

Phase I

Environmental Site Assessment

Taylor Grove, LLC Residential Subdivision

APN 343-401-13

**18452 Buena Vista Avenue
Yorba Linda, Orange County, California**

Prepared for:

Taylor Grove, LLC
17 Corporate Plaza, Suite 210
Newport Beach, CA 92660
Contact: Victor Vasu 949-719-2003

Prepared by:

Environmental & Regulatory Specialists, Inc.
223 62nd Street
Newport Beach, CA 92663
Contact: Al Armijo 949.646.8958



July 2006

TABLE OF CONTENTS

1.0 - Executive Summary.....1
2.0 - Introduction4
3.0 - Site Description5
4.0 - User Provided Information21
5.0 - Records Review22
6.0 - Site Reconnaissance32
7.0 - Interviews34
8.0 - Findings35
9.0 - Opinion35
10.0 - Conclusions35
11.0 - Deviations.....36
12.0 - Additional Issues36
13.0 - Signature of Environmental Professional.....37
14.0 - Qualifications of Environmental Professionals38
Appendices.....39

I - EDR Radius Map with GeoCheck, dated May 10, 2006

II - EDR Sanborn Map Report, dated May 10, 2006

III - EDR City Directory Abstract, dated May 15, 2006

IV - EDR Aerial Photography Print Service, dated May 11, 2006

V - EDR Historical Topographic Map Report, dated May 11, 2006

LIST OF FIGURES

Figure 1 - Regional Map6

Figure 2 - Vicinity Map7

Figure 3 - USGS Topographic Map.....8

Figure 4 - Aerial Photograph9

Figure 5 - Photo-location Map.....10

Figure 6 - Site Photos 1 & 211

Figure 7 - Site Photos 3 & 412

Figure 8 - Site Photos 5 & 613

Figure 9 - Site Photos 7 & 814

Figure 10 - Site Photos 9 & 1015

Figure 11 - Site Photos 11 & 1216

Figure 12 - Site Photos 13 & 1417

Figure 13 - Site Photos 15 & 1618

Figure 14 - Site Photos 17 & 1819

Figure 15 - Radius Map23

Figure 16 - Physical Setting Source Map28

Figure 17 - Looking for Oil/Gas Wells.....30

Figure 18 - Looking for Oil/Gas Wells 2.....31

1.0 - EXECUTIVE SUMMARY

This Phase I Environmental Site Assessment (ESA) has been requested for inclusion into an Environmental Impact Report for a proposed residential project on the Property.

Site Description

The Property is located at 18452 Buena Vista Avenue on the southern side of the road less than 1/4 mile west of Imperial Highway and roughly 2/3 mile south of Yorba Linda Boulevard in the City of Yorba Linda, Orange County, California. The roughly 3.65-acre property consists of Assessors Parcel Number 343-401-13.

The property is an irregularly shaped parcel in a relatively rural setting. It has a central hill sloping to the north, east, south, and west. There are two permanent structures on the hill. Several wooden sheds or carports are on the site to the east of the southern building. Terraced rows of trees are growing on all sides of the hill with many older fruit trees (citrus and avocados). A drainage watercourse runs from north to south across the site and separates the eastern triangular tip of the site from rest of the parcel. The source of water for this drainage is the up gradient, offsite, hilly parcels across Buena Vista Avenue to the north. This drainage joins a flood control "reservoir" on the southern border of the site.

User Provided Information

There are no residents on the subject property.

Records Review

An assessment of the Property following generally accepted industry standards and ASTM Standard 1527-05 was performed and detailed herein. A computer search of available environmental records was performed by Environmental Data Resources, Inc. (EDR) in an effort to locate properties that have been reported as hazardous material generators, potential or known sites containing leaking underground storage tanks or hazardous material spills.

Subject Property Search Results

The Property was not listed in any of the databases searched by EDR.

Surrounding Sites Search Results

In five databases searched by EDR, nine reports total were found. Four of these occurrences show the same address (a Shell gas station). The EDR database search extended to the distances required by ASTM Standard 1527-05. The search distances and the full list of databases searched can be found in Appendix I to this Report, the "EDR Radius Map with GeoCheck." The Shell gas station had a leaking tank that may have impacted groundwater under the Property.

In addition, 10 un-mapped “orphan” sites were also listed in the EDR report.

The EDR report identifies sites that may or may not have impacted the Property.

Historical Aerial Photographs and USGS Map Review

A review of Historic Aerial Photographs from 1938 to 2002 indicates the main house and fruit trees have been in place since before 1938. At that time, there was a structure, possibly a single car garage or barn, roughly forty feet southeast of the main house and a driveway, possibly dirt, running from Buena Vista Avenue past the house to the barn/garage. The triangular part of the property at its eastern extreme appears to be vegetated with other types of trees. In 1938, nearly the entire surrounding area is also planted in orchards.

The 1946 photo shows what appears to be an addition to the main house on the northeast corner.

The 1952 photo shows the earlier garage/barn has been replaced with a larger structure positioned slightly to the north of the original garage/barn. To the resolution of the aerial photos, this structure appears unaltered since that time.

The 1968 photo shows a larger addition to the house that appears to bring it to its present configuration. The orchards to the north of Buena Vista Avenue have been removed. By this time, some of the fruit trees to the east of the house along Buena Vista Avenue appear to have been replaced with eucalyptus and other species. These trees are present today.

A review of USGS Topographic Maps from 1898 to 1964 (photo revised in 1981) indicates the main house was not present in 1902 and was constructed prior to 1935. The second permanent structure does not appear on the 1964 map, though it does appear on the 1952 aerial photo. This structure does appear on the 1964 map (as photo revised in 1972).

Site Reconnaissance

A site reconnaissance was performed by Roger D. Griffin on May 18, 2006. The Property was traversed on foot observing the existing conditions for signs of recognized environmental concerns. Photographs were taken during the site reconnaissance.

The property is in a relatively rural setting with older fruit trees (citrus and avocados) still growing. A drainage watercourse runs from north to south across the site and separates the eastern triangular tip of the site from rest of the parcel. The source of water for this drainage is the up gradient, offsite, hilly parcels across Buena Vista Avenue to the north. The water drainage joins a flood control “reservoir” on the southern border of the site.

Two permanent structures exist on the central hill. Both appear to be fifty or more years old. Several wooden sheds or carports were on the site to the east of the southern building. Terraced rows of trees are growing on all sides of the hill. A parked storage trailer, several vehicles, and several transport trailers were noted on the south and western parts of the property. The two

structures on the Property were not accessed. The house appears vacant with boxes stored on the first floor. Given the age of the structures, it is possible that asbestos containing materials or lead based paint may be present in these structures. The carports/sheds were observed but only contained tools and miscellaneous domestic items (old sinks, pipes, etc.).

Miscellaneous stored farm materials, pallets, and plastic tubs (1-2 gallons) were noted in and around the parked vehicles and the storage sheds. No chemicals were seen in any of the areas. Some domestic trash (tools, wood, furniture, etc.) was observed near the carport and shed to the east of the southern structure. Minor soil staining was seen on the southwestern portions of the parcel where some evidence of current and previous vehicle parking was observed.

No electrical transformers or power lines were seen on site. Water lines immediately below the surface for irrigating the fruit trees on the east, south, and west were noted in a number of areas. No contamination or other potential hazardous substances or industrial hazardous waste impacts were seen on the property. No visual evidence of above or below ground tanks or other signs of commercial or industrial activity were noted. One capped, vertically embedded, 4" diameter steel pipe was observed on the west central portion of the site. Whether this served as a water well is unknown. A concrete stormdrain pipe runs under the western edge of the Property.

There is no obvious visual indication that hazardous substances or petroleum products existed on the property based on the site reconnaissance. No dead vegetation, animals, unusual mounds, or noxious odors were noted. It was not possible to determine from this field reconnaissance if hazardous substances existed that may have been buried or may exist in the subsurface or groundwater beneath the Property.

Findings

Environmental databases searched by EDR identified nine reported occurrences and ten orphaned sites. The Property was not listed in any of the databases searched by EDR. A leaking tank at a Shell gas station 2/3 of a mile north of the Property could have contaminated groundwater under the Property. Groundwater in the area flows in a south-south-west direction. Based on the site reconnaissance and review of historic aerial photos and topographic maps, there is no indication that hazardous substances or petroleum products existed on the Property.

Opinion

Based on the records searches, interviews, aerial photographs, and site reconnaissance reported herein, it is the Registered Environmental Assessor's (REA) professional opinion that there is no evidence of recognized environmental conditions on the Property, although there is the potential for groundwater contamination from off-site sources.

Conclusion

This assessment revealed no evidence of recognized environmental conditions on the Property, although there is the potential for groundwater contamination from off-site sources.

2.0 - INTRODUCTION

2.1 - Objective

The purpose of this ESA is to identify, to the extent feasible, recognized environmental conditions in connection with the Property, via records review, site reconnaissance, interviews and through evaluation and report preparation.

2.2 - Scope of Services

The scope of this inquiry was to perform those research and reporting requirements that may support the user's ability to qualify for the innocent landowner defense under CERCLA. No subsurface site investigation was performed or is implied.

2.3 - Significant Assumptions

Significant among the assumptions are that the records accessed herein are sufficiently accurate to reasonably ascertain the current condition of the Property with respect to presence of hazardous substances. This inquiry is not exhaustive; that is it does not identify, obtain or review every possible record that might exist with respect to a property. However, all reasonably ascertainable records were reviewed by the EDR report.

2.4 - Limitations and Exceptions

The conclusions and opinions developed herein were based in part on interviews, records and reports provided by others and on our professional judgment. Thus the assessment contained herein is only valid as of the date of this report's investigations and may require an update to reflect additional sampling, testing or other information. No guarantee of the results of this study is made or implied. Our professional services were performed in accordance with the prevailing standard of care as practiced by other environmental professionals in this area of California. We make no other warranty, either expressed or implied.

2.5 - Special Terms and Conditions

No special terms or conditions were included in this Phase I ESA.

3.0 - SITE DESCRIPTION

3.1 - Location and Legal Description

The roughly 3.65-acre Property is located at 18452 Buena Vista Avenue on the southern side of the road less than 1/4 mile west of Imperial Highway and roughly 2/3 mile south of Yorba Linda Boulevard in the City of Yorba Linda, Orange County, California.

The property is an irregularly shaped parcel in a relatively rural setting. It has a central hill with two permanent structures on crest of the hill. Several wooden sheds or carports were on the site to the east of the southern building. At the southwest corner, there is the remains of what appears to have been a small covered corral where horses or other livestock may have been kept. (The “reservoir” to the south is still used for equestrian purposes.) There are other abandoned items consistent with earlier and now abandoned agricultural uses. Terraced rows of trees are growing on the east, south, and west sides of the hill, including many older fruit trees (citrus and avocados). A drainage watercourse runs from north to south across the site and separates the eastern triangular tip of the site from rest of the parcel. The source of water for this drainage is the up gradient, offsite, hilly parcels across Buena Vista Avenue to the north. This drainage joins a flood control system (dry “reservoir” and parkland) bordering the site on its southern side.

A Regional Location Map is provided on Figure 1. A Vicinity Map is provided on Figure 2. A USGS Topographic Map is provided on Figure 3. An Aerial Photograph of the Property including the flood control “reservoir” to the south is provided on Figure 4. A closer view Aerial Photograph of the Property is provided on Figure 5. Site Photographs are provided on Figures 6, 7, 8, 9, 10, 11, 12, 13, and 14.

Legal Description

Assessors Parcel Number 343-401-13.

3.2 - Current Use of the Property

The Property currently has two permanent structures, a house and a detached two-car garage with a room on the western side. The house is not occupied. Looking into the first floor, there are boxes stored. Miscellaneous items are also stored in the garage. Victor Vasu, the manager for the Property, has stated that the structures have been vacated in anticipation of developing the property. At the time of our Site visit, there were still vehicles and other items stored on the property and there were three dogs fenced inside an area between the house and garage. We have been told these dogs belong to a neighbor who comes by daily to give them food and water. The earlier agricultural use of the site as an orchard appears to have been abandoned.

3.3 - Past Uses of the Property

The Property has been used for residential purposes, storage of vehicles, and as a fruit orchard.

Figure 1 - Regional Map



Figure 2 - Vicinity Map

Figure 3 - USGS Topographic Map

Figure 4 - Aerial Photograph

Figure 5 - Photo-location Map

Figure 6 - Site Photos 1 & 2



Figure 7 - Site Photos 3 & 4

Figure 8 - Site Photos 5 & 6

Figure 9 - Site Photos 7 & 8

Figure 10 - Site Photos 9 & 10

Figure 11 - Site Photos 11 & 12

Figure 12 - Site Photos 13 & 14

Figure 13 - Site Photos 15 & 16

Figure 14 - Site Photos 17 & 18

3.4 - Current Uses of Adjoining Properties

The land to the southwest is a flood control reservoir (mostly dry) and parkland. The land across Buena Vista Avenue to the north is low to medium density single-family residential, as is the land to the west and southeast. To the east, we cross Scenic View Drive that runs parallel to Imperial Highway (California Route 90).

3.5 - Past Uses of Adjoining Properties

Past uses of the adjoining property include fruit orchards, open space and residential.

3.6 - Current or Past Uses in the Surrounding Area

An aerial photograph taken in 1938 shows the “reservoir” occupying its present extents and most of the remaining land surrounding the site planted with orchards. Over time, this agricultural use has gradually given way to residential uses.

3.7 - Geologic, Hydrogeologic, Hydrologic, and Topographic Conditions

The two structures on the property sit on the crest of a hill located near the northern edge of the property along Buena Vista Avenue and roughly at the east-west center of the property. This hill slopes down on all four sides. The eastern and western portions of the property slope downward from Buena Vista Avenue on the north to the reservoir/parkland to the south, draining the higher elevation areas to the north of Buena Vista Avenue across the property and into the reservoir/parkland to the south. A seven-foot inside diameter concrete stormdrain pipe runs under the western edge of the property terminating in a riprap area at the northern edge of the flood control “reservoir.”

4.0 - USER PROVIDED INFORMATION

4.1 - Title Records

The current owner is Dr. Chris Jordan, now living out of state. Victor Vasu, with Taylor Grove, LLC, is the property manager. We have been told the property is in escrow. As evidenced by the writing of an Environmental Impact Report by the City of Yorba Linda for consideration of development applications, the intent is to subdivide the property for residential use.

4.2 - Liens or Activity and Use Limitations

According to Victor Vasu, the property manager with Taylor Grove, LLC, there are no Liens or Activity and Use Limitations on the Property.

4.3 - Specialized Knowledge

According to Victor Vasu, the property manager with Taylor Grove, LLC, he has no Specialized Knowledge regarding environmental conditions or concerns existing on the property.

4.4 - Valuation Reduction for Environmental Issues

According to Victor Vasu, the property manager with Taylor Grove, LLC, there has been no Valuation Reduction for the Property due to environmental issues and the value of the Property is approximately the same as for comparable parcels being developed in the general area.

4.5 - Owner, Occupant Information

The current owner, Dr. Chris Jordon, lives in Oklahoma. The house is now vacant.

4.6 - Reasons for Performing Phase I

The reasons for performing this ESA are to provide the user (property owner and lender) with an assessment of the potential for recognized environmental conditions to exist at or above de minimus quantities of hazardous materials on the Property. Specifically, this Phase I Environmental Site Assessment (ESA) has been requested for inclusion into an Environmental Impact Report for a proposed residential project on the Property.

5.0 - RECORDS REVIEW

5.1 - Objective

The purpose of the records review is to obtain and review records that will help identify recognized environmental conditions in connection with the Property.

5.2 - Standard Environmental Record Sources

Regulatory Agency Record Search

Regulatory files and records contain an enormous amount of information about various types of environmental concerns. In some instances, there may be no environmental concerns or impairments arising from these listings because listed sites are a distance from the Property or down gradient such that an existing environmental problem has only a remote chance of affecting the Property.

A computer search of regulatory agency data bases was performed by Environmental Data Resources, Inc. (EDR) in an effort to locate properties that have been reported as hazardous material generators and potential or known sites containing leaking underground storage tanks or hazardous material spills in accordance with ASTM Standard Practices for Environmental Site Assessments, E 1527-05. Search distances meet or exceed ASTM standard distances. Information such as the depth and gradient of the groundwater, the direction and distance from the Property, and the current status of the listed property are considered when determining potential environmental impact to the Property. The complete database search documents, performed by EDR, are included in Appendix I, for further review and interpretation. The 2-Mile Radius Map from the approximate center of the Property generated during the regulatory database search is provided on Figure 15.

Some environmentally impacted locations identified by the data base search are counted on more than one list; therefore, the actual number of distinct physical locations with environmentally impacted soils or groundwater is less than that indicated. Also, many of the listed properties appeared under slightly different names or ownerships and were therefore listed multiple times.

Subject Properties Search Results

No areas of environmental concern were found on the Property.

Surrounding Sites Search Results

Unmappable (orphan) sites are not considered in the analysis.

In the site listings below, the “Map ID” column references Figure 15. The EDR database report reproduced in Appendix I contains a detailed description of the database search results.

Figure 15 - Radius Map

Elevations have been determined from the USGS Digital Elevation Model and should be evaluated on a relative (not an absolute) basis. Relative elevation information between sites of close proximity should be field verified. Sites with an elevation equal to or higher than the Property have been differentiated below from sites with an elevation lower than the Property.

RCRA Info: RCRA Info is EPA's comprehensive information system, providing access to data supporting and Recovery Act (RCRA) of 1976 and the Hazardous and Solid Waste Amendments (HSWA) of 1984. RCRA Info replaces the data recording and reporting abilities of the Resource Conservation and Recovery Information System (RCRIS). The database includes selective information on sites, which generate, transport, treat and/or dispose of hazardous waste as defined by the Resource Conservation and Recovery Act (RCRA). Conditionally exempt small quantity generators (CESQGs): generate less than 100 kg of hazardous waste, or less than 1 kg of acutely hazardous waste per month. Small quantity generators (SQGs): generate between 100 kg and 1,000 kg of hazardous waste per month. Large quantity generators generate over 1,000 kilograms (kg) of hazardous waste, or over 1 kg of acutely hazardous waste per month. Transporters are individuals or entities that move hazardous waste from the generator offsite to a facility that can recycle, treat, store, or dispose of the waste. TSDFs treat, store, or dispose of the waste.

A review of the Small Quantity Generators (SQG) list revealed two RCRA-SQG sites within the required search distances from the Property.

Equal/Higher Elevation	Address	Dist / Dir	Map ID
Fred Pacinelli Trucking	5244 Tiki Torch Lane	1/4 - 1/2 NNW	3

Lower Elevation	Address	Dist / Dir	Map ID
Mccoy Trucking	18161 Magnolia Way	1/4 - 1/2 WSW	A5

These SQG sites should not affect the Property, as the amount of hazardous waste they generate is small and is packaged, transported, and disposed of in compliance with applicable regulations. As required, these two trucking companies are registered, but have no recorded violation reports.

STATE ASTM STANDARD

CORTESE: This database identifies public drinking water wells with detectable levels of contamination, hazardous substance sites selected for remedial action, sites with known toxic material identified through the abandoned site assessment program, sites with USTs having a reportable release and all solid waste disposal facilities from which there is known migration. The source is the California Environmental Protection Agency/Office of Emergency Information.

A review of the CORTESE list revealed two reports within the required search distances from the Property. These sites appear to be the same location listed under different names.

Equal/Higher Elevation	Address	Dist / Dir	Map ID
Yorba Linda Shell & Tire (8640)	18503 Yorba Linda Blvd	1/2 - 1 N	B7
Shell #18503	18503 Yorba Linda	1/2 - 1 N	B8

See the discussion under the LUST section (follows immediately).

LUST: The Leaking Underground Storage Tank Incident Reports contain an inventory of reported leaking underground storage tank incidents. The data come from the State Water Resources Control Board Leaking Underground Storage Tank Information System.

A review of the LUST list revealed two LUST sites within the required search distances from the Property. These sites appear to be the same location.

Equal/Higher Elevation	Address	Dist / Dir	Map ID
Shell #18503	18503 Yorba Linda Blvd	1/2 - 1 N	B6
Shell #18503	18503 Yorba Linda	1/2 - 1 N	B8

The two reports for CORTESE and the two reports for LUST appear to be the same site. There appears to have been a leaking underground gasoline storage tank and/or piping to the tank. The tank has been closed and a cleanup is underway. However, MTBE has been detected in the groundwater at the Shell Station. It is possible that the groundwater under the Taylor Grove property (18452 Buena Vista Ave) may have been impacted by this leak.

UST: The Underground Storage Tank database contains registered USTs. USTs are regulated under Subtitle I of the Resource Conservation and Recovery Act (RCRA). The data come from the State Water Resources Control Board Hazardous Substance Storage Container Database.

A review of the UST list revealed two LUST sites within the required search distances from the Property.

Equal/Higher Elevation	Address	Dist / Dir	Map ID
Bert Bledsoe	5412 Lakeview Ave	1/4 - 1/2 NW	2

Lower Elevation	Address	Dist / Dir	Map ID
Morris Residence	18361 Buena Vista Ave	1/8 - 1/4 W	1

These two sites have registered underground storage tanks. There are no known reports of leaks from these sites.

HIST UST: Historical UST Registered Database.

A review of the HIST UST list revealed one HIST UST site within the required search distances from the Property.

Lower Elevation	Address	Dist / Dir	Map ID
Muranaka Mums, Inc.	5842 Lakeview Ave	1/4-1/2 SW	A4

The report indicates there is a storage tank for unleaded regular gasoline on this site. There are no known reports of leaks from the site. The site is at a lower elevation and down grade (with regard to anticipated groundwater flow direction) from the Taylor Grove Property.

5.3 - Physical Setting Sources

The Property is located at 33° 52' 48.7'' North Latitude (33.880200) and 117° 48' 41.0'' West Longitude (117.811400).

The Property is in Zone 11 Universal Transverse Mercator at 474961.3 UTM X (meters) and 3748975.0 UTM Y (meters), 325 ft. above sea level elevation.

The Property is found in Section 9 of the United States Geological Survey 7.5 minute Yorba Linda Quadrangle (USGS online store map number 45924).

For additional information refer to the EDR database report contained in Appendix I.

5.4 - Historical Use Information on the Property

Objective

The objective of consulting historical sources is to develop a history of the previous uses of the Property and surrounding area, in order to help identify the likelihood of past uses having led to recognized environmental conditions in connection with the Property.

5.5 - Historical Use Information on Adjacent Properties

Past uses of adjoining properties include residential and open space. See the EDR reports in Appendix III (historical aerial photos) and Appendix IV (historical topographic maps).

5.6 - Standard Historical Sources

- a. Historical Aerial Photographs and USGS Map Review:

A review of Historic Aerial Photographs from 1938 to 2002 indicates the main house and fruit trees have been in place since before 1938. At that time, there was a structure, possibly a single car garage or barn, roughly forty feet southeast of the main house and a driveway, possibly dirt, running from Buena Vista Avenue past the house to the barn/garage. The triangular part of the property at its eastern extreme appears to be vegetated with other types of trees. In 1938, nearly the entire surrounding area was also planted in orchards.

The 1946 photo shows what appears to be an addition to the main house on the northeast corner.

The 1952 photo shows the earlier garage/barn has been replaced with a larger structure positioned slightly to the north of the original garage/barn. To the resolution of the aerial photos, this structure appears unaltered since that time.

The 1968 photo shows a larger addition to the house that appears to bring it to its present configuration. The orchards to the north of Buena Vista Avenue have been removed. By this time, some of the fruit trees to the east of the house along Buena Vista Avenue appear to have been replaced with eucalyptus and other species. These trees are present today.

Historic Aerial Photographs are contained in Appendix III.

A review of USGS Topographic Maps from 1898 to 1964 (photo revised in 1981) indicates the main house was not present in 1902 and was constructed prior to 1935. The second permanent structure does not appear on the 1964 map, though it does appear on the 1952 aerial photo. This structure does appear on the 1964 map (as photo revised in 1972).

USGS Topographic Maps are contained in Appendix IV.

b. Historical City Directories:

The Property was listed in the Haines Criss-Cross Directory as a Residence in 2000 and 2005. The surrounding properties along Buena Vista Avenue (18365, 18451, 18461, 18491, 18551) were also listed a "Residence" with the exception of "Beard's Plumbing" (at 18431), which appears to be a home based business.

The EDR-City Directory Abstract is reproduced as Appendix III.

c. Sanborn Fire Insurance Maps: See EDR report Appendix II. (No records found)

d. Building Department Records: See EDR report Appendix I. (No records found)

e. California Oil and Gas Well Records:

The EDR Report identifies 231 oil and/or gas wells within roughly one mile of the Property. These are shown on Figure 16, a reproduction of the Physical Setting Source Map from the EDR Report (Appendix I).

Figure 16 - Physical Setting Source Map

The dot on Figure 16 immediately to the east north east of the center of the Property corresponds to EDR record CA10018132 detailed on page A-37 of the EDR report (in Appendix I). The dot on Figure 13 immediately to the east south east of the center of the Property corresponds to EDR record CA10018077 detailed on page A-42 of the EDR report. While the EDR Report does not indicate the current status of the wells, assuming that the wells were not originally dry holes, the wells appear to have been abandoned.

One capped, vertically embedded, 4" diameter steel pipe was observed on the west central portion of the site, on the side of the property opposite from the report of the oil/gas well locations. A photograph of this pipe can be found on Figure 9. This pipe may have served as a water well, possibly for irrigation of the fruit trees, and appears to have been abandoned. It appears unlikely to be the remains of a capped/abandoned oil/gas well and the ground immediately around it shows no staining.

Other than this pipe, currently, there is no indication that an oil well existed on the Property. Given the latitude and longitude indicated, the location of the wells appears to be to the east of the Property boundary on the other side of the path leading from Buena Vista Avenue to the reservoir land to the south of the property. Figure 17 shows close ups from the historic aerial photos with objects that may correspond to an oil or gas well circled. Given the resolution of the photos, which pixelate noticeably when zoomed into closer than what is printed on Figure 17, it is difficult to ascertain for certain what the circled objects were. Figure 18 shows the area where the wells were indicated, as it has existed for the past few years. The areas where the oil/gas wells may have existed have been built over with houses.

f. Water Well Records:

The EDR report identified 11 wells located within the required search distances from the property. Figure 16 shows the location of these wells. No water wells were listed in the EDR report (Appendix I) as being located on the Property.

g. Radon Records:

The EDR Report lists six sites for Zip Code 92886 for which Radon reports are included in the California State Radon Database. Two of these reports indicate levels greater than 4 pCi/L.

Figure 17 - Looking for Oil/Gas Wells

Figure 18 - Looking for Oil/Gas Wells 2

6.0 - SITE RECONNAISSANCE

6.1 - Objectives

The objective of the site reconnaissance is to obtain information indicating the likelihood of identifying recognized environmental conditions in connection with the Property.

6.2 - Observations

Roger D. Griffin performed a site reconnaissance on May 18, 2006. The Property was traversed on foot observing the existing conditions for signs of recognized environmental concerns. The following is a description of those items observed. Photographs (figures 6 through 14) were taken during the site reconnaissance.

The property is an irregular parcel south of Buena Vista Avenue and trending east to west. The property consists of a central hill sloping to the north, east, south and west with two permanent structures on the hill; both apparently dating to the middle decades of the 20th century. Several wooden sheds or carports were on the site to the east of the southern building. Terraced rows of trees are growing on all sides of the hill. A parked storage trailer, several farm vehicles, and several transport trailers were noted on the south and western parts of the property.

Two permanent structures exist on the Property, but were not accessed. These were locked. Looking into the windows, the house appears not to be occupied and there are boxes stored in what would be the living room. The garage and the large room along the west side of the garage also have items stored. The open carports and sheds were observed but only contained tools and miscellaneous domestic items (old sinks, pipes, etc.).

The property is in a relatively rural setting with older fruit trees (citrus and avocados). A drainage runs from north to south across the site and separates the eastern triangular tip of the site from rest of the parcel. The source of water for this drainage is the up gradient, offsite, hilly parcels across Buena Vista Avenue to the north. The combined water drainage joins a flood control "reservoir" on the southern border of the site. A seven-foot diameter concrete stormwater drainpipe runs under the western edge of the Property, emptying into the reservoir.

Miscellaneous stored farm materials, pallets, plastic tubs (1-2 gallons), and other items were noted in and around the parked vehicles and storage sheds. No chemicals were seen in any of the areas. Some domestic trash (tools, wood, furniture, etc.) was observed near the carport and shed to the east of the southern structure. Minor soil staining was seen on the southwestern portions of the parcel where some evidence of current and previous vehicle parking was observed.

No electrical transformers or power lines were seen on site. Water lines immediately below the surface for irrigating the fruit trees on the east, south, and west were noted in a number of areas.

No contamination or other potential hazardous substances or industrial hazardous waste impacts were seen on the property. No visual evidence of above or below ground tanks or other signs of commercial or industrial activity were noted. One capped, vertically embedded, 4" diameter steel pipe was observed on the west central portion of the site; whether this serviced an old water well is unknown.

There is no obvious visual indication that hazardous substances or petroleum products existed on the property based on the site reconnaissance. No dead vegetation, animals, unusual mounds or noxious odors were noted.

It was impossible to determine from this field reconnaissance if hazardous substances once existed that may have been buried or may currently exist in the subsurface or groundwater beneath the Property.

6.3 - Interior Observations

Two permanent structures exist on the Property, but were not accessed. These were locked. Looking into the windows, the house appears not to be occupied and there are boxes stored in what would be the living room. The garage and the large room along the west side of the garage also have items stored. The open carports and sheds were observed but only contained tools and miscellaneous domestic items (old sinks, pipes, etc.).

7.0 - INTERVIEWS

7.1 - Objective

The objective of interviews is to obtain information indicating recognized environmental conditions in connection with the Property.

7.2 - Owner

The current owner, Dr. Chris Jordan, lives out of state and was not available for comment.

7.3 - Site Manager

Victor Vasu, the Property Manager, has stated that the Property is currently vacant and that he is not aware of any environmental concerns with the Property.

7.4 - Occupant Interviews

There are no residents on the Property.

7.5 - Local Governments

The Property is located in the City of Yorba Linda, California. There is a CEQA Initial Study out for public comment for a proposed project to build five single-family homes on the Property. The Lead Agency is the City of Yorba Linda. Bruce Cook is the assigned planner. Mr. Cook is not aware of environmental concerns with the Property. It was Mr. Cook, as the representative of the City of Yorba Linda, who requested this Phase I ESA for inclusion into the Environmental Impact Report that will examine potential impacts from the proposed subdivision project.

7.6 - Others

Four people in the neighborhood were interviewed. Jesse Sanderfer has lived at 18491 Buena Vista Avenue since April 1962. He stated that the Property has been vacant for the past year. When asked about the oil wells to the east of the Property, Mr. Sanderfer stated that the wells must have been capped before he moved in. He was not aware of any potential environmental hazards with the Property. Paz Vissande, who works as companion for the elderly Mr. Sanderfer, also stated that she knew of no environmental concerns. Rick (last name not given) stated he has lived with Mr. Sanderfer since 1992, was not aware of any environmental concerns, and explained that the dogs on the Property were owned and cared for by a neighbor.

Michael (last name not given) has lived at 18442 Vista Del Lago (adjacent to the Property) for 12 years. He stated that Dr. Jordan moved out six years ago and that his daughter lived on the Property until a year ago. According to Michael, Dr. Jordan owned the property for 25 years, was an advocate of organic farming, and used no pesticides on the Property. He stated he would be quite surprised if there was a hazardous materials problem on the site. Michael expressed a concern about potential fires because the orchards were no longer being irrigated.

8.0 - FINDINGS

Environmental databases searched by EDR identified nine sites within the required search distances from the Property. According to the records search, there is one recognized environmental conditions, which may affect the Property. A leaking gasoline storage tank was reported roughly 2/3 mile north of the Property. MTBE was detected in the groundwater at the site of the leaking tank. The report indicates the tank has been closed and cleanup is underway. Given the direction of flow of groundwater in the area, the groundwater under the Property may have been impacted.

There is no obvious visual indication that hazardous substances or petroleum products existed on the Property based on this site reconnaissance, interviews, records review, review of historic aerial photos and topographic maps.

Given the historic agricultural uses of the Property, pesticides and other agricultural chemicals may have been used on the Site. However, no indication of agricultural chemicals use was detected during the Site Reconnaissance.

Two permanent buildings on the Site date back more than 50 years. These buildings were not inspected. However, given their age Asbestos or Lead Based Paint may be present. In addition, agricultural chemicals may have been or are currently stored inside these buildings.

9.0 - Opinion

Based on the records searches, interviews, aerial photographs, and site reconnaissance reported herein, it is the Registered Environmental Assessor's (REA) professional opinion that there is no evidence of recognized environmental conditions on the Property, although there is the potential for groundwater contamination from off-site sources.

10.0 - CONCLUSIONS

We have performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM E-1527-05 for the Property described herein. Any exceptions to or deletions from, this practice are described in Section 11.0 of this report.

With the exception of one leaking gasoline storage tank 2/3 miles north of the property, this assessment revealed no other evidence of recognized environmental conditions on the Property.

11.0 - DEVIATIONS

This Environmental Site Assessment was performed in accordance with industry standards of care and practice and in general conformity with ASTM E-1527-05 standards. We do not believe that we deviated from the ASTM standards in preparing this Phase I ESA report.

12.0 - ADDITIONAL ISSUES

This Property has been used for agricultural purposes as an orchard in the past. Residues from agricultural chemical use may be present on the Site. No soil testing was performed as a part of this Phase I ESA.

Given the age of the two permanent buildings on the Site, it is possible that Lead-Based Paint or Asbestos Containing Materials may be present in these buildings. No testing for Lead-Based Paint or Asbestos was performed as a part of this Phase I ESA.

The Site is located in an area that is considered to have a low occurrence of radon; however, radon levels are Site-specific, and only testing can determine the actual radon level at the Site. No testing for radon was performed as a part of this Phase I ESA.

13.0 - SIGNATURE OF ENVIRONMENTAL PROFESSIONAL

The conclusions and opinions developed herein were based in part on test data and reports provided by others and our professional judgment. Thus, the assessment contained herein is only valid as of the data of this report and may require an update to reflect additional sampling, testing or other information. No guarantee of the results of this study is made or implied. Our professional services were performed in accordance with the prevailing standard of care as practiced by other environmental professionals in this area of California. We make no other warranty, either expressed or implied.

Environmental & Regulatory Specialists, Inc.



David J. Tanner,
President
REA No. 04440



14.0 - QUALIFICATIONS OF ENVIRONMENTAL PROFESSIONALS

The following persons were involved in the preparation of this ESA.

- **Project Director: Mr. David Tanner, REA No. 04440**

Mr. David J. Tanner has served as consultant to the Building Industry since 1974 providing project management, entitlement processing and environmental services. Mr. Tanner has extensive experience in the development of large-scale multi-use land based projects. In addition to Project Management services, Mr. Tanner has prepared literally hundreds of Environmental documents (including Program, and Supplemental EIRs and Addendums, Negative Declarations and Mitigated Negative Declarations, Phase I Environmental Site Assessments), Specific Plans, Planned Community Zoning Regulations, as well as specialized studies typically required as a part of the entitlements process. Mr. Tanner has been involved in the entitlement phase of more than 350 projects in the southern California area alone.

- **Project Manager: Mr. Roger D. Griffin, MS**

Mr. Roger Griffin is an environmental consultant with over 30 year's experience working on numerous environmental problems. He has in-depth experience in the design, evaluation and testing of existing and planned combustion, air pollution, waste-to-energy, and hazardous waste sources and control technologies, combined with several years of advanced study of pollutant formation and dispersion from point and area sources. He has conducted remedial investigations at Superfund sites and has worked on projects involving landfill gas and air toxics. For eight years, Mr. Griffin worked with local government agencies including the County of Orange (California), the South Coast Air Quality Management District and its predecessor agencies. Previous private consulting positions have been with Converse Consultants, CH2M-Hill, US Ecology, and KVB Engineering.

- **Graphics and Quality Control: Joe Tyndall**

APPENDICES

I - EDR Radius Map with GeoCheck, dated May 10, 2006

II - EDR Sanborn Map Report, dated May 10, 2006

III - EDR City Directory Abstract, dated May 15, 2006

IV - EDR Aerial Photography Print Service, dated May 11, 2006

V - EDR Historical Topographic Map Report, dated May 11, 2006

APPENDIX I

EDR Radius Map with GeoCheck, dated May 10, 2006

APPENDIX II

EDR Sanborn Map Report, dated May 10, 2006

APPENDIX III

EDR City Directory Abstract, dated May 15, 2006

APPENDIX IV

EDR Aerial Photography Print Service, dated May 11, 2006

APPENDIX V

EDR Historical Topographic Map Report, dated May 11, 2006