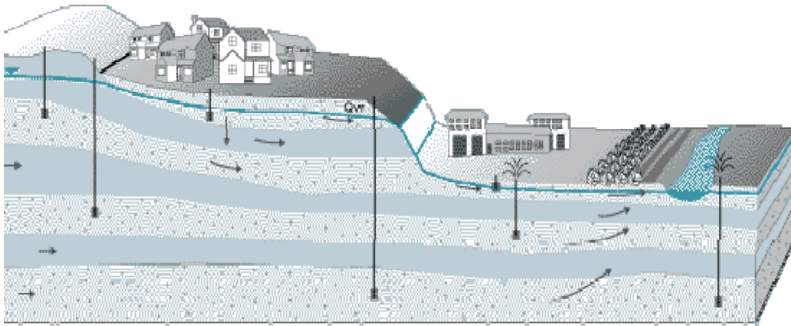


Environmental Liability Assessments



Purchasing a property includes the risk of acquiring the liability for environmental conditions caused by previous owners or from contamination migrating onto the site. The costs of cleaning up a site that is contaminated can vary widely. However, resolving environmental problems, if present, can often cost more than the original market value of the property.

Phase 1 Environmental Site Assessment.....What is it?

A Phase 1 Environmental Site Assessment is a review of the known and observable environmental conditions associated with the property. A Phase 1 Environmental Site Assessment does not involve any soil or ground water sampling; it consists of four main components: 1) Records Review, 2) Site Visit, 3) Interviews with Owners/Occupants/Local Regulators, and a 4) Written Report.

The ***Water Supply Group*** provides Phase 1 Environmental Assessments which follow the American Society for Testing and Materials (ASTM) Practice E-1527-00. This ASTM protocol is the accepted industry standard which allows property buyers and developers to minimize the risks of environmental liability associated with buying a property.

Phase 1 Environmental Site Assessment.....The Benefits

A thorough and well performed Phase 1 Environmental Site Assessment will assist the potential property owner in the following ways:

- ✓ **Provide an Evaluation of the Property Condition** – for disclosure in acquisitions, divestitures, and for financing purposes
- ✓ **Demonstrate Due Diligence** – to regulatory agencies
- ✓ **Establish Baseline Conditions** - to document site conditions prior to the sale
- ✓ **Assess Liability** – potentially identify environmental contaminants present on the site and/or migrating onto the site from neighboring properties
- ✓ **Identify the Need for Additional Investigation** – to provide enough preliminary information to determine if additional site investigation (and sampling) is required.

Why Water Supply Group?

When Phase 1 Environmental Assessments are performed as part of a loan requirement, it might seem logical for investors to buy them as a low cost, pre-defined and itemized package in order to achieve a cost savings. However, using low-cost generic procedures and inexperienced junior staff results in a pre-defined process not targeted to the unique aspects of the property. *The result is a Phase 1 Environmental Site Assessment that is inexpensive when invoiced, but may be financially ruinous when an environmental hazard is overlooked.*

The Water Supply Group assists its clients by performing thorough and careful work. The Water Supply Group cost-effectively performs Phase 1 Environmental Assessments using highly qualified, senior environmental professionals who have over 15 years experience in addressing environmental liability and in managing environmental problems.

