

**LIMITED PHASE II INVESTIGATION
KING'S GRANT DEVELOPMENT
200-ACRE PARCEL AND OUTPARCELS
CABARRUS COUNTY, NORTH CAROLINA
S&ME PROJECT NO. 1351-93-484**

Prepared For:

Investment Partners of Charlotte, Ltd.
112 South Tryon Street, Suite 1550
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Prepared By:

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October 12, 1993



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Investment Partners of Charlotte, Ltd.
112 South Tryon Street, Suite 1550
Charlotte, North Carolina 28284

Attention: Ms. Donna Harrison

Reference: **Limited Phase II Investigation Summary Report
King's Grant Development - 200-Acre Parcel and Outparcels
Cabarrus County, North Carolina
S&ME Project Number 1351-93-484**

Dear Ms. Harrison:

S&ME, Inc. (S&ME) is pleased to submit to Investment Partners of Charlotte, Ltd (Investment Partners) this summary report for the Limited Phase II Investigation conducted by S&ME at the above referenced portion of the King's Grant development (the site). The limited investigation was performed to further assess environmental conditions in four areas of concern at the site that were identified by S&ME during the recently completed preliminary environmental site assessment.

SITE DESCRIPTION

The site is composed of approximately 200 acres within the King's Grant development in Cabarrus County, North Carolina. The King's Grant development is generally located south of Belt Road, north of Old Holland Road, and east of Interstate I-85. The parcel, and five contiguous outparcels, are located along the east side of Interstate I-85 and straddle the Rocky River (Figure 3, Attachment 1). A more complete description of the site is contained in the S&ME report Preliminary Environmental Site Assessment, August 3, 1993.

AREAS OF CONCERN

Based on the results of the preliminary environmental site assessment, S&ME identified the following four areas of concern:

- Location #5 - south bank of Rocky River in the northern-central part of the site where a rusted 55-gallon drum was present amid the flotsam;



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- Location #6 - northwestern corner of the site where a rusted 55-gallon drum was present along a path;
- Location #8 - northeastern corner of the site where an abandoned water heater and debris piles containing household waste were present along a path; and
- Area adjacent to Interstate I-85 where a suspect change in grade was present.

These locations are shown in Figure 3 (Attachment 1).

SCOPE OF WORK

Soil samples were collected by an S&ME staff engineer on Monday, August 23, 1993, for laboratory chemical analysis at Locations #5 and #6 to evaluate potential environmental impact. Samples were collected with a hand auger on the uphill and downhill sides of the rusted drums. In addition, a soil sample was collected for chemical analysis from a background area for comparative purposes.

The three soil samples were analyzed by Industrial & Environmental Analysts, Inc., (IEA) for the following chemical constituents:

- Metals - mercury, arsenic, lead, selenium, silver, barium, cadmium, and chromium;
- Pesticides and Polychlorinated Biphenyls (PCBs) by EPA Method 8080; and
- Purgeable Volatile Organic Compounds (VOCs) by EPA Method 8240.

In addition, the soil samples from Locations #5 and #6 were analyzed for diesel-fuel range total petroleum hydrocarbons (TPH) by Method 3550, and gasoline-range TPH by Method 5030. Copies of the IEA analytical reports are contained in Attachment 2.

The abandoned water heater in Location #8 was visually inspected for asbestos by an S&ME industrial hygienist on Monday, August 23, 1993. In addition, three hand-auger holes were drilled to refusal at a depth of two below land surface (BLS) in the area adjacent to Interstate I-85 where the change in grade occurred.

INVESTIGATION RESULTS

A summary of the laboratory analytical results is present in Table 1 (Attachment 1). No VOCs, pesticides, or PCBs were detected in the soil samples collected from Locations #5 and #6.

Diesel-fuel range TPH was detected in the soil sample from Location #6 at a concentration of 3.3 milligrams per kilogram (mg/kg). Gasoline-range TPH was not detected in the soil sample. Neither diesel-fuel range nor gasoline-range TPH were detected in the soil sample collected from Location #5.

The metals lead and chromium were detected in all three samples. The background soil sample and the sample from Location #6 also contained detectable concentrations of mercury, arsenic, and barium. Where detected the metal concentrations in the samples from Locations #5 and #6 do not appear to vary from background-sample concentrations.

Asbestos was not observed in the abandoned water heater at Location #8. The shallow soils at the three hand-auger holes appear to be natural and did not appear to contain any debris.

CONCLUSIONS

S&ME has derived the following conclusions concerning environmental conditions at the site based on the data discussed previously.

1. Environmental impacts from metals, VOCs, TPH, pesticides, or PCBs do not appear to be present in the surficial soils sampled around the rusted drum at Location #5.
2. Environmental impacts from metals, VOCs, pesticides, or PCBs do not appear to be present in the surficial soils sampled around the rusted drum at Location #6. A slight impact from diesel-fuel range petroleum hydrocarbons to the surficial soils does appear to be present. The diesel-fuel range TPH concentration (3.3

mg/kg), is well below North Carolina Department of Environment, Health, and Natural Resources (DEHNR) minimum action level of 40 mg/kg for diesel-fuel impacted soil.

3. There is no evidence of asbestos in the abandoned water heater noted at Location #8.
4. The suspect grade change at the site adjacent to Interstate I-85 does not appear to be associated with any artificial debris or waste disposal, and does not appear to indicate any environmental impacts.

RECOMMENDATIONS

The following recommendations are offered by S&ME based on our evaluation of environmental conditions at the site.

1. Special activities are not warranted in Locations #5 and #8, and the grade-change area above and beyond what would normally be employed.
2. There is a slight chance that petroleum-impacted soils are present in Location #6, although no visual indications were observed. S&ME believes that any petroleum impact, if present, is restricted and minor. However, S&ME should be immediately notified if any stained soils or petroleum odors are discovered during activities.

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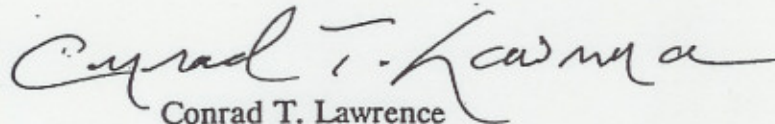
S&ME is pleased to have been of assistance to Investment Partners on this project. Do not hesitate to contact us at 704/523-4726 if you have any questions or need any additional information.

Sincerely yours,

S&ME, Inc.



Dane A. Horna, P.E.
Environmental Services Manager



Conrad T. Lawrence
Senior Hydrogeologist

DAH/CTL/ctl/PHIIRSLT.LET

- Attachments: 1. Figure 3 - Approximate Photograph Locations
Table 1 - Analytical Results Summary
2. Chemical Laboratory Reports

The full report with exhibits and data is available upon request. The full report can be emailed, faxed or mailed. If you would like the full report, call 800-732-3325 and ask for Tom Hunter. A copy of the full report will be available for review at the auction, and will be provided to the buyer.