

WELLS FARGO

Real Estate Technical Services Group
Implemented into System Date: 8-4-2015
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WELLS
FARGO

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Date: 2/1/2018

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RETECHS Environmental

Environmental Review Memo - Phase I ESA

RETECHS No.: WF-MIN-18-000372-0001
Prior RETECHS No.: None
Project Name: 8612 FAIRWAY PL
Location: 8612 FAIRWAY PL, MIDDLETON, WI 53562
Loan Amount: \$525,000.00

| | | | | | |
|------------------|----------|------------|--------------|----------------|------------------------|
| Project Purpose: | New Loan | Loan Type: | Conventional | Report Source: | Solicited (WF-Ordered) |
|------------------|----------|------------|--------------|----------------|------------------------|

SITE DETAILS

| | |
|-----------------------|---|
| Site Description: | A 1-story, 9244 ft ² commercial building located 1.26 acres, with a parcel number of 0708-102-0023-0. |
| Date of Construction: | 1978, with an expansion of the northern portion of the property in 1988 |
| Historical Uses: | 1937 - 1976: agricultural 1978 – present: industrial building whose tenants have included Warnock Hersey PF SVS (1987), Midwest Door of Wisconsin (1992), Midwest Pre-finishing (1995), and NS UA JHI Corporation (2000). Former operations were reportedly light industrial operations, including overhead and interior door installation and fabrication, wood fabricating and design, and a children's toymaker |
| Current Uses: | American Laser Products has occupied the building since 2004 and has always operated as a powder toner laser printing cartridge refill and repair center. |

CONCLUSIONS:

| | |
|---|--|
| Additional Action/Information Required? | **NO** |
| RETECHS Conclusion: | While no significant environmental issues were identified in this review, recommendations have been provided to minimize potential future liability. See Important Considerations. |

Contingency Summary Table (See Contingency Details/Requirements Below)

| Total # of Contingencies | FOLLOW UP CONTINGENCY REVIEW ONLY | |
|--------------------------|-----------------------------------|------------------------------|
| | # of Contingencies Satisfied | # of Contingencies Remaining |
| None | NA | NA |

CONTINGENCIES

(Actions or additional information described below are required prior to acceptance of the property as collateral in order to allow RETECHS to determine related liabilities. Satisfaction of Contingencies requires RETECHS' review and approval.)

| # | Risk Significance | Contingency Details | Contingency Requirement |
|---|-------------------|---------------------|-------------------------|
| | N/A | None | NA |

IMPORTANT CONSIDERATIONS

(The following items represent environmental concerns which the LOB shall consider in underwriting to minimize environmental liabilities. While not a requirement prior to closing this transaction, recommendations are provided below for consideration.)

| # | Important Consideration Details | Suggested Action |
|----|--|--|
| 1. | Asbestos Containing Materials (ACM) and Lead Based Paint (LBP): Based on the pre-1981 date of construction, ACMs and LBP may be present in building materials. Building materials were described to be in good condition. These suspect materials can be managed effectively as part of an ACM and LBP Operations and Maintenance (O&M) Programs. | Development of O&M Plans for known and suspect ACM and LBP at the subject property. Additionally, prior to renovation or demolition, a comprehensive ACM and LBP survey should be performed. |

RETECHS COMMENTS

(Items provided for informational purposes and no further action or information is needed.)

| RETECHS Comments Details | |
|--------------------------|---|
| 1. | Former Agricultural Use: The historical agricultural use of the subject site likely included the application of agricultural chemicals such as pesticides and herbicides. The borrower should comply with all applicable regulations with regard to the conversion of former agricultural land, and associated agricultural chemicals in soil, to residential and commercial use. |
| 2. | Parts Washer: A parts washer was identified on the northeastern portion of the building and is reportedly serviced by Safety Kleen. No staining was observed in the vicinity of the washer and it is not used on a regular basis. Based on the good conditions and low frequency of usage, its presence is not considered a significant environmental concern and no further assessment is warranted at this time. |
| 3. | Regulatory Database (Subject Property): A former tenant, Midwest Door of Wisconsin, was identified as a SHWIMS under Facility ID number 113234220. This tenant was also listed as a generator of hazardous wastes in 1992 and 2007, with ignitable and non-halogenated solvents wastes generated. No violations were on file for the former tenant. Based on the lack of a documented release and the small quantities of wastes historically generated, this former tenant's operations are not considered a significant environmental concern and no further assessment is warranted regarding this listing. |
| 4. | Regulatory Database (Nearby Properties): <ul style="list-style-type: none"> The south adjoining property at 8617 Fairway Place, known as Thermofoam Solutions, was listed on the SHWIMS database, with a facility ID number of 113358520. No other databases were noted for the property. Based on the lack of a RCRA listing and lack of a documented release, operations conducted at this facility are not considered a significant environmental concern to the subject property and no further assessment is warranted at this time. The south adjoining property at 8609 Fairway Place, known as JA Hodges Company, was listed with a release of petroleum to the soil on December 4, 1997. The site received closure on August 8, 1998. Based on impacts to soil only and regulatory closure, this former release incident is not considered a significant environmental concern and no further assessment is warranted at this time. |
| 5. | Staining: Minor amounts of powder toner staining were observed throughout the assembly area. The staining was located on concrete, and no drains were observed in the vicinity. Based on the small size and surficial nature of the staining, it is not expected to represent a significant environmental concern and no further assessment is warranted at this time. |
| 6. | Radon Gas: The site is located in EPA Radon Zone 1, where the average indoor radon screening level is greater than 4 pCi/L (the EPA action level for radon). Based on the commercial use of the subject property, radon is not expected to represent a significant environmental concern to the collateral. |

REPORTS REVIEWED

| Title | Author | Date | For Whom |
|---------------------------------------|-----------------|-----------|-------------|
| Phase I Environmental Site Assessment | AEI Consultants | 1/29/2018 | Wells Fargo |