GEOPHYSICAL SURVEY REPORT

Encore Riverwalk
South Flores Street and Old Guilbeau Road
San Antonio, Texas 78214

March 15, 2016
Partner Project Number: 15-152205.2

Prepared for:
Berkadia Commercial Mortgage
8333 Douglas Avenue, Suite 1100
Dallas, Texas 75225
March 15, 2016

Ms. Rebecca Heath  
Berkadia Commercial Mortgage  
8333 Douglas Avenue, Suite 1100  
Dallas, Texas 75225

Subject: Geophysical Survey Report  
Encore Riverwalk  
South Flores Street and Old Guilbeau Road  
San Antonio, Texas 78214  
Partner Project Number: 15-152205.2

Dear Ms. Heath:

Partner Engineering and Science, Inc. (Partner) is pleased to provide the results of the assessment performed on the above-referenced property. The following report describes the field activities, methods, and findings of the Geophysical Survey conducted at the above-referenced property.

This assessment was performed utilizing methods and procedures consistent with good commercial or customary practices designed to conform to acceptable industry standards. The independent conclusions represent Partner’s best professional judgment based upon existing conditions and the information and data available to us during the course of this assignment.

We appreciate the opportunity to provide these services. If you have any questions concerning this report, or if we can assist you in any other matter, please contact Chad Bedwell at (972) 996-7854.

Sincerely,

Partner Engineering and Science, Inc.

Ryan Mackie  
Staff Geologist

Wesley Critz  
Regional Manager – Subsurface Investigation

Chad Bedwell  
National Client Manager
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1.0 INTRODUCTION

1.1 Purpose

The purpose of this Geophysical Survey was to evaluate the presence of any historical underground storage tanks (USTs) from the former fueling station operations remaining on the subject property. Berkadia Commercial Mortgage provided project authorization of Partner Proposal Number P15-152205.2.

1.2 Limitations

This report presents a summary of work conducted by Partner. Conclusions and/or recommendations beyond those stated and reported herein should not be inferred from this document.

Partner warrants that the environmental consulting services contained herein were accomplished in accordance with generally-accepted practices in the environmental engineering, geology, and hydrogeology fields that existed at the time and location of work. No other warranties are implied or expressed.

1.3 User Reliance

Partner was engaged by Berkadia Commercial Mortgage (the Addressee), or their authorized representative, to perform this investigation. The engagement agreement specifically states the scope and purpose of the investigation, as well as the contractual obligations and limitations of both parties. This report and the information therein, are for the exclusive use of the Addressee. This report has no other purpose and may not be relied upon, or used, by any other person or entity without the written consent of Partner. Third parties that obtain this report, or the information therein, shall have no rights of recourse or recovery against Partner, its officers, employees, vendors, successors or assigns. Any such unauthorized user shall be responsible to protect, indemnify and hold Partner, the Addressee and their respective officers, employees, vendors, successors and assigns harmless from any and all claims, damages, losses, liabilities, expenses (including reasonable attorneys’ fees) and costs attributable to such use. Unauthorized use of this report shall constitute acceptance of, and commitment to, these responsibilities, which shall be irrevocable and shall apply regardless of the cause of action or legal theory pled or asserted.

This report has been completed under specific Terms and Conditions relating to scope, relying parties, limitations of liability, indemnification, dispute resolution, and other factors relevant to any reliance on this report. Any parties relying on this report do so having accepted the Terms and Conditions for which this report was completed.
2.0 SITE BACKGROUND

2.1 Site Description

The subject property consists of two parcels of land totaling 3.1203 acres located on the northeast quadrant of South Flores Street and Old Guilbeau Road, within a mixed commercial, retail, and residential area of San Antonio, Bexar County, Texas. The subject property is currently occupied by three buildings known as the B&P Building, Katy Building, and the Flores Building for commercial use. Onsite operations consist of food services and preparation, a digital photo studio, typical office activities, and health care services. In addition to the current structures, the subject property is also improved with asphalt and concrete-paved parking areas and associated landscaping.

The subject property is bound by an attorney office (101 Stumberg Street) and two parking lots (321 Main Street and 126 East Nueva Street) to the north across Stumberg Street; Ken’s Good Year Auto Service (400 South Flores Street) and a multi-tenant commercial building (501-505 South Main Street) to the south across Old Guilbeau Street; Heritage Plaza Building (400-436 South Main Street) to the east across South Main Street; and Bexar County Parking Garage (211 South Flores Street), Bill Miller BBQ Distribution Center (301 South Flores Street), Law Offices (325 South Flores Street), and Milmo Lofts (319/321 South Flores Street) to the west across South Flores Street. Refer to Figure 1 for a site vicinity map.

2.2 Site History

Partner completed a Phase I Environmental Site Assessment Report (Phase I), dated December 10, 2015 and revised on March 10, 2016, prepared on behalf of Berkadia Commercial Mortgage. Based on the information reviewed and the site reconnaissance, the subject property was formerly developed as a lumber yard, school, and residential dwellings as early as 1885 to at least 1927; developed with several structures including a fueling station and auto sales service facility from at least 1951 to 1966; a tire sales and service facility and auto paint spraying company between 1966 and 1971; and retail store fronts since at least 1986 through the present. The subject property buildings were constructed in 1925, 1953, and 1955.

The Phase I identified the following recognized environmental conditions (REC):

- According to information presented in a 2015 Phase I report and regulatory database information, much of the subject property was formerly occupied by various residential dwellings. No concerns were identified with the residential use. The northwest, southeast, and western portions of the subject property have been occupied by various commercial, institutional, and auto service facilities since at least the late 1800s through present-day. Previous operators included a lumber yard, auto sales and associated filling station (1951-1966), tire sales and service, dry cleaners, and a paint spraying business.

- Review of historical sources reveals the subject property was formerly developed as a gasoline station at 234 South Flores Street from at least 1951 until circa 1966 on the northwest corner of the subject property. According to the review of Sanborn Fire Insurance maps, the former gasoline station utilized four underground storage tanks (USTs) located north of the fueling station. No records were readily available or reasonably ascertainable from the Texas Commission on Environmental Quality (TCEQ) regarding the former gasoline station and/or it’s
associated USTs. Therefore, based on the lack of information indicating tank removal, the presence of the former fueling station and associated USTs was identified as a REC.

- According to records reviewed during the Phase I, a Limited Site Investigation was performed on the subject property on July 31, 2015. As part of the approved scope of services, eleven soil borings (B-1 through B-11) were advanced on the subject property. Soil borings B-1, B-4, B-8, and B-9 were converted to temporary groundwater monitoring wells (MW-1, MW-4, MW-8, and MW-9). Soil boring B-7 was intended to be converted to a temporary groundwater monitor well; however, refusal occurred at approximately 22 feet prior to encountering the water-bearing zone. The following soil sample results were identified: total petroleum hydrocarbons (TPH), volatile organic compounds (VOCs), and semi-volatile organic compounds (SVOCs) were not detected at concentrations exceeding TCEQ action levels in the soil sample collected; however, the laboratory method detection limits (MDLs) for three VOCs and 14 SVOC constituents exceeded the respective TCEQ action levels in two or more samples. Furthermore, arsenic concentrations were detected in soil samples collected from borings B-6 (0-2.5 feet), B-9 (2-3 feet), and B-2 (0-2.5 feet) ranged from 6.17 milligrams per kilogram (mg/Kg) to 6.95 mg/Kg, exceeding the background concentration of 5.9 mg/Kg. Mercury was detected in soil sample B-3 (0-2.5 feet) at a concentration of 0.458 mg/Kg exceeding the background concentration of 0.04 mg/Kg. Lead was detected in the 10 of 11 soil samples collected ranging from 21.5 mg/Kg to 145 mg/Kg, exceeding the background concentration of 15 mg/Kg. The following groundwater sample results were identified: TPH, metals, VOC and SVOC constituents were less than the TCEQ action levels for groundwater ingestion. However, six of the 12 SVOCs constituents had MDLs that exceeded the respective TCEQ action levels in at least one sample. Field screening results at B-7 indicated increasing organic vapor readings were encountered with depth in soil starting at approximately 17.5 feet. However, due to refusal or direct push sampling equipment, no groundwater sample was collected at this location. Partner was provided a copy of a TCEQ Voluntary Cleanup Program (VCP) Application that was received by the TCEQ on November 17, 2015. The applicant name is identified as EMF River Walk, LLC and BRT River Walk, LLC. The contaminated media is identified as arsenic, mercury, and lead detected in soil above the TRRP Tier 1 PCL. In addition, VOCs and SVOCs were detected in soil and VOCs, SVOCs, and metals were detected in groundwater with values below TRRP PCLs. Based on the aforementioned site assessments and the known remaining presence of groundwater contamination, the identified release of heavy metals was identified as REC.
3.0 FIELD ACTIVITIES

The investigative scope included a geophysical survey of the subsurface throughout the northwestern portion of the subject property to evaluate if any former on-site USTs remain at the subject property.

3.1 Geophysical Survey

On March 9, 2016, Encompass Inspections (Encompass), under the supervision of Partner, conducted a geophysical survey throughout the northwestern portion of the subject property. The purpose of the geophysical survey was to evaluate if any former on-site USTs remain in place and/or to locate any backfilled excavations that may have contained the former on-site USTs. The geophysical survey was conducted with a geophysical survey Systems Inc. (GSSI) SIR-3000 Radar unit and a 400 MegaHertz (MHz) antenna. A closely-spaced rectilinear grid was established throughout accessible exterior areas of the subject property. Encompass systematically free-traversed the investigation area with the aforementioned equipment. The equipment data were interpreted in real time and compiled as necessary in order to identify subsurface anomalies consistent with USTs, disturbed soil resembling backfilled tank holds, piping trenches, and/or other subsurface conduits/features.

Results of the geophysical survey did not identify any subsurface anomalies consistent with that of former USTs or backfilled excavations. Therefore, it appears that any former on-site USTs have been removed from the subject property and their former tank basins were likely compacted when backfilled.

Refer to Figure 2 for a map depicting the area scanned during the geophysical survey. Refer to Appendix A for a copy of the geophysical survey report, which provides additional details regarding the geophysical survey equipment and methodology.
4.0 SUMMARY AND CONCLUSIONS

Partner conducted a Geophysical Survey at the subject property to evaluate if any historical on-site USTs associated with the former on-site fueling station operations remain at the subject property. The scope of the investigation included a Geophysical Survey of the subsurface throughout the northwestern portion of the subject property to evaluate if any former on-site USTs remain in place and/or to locate any backfilled excavations that may have contained the former on-site USTs.

The geophysical survey did not identify any subsurface anomalies consistent with that of former USTs or backfilled excavations. As such, it appears that any former on-site USTs have been removed from the subject property and their former tank basins were likely compacted when backfilled.

Based on the results of this Geophysical Survey, there is no evidence that any former on-site USTs remain at the subject property.
Subject Site

Geophysical Survey Area

Location of Former USTs

Legend

Notes:
- Scale is approximate

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South Flores Street & Old Guilbeau Road
San Antonio, Texas 78204
APPENDIX A: GEOPHYSICAL SURVEY REPORT
March 9, 2016

Ryan Mackie  
**PARTNER ENGINEERING AND SCIENCE, INC.**  
2800 Dallas PKWY STE 140, Plano, TX 75903

**UST locating survey**

**Onsite Technician:**  Brent Burns  
*Encompass Inspections*  
713.702.9133  
*bburns@encompassinspections.net*

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1. Equipment and Overview

**Ground Penetrating Radar (GPR)**
- **Overview**: GPR is used as a subsurface locating device which sends radio frequency pulses into the ground to determine different densities in the soil. The frequency will commonly bend or refract around objects in the soil re: metal pipes, PVC conduits, storage tanks, etc.
- **Model(s)**: GSSI SIR-3000 along with the GSSI 400 MHz antenna

**Radio Detection (RD)**
- **Overview**: Radio detection is the most common form of locating which uses a transmitter to energize conductive line with a radio frequency and a receiver to trace out the path of the energized line.
- **Model**: RD 7000

**Passive Locating (PL)**
- **Overview**: Passive locators amplify and detect 60 Hz harmonic signatures. These signatures are common in electric and communications lines under load.
- **Model(s)**: Goldak 600 and RD 4000

**Rodder Locating (RDR)**
- **Overview**: Rodder is used for known utilities that cannot be traced through standard methods such as sewer, storm drains, empty conduits, etc. Rodder is fed down utility and then energized using RD method.
- **Model**: Jameson Duct Hunter series

**Electromagnetic Induction (EMI)**
- **Overview**: EMI works by energizing the soil in a large area with an electromagnetic signal or frequency. The EMI is functional in large open areas only and is perfect for finding large unknown metallic objects buried in the soil.
- **Model**: GSSI Profiler

**Magnetometer (MAG)**
- **Overview**: Magnetometer locating is the similar to standard metal locating. The locator picks up any magnetic (ferrous) signature.
- **Model**: Dunham and Morrow - MAG PRO 2.

**Camera Snake (CS)**
- **Overview**: Used to inspect the inside of pipes for damages. Camera snakes also include “sonde” technology which allows the head of the camera to be located.
- **Model**: Amazing Machinery, ProBuilt Tools, and Rigid
2. Site Description

UST survey was conducted at the corner of S. Flores Street and Stumburg Street in San Antonio, TX. The site consisted of concrete sidewalks and an asphalt paved parking lot. All designated areas were scanned for survey per onsite customer request.

Job date(s): Wednesday, March 9, 2016
3. Survey Process

Met with Ryan Mackie on site and determined that the objective of the survey was to locate any possible UST’s.

GPR was used to scan areas in question to find where UST’s could have been. When using GPR, grid pattern was used to scan the ground areas in approximately 5 foot dimensions north/south and east/west.
4. Findings and Results

There were no UST’s located at this time in any of the designated areas per GPR scanning equipment.
5. Qualifications

Encompass Inspections (EI), started in 2010, prides itself on using the best and latest technologies to aid in the safe completion of all concrete and underground penetrations. With nationwide service, EI provides the same great service to all clients from coast to coast. By employing highly trained and skilled employees EI assures the best customer satisfaction in the industry.

EI performs jobs daily in the most high profile areas such as airports, hospitals, schools, military bases, water and oil processing plants, and more. Below is a list of just a few jobs that EI has completed recently:

- LAX – Los Angeles International Airport – CA
- Arizona State baseball facilities – Tempe, AZ
- Sky Harbor Airport – Phoenix, AZ
- Disneyland – Anaheim, CA
- General Motors Plants – MI, TX
- Naval Air Station – Kingsville, TX
- Camp Pendleton – CA
- Hines Hospital – Hines, IL
- Montrose VA Hospital – Montrose, NY
- Lockheed Martin – TX
- Google Campus – Mountain View, CA
- Intel Buildings – CA, AZ

Please also feel free to check our website for more recent projects: [www.encompassinspections.net](http://www.encompassinspections.net)
6. Conclusion

In conclusion, EI performed the GPR survey in the designated areas to look for USTs and/or UST excavations to the best of the technician’s and the equipment’s ability’s. We thank you for the opportunity to be your subsurface specialists.

As always, if you should have any questions, or require further assistance, please do not hesitate to call.

Respectfully submitted,

Encompass Inspections

Jeff Patterson
Area Manager
Encompass Inspections
713.703.4005

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