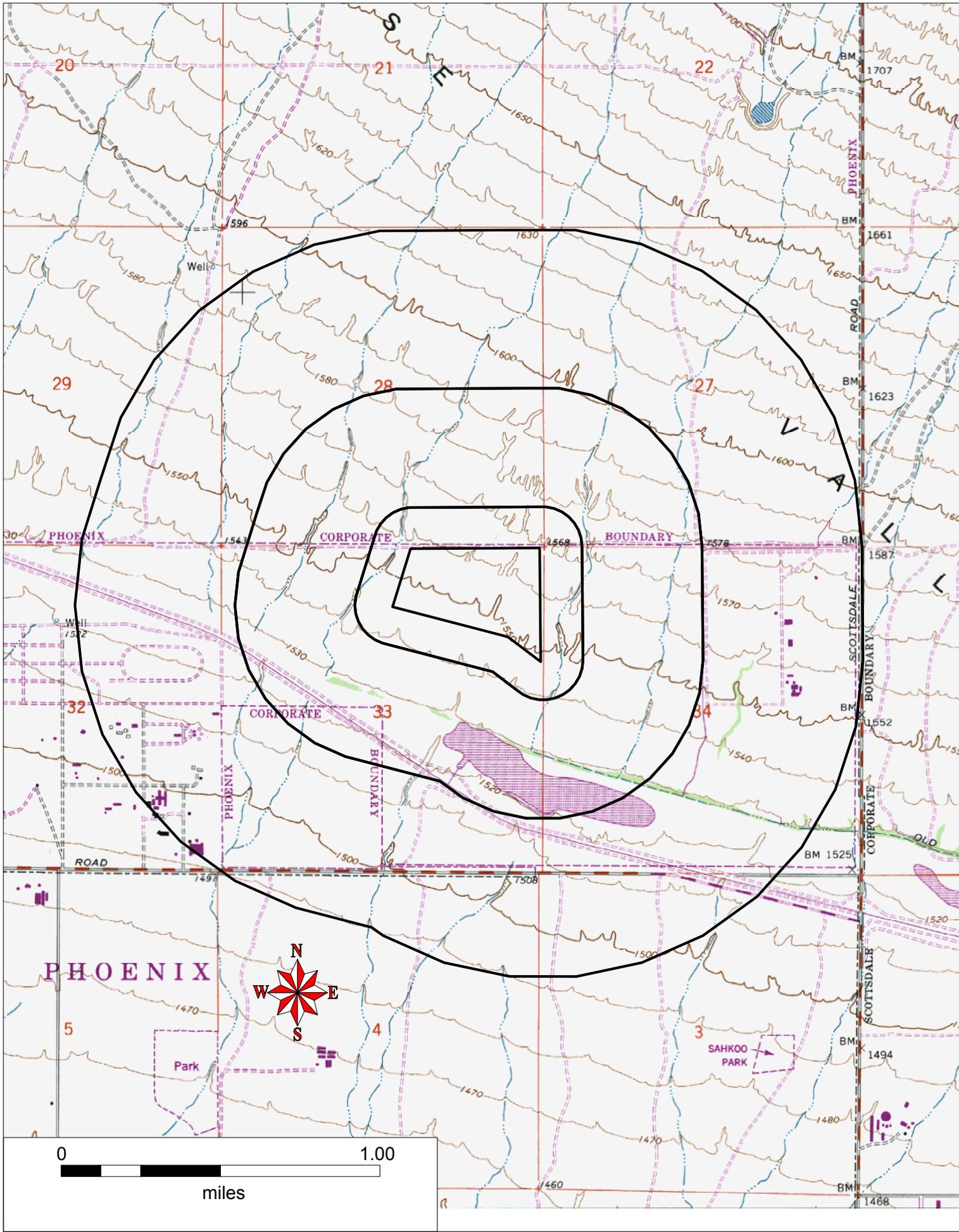
- T Township
- N/S North or South
- R Range
- E/W East or West
- S Section
- Q1 Quarter of Section (160 Acres)
- Q2 Quarter Quarter of Section (40 Acres)
- Q3 Quarter Quarter Quarter of Section (10 acres)
- ID Well Registration Number
- WD Well Depth
- WL Water Level
- DIA Casing width

ID	T	N/S	R	E/W	S	Q1	Q2	Q3	WU	WD	WL	DIA	NAME
903370	4	N	4	E	27				N	120			ADOT

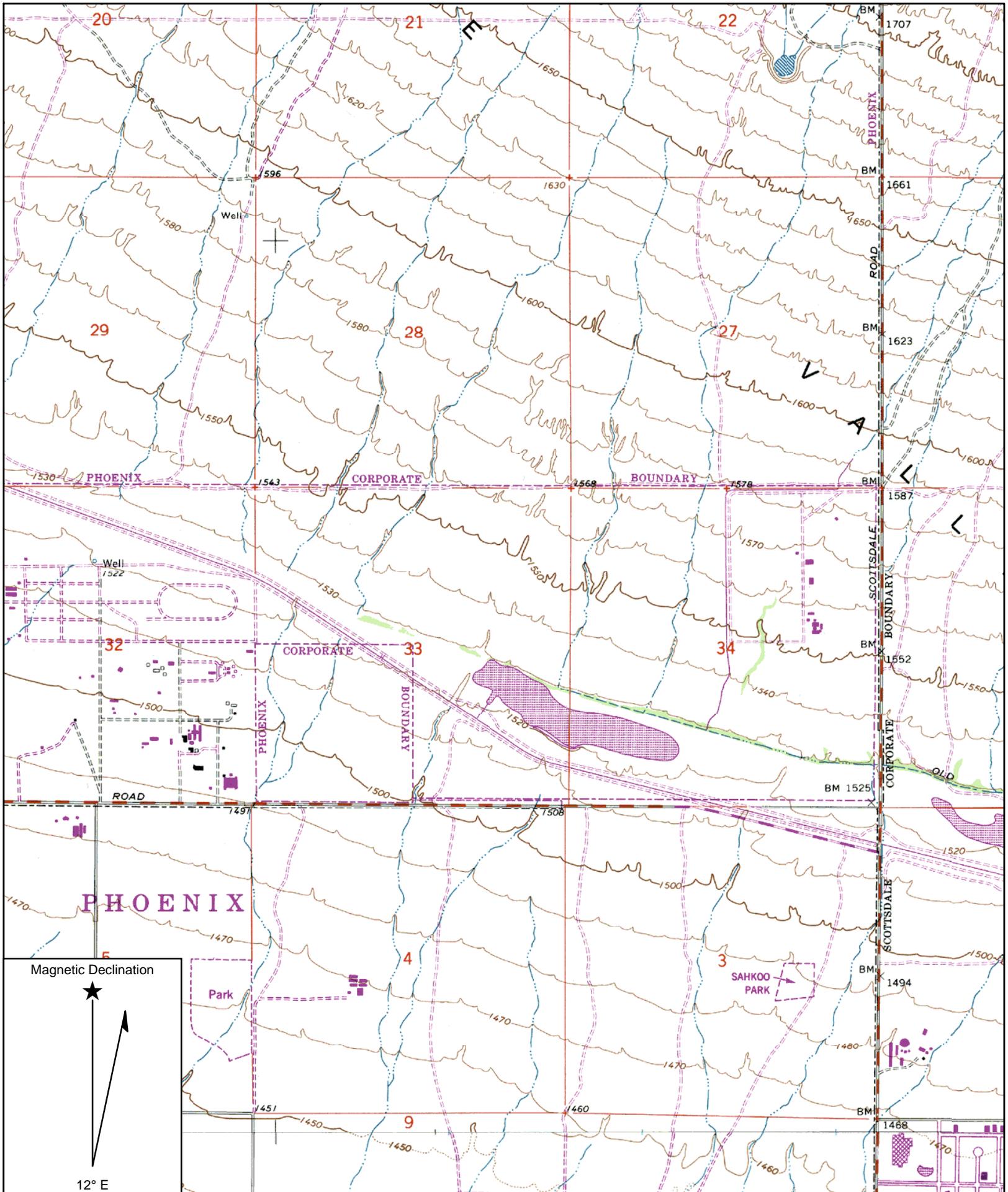


LEGEND

	SITE	USTs	CERCLA / NFRAP	RCRA (Generators, TSD & CORRACTS TSD)	SCHOOL
	LUSTs	LANDFILLS	RCRA COMPLIANCE		







Name: CURRYS CORNER
 Date: 2/14/2014
 Scale: 1 inch equals 2000 feet

Location: 12 0412247 E 3723741 N NAD83
 Caption: Job No. 2014-02-042
 Contour interval is 10 feet



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Historical Title and Environmental Research

**TITLE AND JUDICIAL RECORDS FOR ENVIRONMENTAL LIENS AND
ACTIVITY AND USE LIMITATIONS; VOLUNTARY ENVIRONMENTAL
MITIGATION USE RESTRICTIONS BY OWNERS (VEMUR) AND
DECLARATION OF ENVIRONMENTAL USE RESTRICTIONS (DEUR)**

YOUR FILE NO: 140227EA / Paradise Ridge

ALLANDS FILE NO: 2014-02-042E

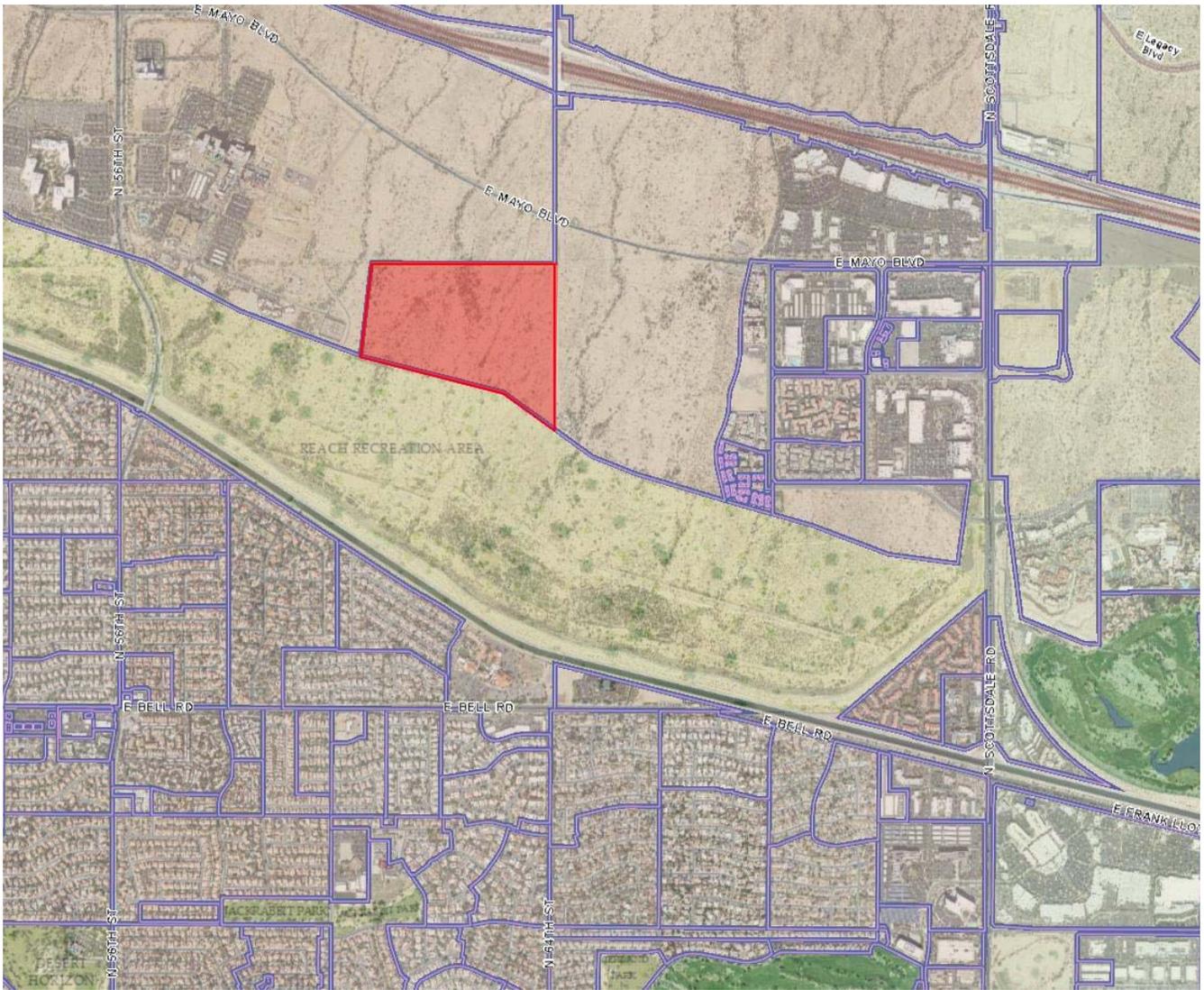
Date of Report: February 14, 2014

Title Plant Date***: February 7, 2014

***The Title Plant Date reflects the most current data made available by the information sources used at the time the research was performed.

ALL LANDS hereby presents an Environmental Search Report to the land described below. The total liability is limited to the fee paid for this report. Allands is not responsible for errors in the available records. The total liability is limited to the fee paid for this report. This is a confidential, privileged and protected document for the use of Speedie and Associates.

1. The land referred to in this report is located in Maricopa County, Arizona.
2. Assessor's No.: 215-04-717
3. No VEMUR'S, DEUR'S; Environmental Liens, Brownfields, institutional controls, engineering controls, or activity and use limitations, if any, were found currently recorded against the property as searched at the subject county recorder's office.



215-04-717

Parcel Type: Commercial

[ARIZONA STATE LAND DEPARTMENT](#)

No address

Property Information

MCR #: [94950](#)
Address: N/A
Latitude/Longitude:
Description: STATE PLAT NO 55 PARADISE RIDGE 2ND AMD MCR 949-50
Lot Size (Sq Ft): 3,349,189
[Section](#), [Township](#), Range: 334N4E
Market Area/[Neighborhood](#): 07/002
[Subdivision](#): [STATE PLAT NO 55 PARADISE RIDGE 2ND AMD](#)
[Lot #](#): Not Available
High School District: PARADISE VALLEY UNIFIED #69
Elementary School District: PARADISE VALLEY UNIFIED SCHOOL DISTRICT
Local Jurisdiction: PHOENIX
Owner: [ARIZONA STATE LAND DEPARTMENT](#)
Mailing Address: 100 WILSHIRE BLVD NO 700 , SANTA MONICA , CA 90401 USA
[Deed #](#): [070587567](#)
Deed Date: May 21, 2007
[Sale Date](#): None
[Sale Price](#): \$0

Valuation Data

Tax Year:	2014	2013	2012	2011	2010
Full Cash Value :	\$2,871,700	\$4,674,000	\$6,446,500	\$5,856,500	\$8,514,500
Limited Property Value :	\$2,871,700	\$4,674,000	\$6,442,150	\$5,856,500	\$6,400,329
Legal Class:	2	2	2	2	2
Description:	AG / VACANT LAND / NON-PROFIT R/P				
Assessment Ratio:	16%	16%	16%	16%	16%
Assessed FCV:	\$459,472	\$747,840	\$1,031,440	\$937,040	\$1,362,320
Assessed LPV:	\$459,472	\$747,840	\$1,030,744	\$937,040	\$1,024,053
Property Use Code:	9500	9500	9500	9500	9500
PU Description:	State Property				
Tax Area Code:	691300	691300	691300	691300	691300

Commercial Characteristics/Improvements

No improvements on record

[Notice: The values displayed on this page may not reflect constitutional or statutory adjustments.](#)

CAUTION! USERS SHOULD INDEPENDENTLY RESEARCH AND VERIFY INFORMATION ON THIS WEBSITE BEFORE RELYING ON IT.

The Assessor's Office has compiled information on this website that it uses to identify, classify, and value real and personal property. Please contact the Maricopa County S.T.A.R. Center at (602) 506-3406 if you believe any information is incomplete, out of date, or incorrect so that appropriate corrections can be addressed. Please note that a statutory process is also available to correct errors pursuant to Arizona Revised Statutes 42-16254.

The Assessor does not guarantee that any information provided on this website is accurate, complete, or current. In many instances, the Assessor has gathered information from independent sources and made it available on this site, and the original information may have contained errors and omissions. Errors and omissions may also have occurred in the process of gathering, interpreting, and reporting the information. Information on the website is not updated in "real time". In addition, users are cautioned that the process used on this site to illustrate the boundaries of the adjacent parcels is not always consistent with the recorded documents for such parcels. The parcel boundaries depicted on this site are for illustrative purposes only, and the exact relationship of adjacent parcels should be independently researched and verified. The information provided on this site is not the equivalent of a title report or a real estate survey. Users should independently research, investigate and verify all information before relying on it or in the preparation of legal documents.

By using this website, you acknowledge having read the above and waive any right you may have to claim against Maricopa County, its officers, employees, and contractors arising out of my reliance on or the use of the information provided on this website.

**APPENDIX C:
PROJECT PERSONNEL CREDENTIALS**

APPENDIX C: Project Personnel Credentials

JOEL F. DUBOSE –*Environmental Specialist*

Mr. DuBose is an environmental professional with more than 14 years of experience in the environmental engineering and consulting field. His areas of expertise include environmental site assessments and remediation of contaminated soil, soil gas, and groundwater of industrial, commercial, and agricultural sites. Mr. DuBose is responsible for all phases of project work, including the supervision of subcontractors, health and safety compliance, and performing field activities for Phase I and Phase II Environmental Site Assessments and Transaction Screens. He has extensive experience performing soil and groundwater sampling, asbestos and lead inspections, soil vapor surveys, interpretation of laboratory analytical results, technical report preparation, and quality assurance/quality control.

CONNIE F. JIRON –*Project Manager*

Ms. Jiron has more than 19 years of experience as an environmental professional in environmental engineering and consulting. Her areas of expertise include management, interpretation, and presentation of data generated by small and large multi-task projects. Ms. Jiron has performed and managed over 450 single- and multi-family environmental site assessments. She is responsible for performing all components of Environmental Due Diligence (Phase I and II ESAs), including the site reconnaissance, regulatory review, historical research, interviews, records review, and technical report preparation. She also has experience performing soil and groundwater sampling, supervision of subcontractors, interpretation of laboratory analytical results, oil-water separator profiling and management, asbestos and lead inspections, and oversight of abatement of remediation projects.

TIMOTHY J. RHEINSCHMIDT, R.G./C.R.S. – *Environmental Division Manager*

Mr. Rheinschmidt is a registered geologist and certified remediation specialist in the state of Arizona with more than 23 years of experience performing hazardous and non-hazardous waste investigations, vadose zone characterization, regulatory compliance and permitting, and groundwater investigations. Mr. Rheinschmidt received his Bachelor degree in geology from San Jose State University, a Hazardous Waste Management Certificate from the University of California at Santa Barbara and has performed numerous Phase I, II and III investigations in both Arizona and California.