MACTEC

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September 29, 2008

check of property issue in 2008

Ms. Cynthia Chirot
Metrolina Warehouse, LLC
1529 18th Avenue East
Seattle, Washington 98112

Subject: **Site Observations**
Metrolina Warehouse Site
Depot Street, Davidson, North Carolina
MACTEC Project 6228-08-4823

Dear Ms. Chirot:

The site (Tax Parcel 003-253-01) contains two commercial warehouses located within the downtown area of Davidson, North Carolina. An asbestos mill formerly occupied the site. Some environmental work was completed at the site in 1984 that included the assessment of Asbestos Containing Materials (ACMs) in a former holding pond at the rear of the property. The pond area was subsequently "closed" by placement of a compacted clay soil cap over the asbestos layer. A grass cover was then planted over the filled area.

Recently, the property manager, Mr. Todd Elliott informed MACTEC that some subsidence of the ground surface had occurred in the filled area. You requested that MACTEC personnel visit the site to evaluate the potential for the clay soil cap to be comprised to the degree that ACMs may be exposed at ground surface.

On September 25, 2008, Mr. Robert Foster of MACTEC visited the site to make observations of the reported subsidence in the fill area. A linear, trench-like feature was noted and photographed (see attached) by MACTEC personnel. The ground cover consisted of green grass at the time of our visit. MACTEC did not observe bare soil or other indications that the clay soil cap placed over the debris in 1984 was comprised by the reported settlement.

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MACTEC does not recommend further assessment at this time.

If you have questions or require additional information, please contact me at (704) 357-8600.

Sincerely,

MACTEC ENGINEERING AND CONSULTING, INC.

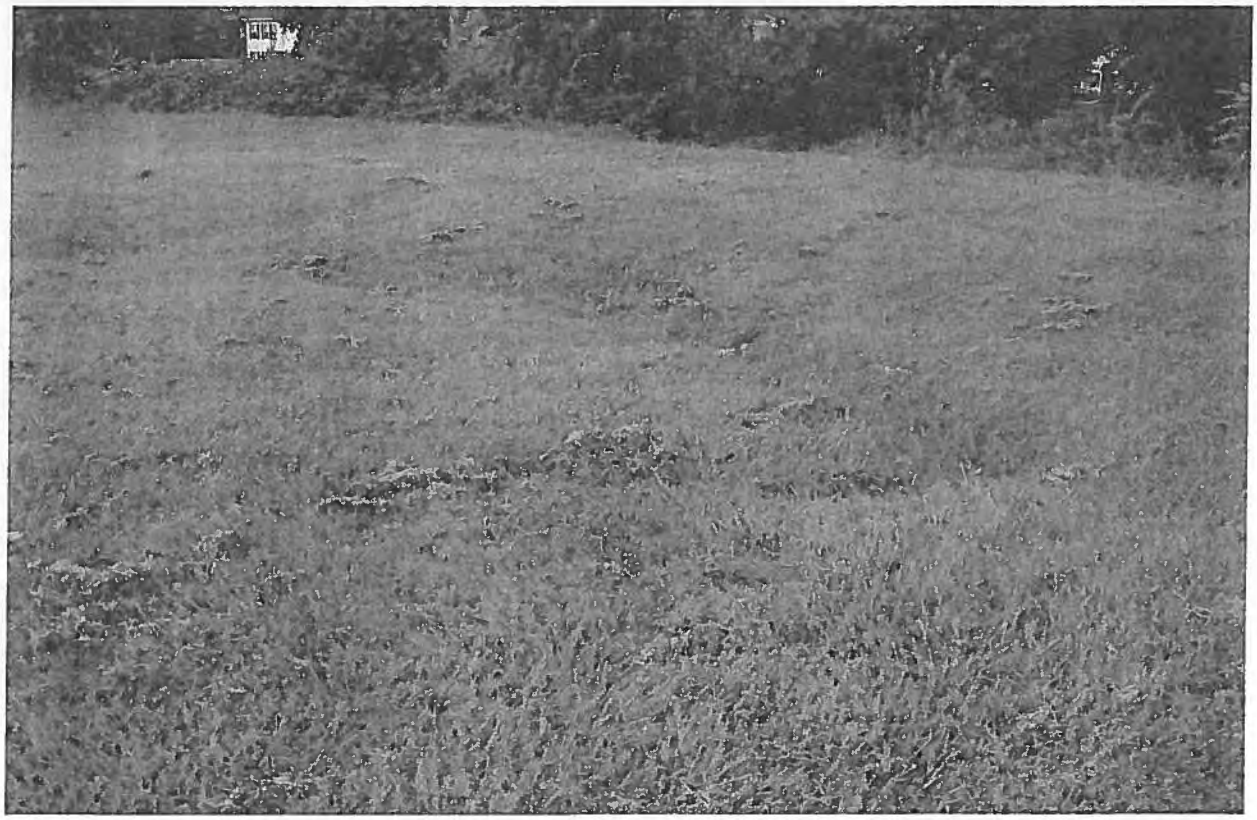
Andrew J. Frantz, A.E.P.
Staff Environmental Scientist

Robert C. Foster, PG
Principal

Enclosures

Cc: Mr. Brian Goray, Greenhawk Partners, LLC
Mr. Todd Elliott, Recycled Paints, Inc.

Photograph 1: Evidence of settlement near top left portion of photograph.



Photograph 2: Linear area of settlement in center of photograph.

Photograph 3: Linear area of settlement in center of photograph.

Photograph 4: Evidence of subsidence in center of photograph.