



AEI Consultants

June 8, 2022

ZONING ANALYSIS REPORT

Property Information:

3105 N Wilke Road
Arlington Heights, Cook County, Illinois 60004

Project Information:

AEI Project No. 462597
Client Reference Name: Arlington Pediatric Therapy

Prepared For:

Cypress West Realty Partners
15305 Dallas Parkway Suite 1134
Addison, Texas 75001

Prepared By:

AEI Consultants
8700 West Bryn Mawr Avenue, Suite 710N
Chicago, IL 60631-3505

Purpose:

Acquisition only

Environmental
Due Diligence

Building Assessments

Site Investigation
& Remediation

Energy Performance
& Benchmarking

Industrial Hygiene

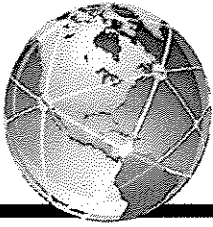
Construction
Risk Management

Zoning Analysis
Reports & ALTA
Surveys

National Presence

Regional Focus

Local Solutions



AEI Consultants

June 8, 2022

Jon Foulger
Cypress West Realty Partners
15305 Dallas Parkway Suite 1134
Addison, Texas 75001

Subject: Zoning Analysis Report
3105 N Wilke Road
Arlington Heights, Illinois 60004
AEI Project No. 462597
Client Reference No.
Client Reference Name: Arlington Pediatric Therapy

Dear Jon Foulger:

AEI Consultants is pleased to provide the *Zoning Analysis Report* of the above referenced property. This assessment was authorized and performed in accordance with the scope of services engaged.

We appreciate the opportunity to provide services to you. If you have any questions concerning this report, or if we can assist you in any other matter, please contact me at (561) 570-2478 or rnarine@aeiconsultants.com.

Sincerely,
DRAFT
Rovin Narine
Vice President
AEI Consultants

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EXECUTIVE SUMMARY

AEI Consultants (AEI) was retained by Cypress West Realty Partners to conduct a ZAR for the property located at 3105 N Wilke Road, Arlington Heights, Cook County, Illinois, in general conformance with industry accepted practices, AEI's proposal, and the scope of work discussed in Section 1.1 of this report. The information and conclusions of this report are based upon information provided by the client, information provided by local planning/zoning, building, and fire departments as well as ALTA Surveys completed by third party Professional Land Surveyors. Any exceptions to, or deletions from, this practice are described in Section 1.3 of this report. The following is an Executive Summary for the reader, however, the report should be reviewed in its entirety.

PROPERTY DESCRIPTION

SITE INFORMATION	
Site Name	Arlington Pediatric Therapy
Site Address(es)	3105 N Wilke Road, Arlington Heights, Cook County, Illinois 60004
Property ID (APN or Block/Lot)	03071000190000 (Parent Parcel) and 03-07-100-019-1001 through -1004/Assessor
Location	East side of Wilke Road, approximately 1/4 mile north of Rand Road
Municipal Jurisdiction	City of Arlington Heights
Current Site Use	Medical Office
Site Acreage (Site Square Footage)/Source	6.15 acres (267,894 square feet)/Offering Memorandum
BUILDING INFORMATION	
Year(s) of Construction	1985/Offering Memorandum
Number of Buildings	One (1)/ALTA Survey
Number of Units	One (1)/ESA Site Inspection
Gross Building Square Footage/Source	30,328 square feet/ALTA Survey
Net Rentable Square Footage	30,328 square feet/Offering Memorandum
Building Footprint Square Footage	30,328 square feet/ALTA Survey
Number of Floors/Stories	One (1) story/ALTA Survey
Height	15 feet/Estimated from street-level photographs
Additional Improvements/Ancillary Structures	Asphalt-paved parking areas and associated landscaping

FINDINGS

Report Section	No Further Action	Violation/Deficiency	No Violation	Need Survey to Confirm	Comments
3.1 Current Zoning Classification	✓		✓		M-1: Research, Development, and Light Manufacturing District Zoning District
3.3 Lot Size and Building Density Requirements	✓		✓		Meets requirements
3.4 Yard Setback Requirements	✓		✓		Meets requirements
3.5 Parking Requirements	✓		✓		Meets requirements
4.2 Variances & Conditional/Special Use Permits & 4.3 Site Plan Approvals					Information Pending
5.1 Zoning Code Violations					Information pending
5.1 Building Code Violations	✓		✓		None reported
5.1 Fire Code Violations	✓		✓		None reported
5.2 Zoning Verification Letter					Document pending
5.3 Certificate(s) of Occupancy	✓		✓		Copies are included in Appendix D

CONCLUSIONS

	Conformance	Comments
Conformance Use	Legally Conforming	
Conformance Property	Legally Conforming	



1.0 INTRODUCTION

This report documents the methods and findings of the ZAR for the property located at 3105 N Wilke Road, Arlington Heights, Cook County, Illinois performed in general conformance with industry accepted practices, AEI's proposal, as well as the scope and limitations outlined in Sections 1.1 through 1.4 of this report.

1.1 SCOPE OF WORK

The purpose of the ZAR is to assist the client in identifying potential liabilities associated with an improved property's status as related to its current use and the requirements set forth within the local municipality's zoning ordinance for said Property. In particular, the Zoning Analysis Report is designed to provide the following information on the Property:

AEI will perform the following tasks to complete the proposed Analysis Report:

- Identify the jurisdiction in which the subject property is zoned.
- Identify the Specific Zoning Classification as established on the current zoning map.
- Determine whether the current onsite uses are permitted within the current zoning classification of the subject property.
- Identify the applicable development standard for the zoning classification of the subject property such as: lot size, bulk density (include but are not limited to; building coverage, building size, floor area ratio (FAR), allowable number of dwelling units per acre and the allowable floor area devoted to some specific uses), building height, setback regulations, and off-street parking requirements.
- Identify whether or not any variances, special use permit conditions, or site plan approvals are on file with the governing planning department for the subject property, as requested via the FOIA process.
- Determine the rebuild-ability threshold for non-conforming properties that experience damage or destruction in the event of a catastrophic loss.
- Determine whether or not there are known or outstanding building code, fire code and/or zoning violations on file with the governing municipal entities.
- Identify the Subject's use and improvements' conformance with the current zoning classification as Legally Conforming, Legally Non-Conforming or Non-Conforming.
- Review and incorporate an ALTA Survey (provided by the Client) for property-specific values and measurements such as building heights, setbacks, parking counts and stated building encroachments over property lines.
- Make all reasonable attempts to obtain a Zoning Verification Letter from the local municipality confirming the subject property's zoning classification.

As part of this assessment, AEI has conducted research via the internet and has interviewed knowledgeable municipal employees in order to obtain local zoning ordinances and zoning maps. AEI has also forwarded FOIA correspondence to local municipal agencies in order to determine the Property's conformance with respect to the local municipal zoning code, and whether or



not any zoning code violations exist. AEI also requested that the municipality provide a Zoning Compliance Letter/Zoning Verification Letter to confirm the Property's zoning classification. FOIA requests were also submitted to the government agencies responsible for oversight of building or fire code violations. In the event that written responses were not received, AEI also made attempts to interview knowledgeable municipal employees to obtain this information.

The final part of this assessment included reviewing an ALTA survey of the Property that has been prepared by a third party. ALTA surveys provide valuable property information such as: building footprint, lot specifications, setback distances, impervious surfaces, building height, parking spaces, and other pertinent information. From this research and ALTA survey review, AEI was able to opine on the Property's conformance with local zoning ordinance.

1.2 SIGNIFICANT ASSUMPTIONS

AEI has obtained various information and/or data from a number of secondary resources, as outlined in this report. Resources include information from governmental agencies, the client, designated representatives of the client, property contact, property owner, property owner representatives, computer databases, and personal interviews. AEI has reviewed this information and has reasonably relied on this information to make our assessment. AEI assumes the information to be accurate and correct; however, other information may be provided later which would alter our opinions and/or findings. As such, AEI cannot guarantee the thoroughness or reliability of all the information provided as part of our limited assessment activities.

1.3 LIMITATIONS

Zoning ordinances and districts can change over time. Therefore, the conclusions presented as a result of this study apply strictly to the zoning code that existed at this time the study was performed, and which were made available by the governing municipal entity. Available information has been analyzed using currently accepted assessment techniques and it is believed that the inferences made are reasonably representative of the Property. AEI makes no warranty, expressed or implied, except that the services have been performed in accordance with generally accepted zoning analysis practices applicable at the time and location of the study.

Responses received from local government agencies or other secondary sources of information after the issuance of this report may change certain facts, findings, conclusions, or circumstances to the report. A change in any fact, circumstance, or industry-accepted procedure upon which this report was based may adversely affect the findings, conclusions, and recommendations expressed in this report.

1.4 LIMITING CONDITIONS

The performance of this ZAR was limited by the following condition(s):

- This assessment did not include a physical inspection of the Property. As such, AEI could not confirm information provided by third parties and government agencies.
- The following items are beyond the scope of this zoning assessment (including but not limited to): signs, billboards, parking setbacks, ADA parking requirements, usable open space, impervious surface ratio, landscaping requirements, transparency/façade



and other architectural elements, building materials, easements, conservation areas/wetlands, subsurface elements such as utilities and drainage systems, water features/sculptures/artwork, floor heights, fencing, bicycle parking, air rights, and recreational elements. Additionally, the review of any information not provided on the ALTA Survey or by the Client is beyond the scope of this assessment.

- This report includes requests to municipal departments for a list of any outstanding/open building, zoning and fire code violations that may be on file for the Property. Information regarding costs and remedies for violations is beyond the scope of this assessment, and can be addressed in a Property Condition Assessment (PCA) Report, offered as a separate service.
- AEI forwarded correspondence to local government agencies via FOIA. As of the writing of this report, some of the agencies did not respond in writing to AEI's requests. Regardless, AEI conducted telephone interviews with knowledgeable municipal employees and ascertained the necessary information to analyze the Property's zoning conformance.

1.5 RELIANCE

All reports, both verbal and written, are for the benefit of Cypress West Realty Partners. This report has no other purpose and may not be relied upon by any other person or entity without the written consent of AEI. Either verbally or in writing, third parties may come into possession of this report or all or part of the information generated as a result of this work. In the absence of a written agreement with AEI granting such rights, no third parties shall have rights of recourse or recovery whatsoever under any course of action against AEI, its officers, employees, vendors, successors or assigns. Reliance is provided in accordance with AEI's Proposal and Standard Terms & Conditions executed by Cypress West Realty Partners on May 10, 2022. The limitation of liability defined in the Terms and Conditions is the aggregate limit of AEI's liability to the client and all relying parties.



2.0 PROPERTY INFORMATION

SITE INFORMATION	
Site Name	Arlington Pediatric Therapy
Site Address(es)	3105 N Wilke Road, Arlington Heights, Cook County, Illinois 60004
Property ID (APN or Block/Lot)	03071000190000 (Parent Parcel) and 03-07-100-019-1001 through -1004/Assessor
Location	East side of Wilke Road, approximately 1/4 mile north of Rand Road
Municipal Jurisdiction	City of Arlington Heights
Current Site Use	Medical Office
Site Acreage (Site Square Footage)/Source	6.15 acres (267,894 square feet)/Offering Memorandum
BUILDING INFORMATION	
Year(s) of Construction	1985/Offering Memorandum
Number of Buildings	One (1)/ALTA Survey
Number of Units	One (1)/ESA Site Inspection
Gross Building Square Footage/Source	30,328 square feet/ALTA Survey
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Building Footprint Square Footage	30,328 square feet/ALTA Survey
Number of Floors/Stories	One (1) story/ALTA Survey
Height	15 feet/Estimated from street-level photographs
Additional Improvements/Ancillary Structures	Asphalt-paved parking areas and associated landscaping



3.0 ZONING CLASSIFICATION, REQUIREMENTS & CONFORMANCE

3.1 CURRENT ZONING CLASSIFICATION

Zoning District	District Description	Current Use Conformance
M-1: Research, Development, and Light Manufacturing District	The purpose of the M-1 District is to encourage the grouping of offices, research offices and laboratories, light manufacturing uses, and ancillary business uses. The District should be accessible to an arterial street designated on the Village Official Map or Village Comprehensive Plan Map. Residential and retail uses are prohibited. Performance standards protect residential areas by restricting objectionable manufacturing activities such as noise, vibration, smoke, dust, odors, heat, glare, fire hazards, and other objectionable influences. The minimum size for this District shall be four acres. (Section 5.1-15 Research, Development, and Light Manufacturing District: M-1.)	Legally Conforming

3.2 SURROUNDING PROPERTY ZONING CLASSIFICATION

Based upon AEI’s review of the local zoning map and correspondence with local zoning and planning officials, the below table identifies the zoning classification on surrounding properties:

Direction	Setback Side	Zoning Classification
North	Street side	M-1: Research, Development, and Light Manufacturing District
East	Rear	M-1: Research, Development, and Light Manufacturing District
South	Interior side	Outside Jurisdiction
West	Front	Outside Jurisdiction/Highway I 290

3.3 SIZE & BULK DENSITY REQUIREMENTS

Ordinance Section	Requirement	Subject Property
LOT SIZE		
Section 5.1-15.1 5.1-15.1 Minimum Lot Size and Minimum Lot Width at Building Line	Minimum Lot Area: 25,000 square feet Minimum Lot Frontage: 100 feet	Lot Area: 6.15 acres (267,894 square feet) Lot Frontage: 519.33 feet
COVERAGE		
	None Specified	11% (Subject Property) / 31% (parent parcel)
FLOOR AREA RATIO		
Section 5.1-15.2 Maximum Floor Area Ratio	Maximum FAR permitted: 250% (2.5)	0.11 (Subject Property) / 0.31 (parent parcel)
HEIGHT		
	None Specified	One (1) story(/15 feet)

The subject property meets lot size and bulk density requirements.

3.4 YARD SETBACK REQUIREMENTS

Ordinance Section	Requirement	Subject Property	Source
FRONT			
Section 5.1-15.3 Required Minimum Yards	50 feet for yards located on a major or secondary arterial and 40 feet for all others.	100.01 feet (measured to North Wilke Road)	ALTA Survey
REAR			
Section 5.1-15.3 Required Minimum Yards	30 feet required	31.64 feet	ALTA Survey
SIDES			
Section 5.1-15.3 Required Minimum Yards	10% of lot width or 25 feet whichever is greater, but the total side yard does not need to exceed 50 feet	70.19 feet for the north (interior side) 86.35 feet for the south (interior side)	ALTA Survey
ANCILLARY/ACCESSORY STRUCTURES			
	Not applicable; no ancillary structures such as tools sheds, carports, maintenance buildings were identified	Not applicable	ALTA Survey

The subject property meets setback requirements.

3.5 PARKING REQUIREMENTS

Requirement	Subject Property	Source
PARKING		
<p>According to Section 10.4.2 RETAIL - COMMERCIAL AND SERVICES USES, the following parking spaces are required for the subject property Offices - Medical or Dental Clinics uses.</p> <ul style="list-style-type: none"> One (1) space for every 200 square feet of floor area <p>As such, 152 parking spaces are required at the Property.</p>	Total 307 parking spaces, Eight (8) of which are designated handicap	AEI's PCA report

The subject property meets parking space requirements.

4.0 RIGHT TO REBUILD, VARIANCES & PERMITS

4.1 RIGHT TO REBUILD

In the event of a catastrophic loss, it is fairly common for zoning ordinances to prohibit or limit reconstruction of a non-conforming structure. The local zoning ordinance states the following:

A building or structure which contains a non-conforming use or is designed or intended for a use not permitted in the district in which it is located and which is damaged or destroyed by any means to the extent of 50% of its replacement value shall not be restored unless the building or structure and the use thereof shall conform to all the regulations of the district in which it is located. (Section 7.6 Damage or Destruction.)

In the event of a catastrophic loss, the local zoning ordinance states that Non-Conforming structures may be rebuilt in the event of a loss not to exceed 50% of the replacement value.

4.2 VARIANCES & CONDITIONAL/SPECIAL USE PERMITS

AEI has not yet received a response from the Arlington Heights Planning & Community Development Department as to whether or not any Variances/Conditional Permits were issued to the Property. An addendum to this report will be issued when this information becomes available.

4.3 SITE PLAN APPROVALS

AEI has not yet received a response from the Arlington Heights Planning & Community Development Department as to whether or not any Site Plan Approvals were required for the development of the Property. An addendum to this report will be issued when this information becomes available.

5.0 MUNICIPAL RESEARCH & DOCUMENTS

5.1 CODE VIOLATIONS

Zoning Code Violations	As of the submission of this report, AEI has not received a response from the Arlington Heights Planning & Community Development Department as to whether or not there are any outstanding Zoning Code violations at the Property. An addendum to this report will be issued to the client when same becomes available.
Building Code Violations	None Reported (May 31, 2022) Information provided by Patty LeVee, Administrative Assistant, Arlington Heights Building & Life Safety Department
Fire Code Violations	None Reported (May 31, 2022) Information provided by Patty LeVee, Administrative Assistant, Arlington Heights Fire Department

5.2 ZONING VERIFICATION LETTER

A Zoning Verification Letter confirming the Property's zoning classification is currently pending with the Arlington Heights Planning & Community Development Department. Upon receipt of same, an amended report will be issued to the client.

5.3 CERTIFICATE OF OCCUPANCY

Several Certificates of Occupancy were issued for the Property. Copies are included in the appendices.



6.0 REFERENCES

6.1 ZONING ORDINANCE & MAP

- City of Arlington Heights, *Municipal Code of Ordinances, Chapter 28, Zoning Regulations*– Last updated October 28, 2021
- City of Arlington Heights, Interactive Online GIS Map (<https://www.gisconsortium.org/WebApps/CommunityPortalWebMaps/VAH/Zoning/index.html>)

Copies of the relevant portions of the zoning code and zoning map are included as appendices to this report.

6.2 INTERVIEWS & FOIA CORRESPONDENCE

As part of this assessment the following individuals were contacted:

Name, Title	Patty LeVee, Administrative Assistant
Municipal Department	Arlington Heights Building & Life Safety Department
Contact Information	Phone: (847) 368-5579 Email: plevee@vah.com Address: 33 S. Arlington Heights Rd. Arlington Heights, IL 60005 Website: https://www.vah.com/cms/One.aspx?portalId=7230773&pageId=8077509
Contact Date	May 12, 2022

6.3 ALTA SURVEY

AEI relied upon the ALTA Survey prepared on the Property by Webster, McGrath, & Ahlberg LTD., of Wheaton, Illinois, dated June 1, 2022. A copy is included in the appendices.

7.0 MEMBERS OF THE CONSULTANT TEAM

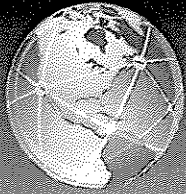
AEI Consultants performed this ZAR of the property located at 3105 N Wilke Road, Arlington Heights, Cook County, Illinois, in conformance with the scope of services outlined in AEI's contract. Any exceptions to, or deletions from, this practice are described in Sections 1.3 and 1.4 of this report.

Prepared By:
DRAFT
Kelly McMann
Project Manager

Reviewed By:
DRAFT
Peter Monea
Senior Author

DRAFT





AEI Consultants

June 8, 2022

PHASE I ENVIRONMENTAL SITE ASSESSMENT

Property Information:

3105 North Wilke Road
Arlington Heights, Cook County, Illinois 60004

Project Information:

AEI Project No. 462597
Client Reference Name: Arlington Pediatric Therapy

Prepared For:

Cypress West Realty Partners
15305 Dallas Parkway Suite 1134
Addison, Texas 75001

Prepared By:

AEI Consultants
8700 West Bryn Mawr Avenue, Suite 710N
Chicago, Illinois 60631-3505

Environmental
Due Diligence

Building Assessments

Site Investigation
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Energy Performance
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Industrial Hygiene

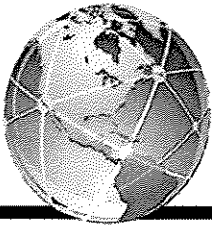
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Local Solutions



June 8, 2022

Jon Foulger
Cypress West Realty Partners
15305 Dallas Parkway Suite 1134
Addison, Texas 75001

Subject: Phase I Environmental Site Assessment
3105 North Wilke Road
Arlington Heights, Illinois 60004
AEI Project No. 462597
Client Reference Name: Arlington Pediatric Therapy

Dear Jon Foulger:

AEI Consultants is pleased to provide the *Phase I Environmental Site Assessment* of the above referenced property. This assessment was authorized and performed in accordance with the scope of services engaged.

We appreciate the opportunity to provide services to you. If you have any questions concerning this report, or if we can assist you in any other matter, please contact me at (561) 570-2478 or rnarine@aeiconsultants.com.

Sincerely,
DRAFT
Rovin Narine
Vice President
AEI Consultants

PROJECT SUMMARY

**3105 North Wilke Road, Arlington Heights, Cook County, Illinois 60004
AEI Project No. 462597**

Report Section	REC	CREC	HREC	OEC	Recommended Action
1.0 Introduction					None
2.0 Site and Vicinity Description					None
3.0 Historical Review of Site and Vicinity					None
4.0 Regulatory Agency Records Review					None
5.0 Regulatory Database Records Review					None
6.0 Interviews and User Provided Information					None
7.0 Site Reconnaissance					None
8.1 Asbestos-Containing Building Materials					None
8.2 Lead-Based Paint					None
8.3 Radon					None
8.4 Mold				✓	Replace stained ceiling tiles and confirm that the source of water intrusion has been addressed.



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APPENDIX H: QUALIFICATIONS
APPENDIX I: LIST OF COMMONLY USED ABBREVIATIONS

DRAFT



EXECUTIVE SUMMARY

AEI Consultants (AEI) was retained by Cypress West Realty Partners to conduct a Phase I ESA in conformance with AEI's contract and the scope and limitations of ASTM Standard Practice E1527-13 and the EPA Standards and Practices for All Appropriate Inquiries (40 CFR Part 312) for the property located at 3105 North Wilke Road, Arlington Heights, Cook County, Illinois (the "subject property"). Any exceptions to, or deletions from, this practice are described in Sections 1.4, 1.5, and 1.6 of this report.

Pertinent subject property information is noted below:

PROPERTY INFORMATION	
Site Address(es)	3105 North Wilke Road, Arlington Heights, Cook County, Illinois 60004
Property ID (APN or Block/Lot)	03-07-100-019-1001, 1002, 1003, 1004
Location	East side of Wilke Road, approximately 1/4 mile north of Rand Road
Property Type	Office condominium building within a larger parcel parent parcel known as the Enterprise Office Campus.
SITE AND BUILDING INFORMATION	
Approximate Site Acreage/Source	6.15 (parent parcel)/Client provided
Number of Buildings	One
Building Construction Date(s)/Source	1985/Client provided
Building Square Footage (SF)/Source	30,328/Client provided
Number of Floors/Stories	One
Basement or Subgrade Area(s)	None identified
Number of Units	N/A
Additional Improvements	The adjoining parking areas and landscaping is the responsibility of the condominium association known as Enterprise Office Center Condominiums
On-site Occupant(s)	Arlington Pediatric Therapy Management Services, Ltd.
Current On-site Operations/Use	Therapy services for children including occupational therapy, physical therapy, speech therapy, sensory-related therapy, motor skills, sports medicine etc.
Current Use of Hazardous Substances	None identified
REGULATORY INFORMATION	
Regulatory Database Listing(s)	None identified

A chronological summary of historical subject property information is as follows:

Date Range	Subject Property Description and Occupancy (Historical Addresses)	Source(s)
Prior to 1938	Unknown use/Data failure; refer to <u>Section 1.6.1</u>	Aerial photographs, city directories, local records
1938-1962	Agricultural land	Aerial photographs,
1972-1984	Undeveloped land	Aerial photographs,



Date Range	Subject Property Description and Occupancy (Historical Addresses)	Source(s)
1985-Present	Current commercial office building	Aerial photographs, city directories, local records, interviews, site observations

The immediately surrounding properties consist of the following:

Direction	Tenant/Use (Address)	Regulatory Database Listing(s)
North	Office building (3201 North Wilke Road)	None identified
Northeast	Office building (3205 North Wilke Road)	None identified
East	Office buildings (3115 and 3125 North Wilke Road)	None identified
South	Shalom Memorial Park/Randhill Park Cemetery	None identified
West	North Wilke Road followed by State Route 53 and North Frontage Road	None identified

If the surrounding properties are listed in the regulatory database, please refer to [Section 5.1](#) for discussion.

FINDINGS

Recognized Environmental Condition (REC) is defined by the ASTM Standard Practice E1527-13 as the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: (1) due to release to the environment; (2) under conditions indicative of a release to the environment; or (3) under conditions that pose a material threat of a future release to the environment.

- AEI did not identify evidence of RECs during the course of this assessment.

Controlled Recognized Environmental Condition (CREC) is defined by the ASTM Standard Practice E1527-13 as a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority, with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls.

- AEI did not identify evidence of CRECs during the course of this assessment.

Historical Recognized Environmental Condition (HREC) is defined by the ASTM Standard Practice E1527-13 as a past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls.

- AEI did not identify evidence of HRECs during the course of this assessment.

Other Environmental Considerations (OEC) warrant discussion, but do not qualify as RECs as defined by the ASTM Standard Practice E1527-13. These include, but are not limited to, de minimis conditions and/or environmental considerations such as the presence of ACMs, LBP, radon, mold, and lead in drinking water, which can affect the liabilities and financial obligations of



the client, the health and safety of site occupants, and the value and marketability of the subject property. A de minimis condition is defined by the ASTM Standard as a condition that generally does not present a threat to human health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies.

- AEI observed interior areas of the subject property building in order to identify the presence of mold. AEI did not note obvious visual or olfactory indications of the presence of mold. However, water stained ceiling tiles were observed outside the pool therapy room. Based upon our observations, AEI recommends replacing stained ceiling tiles and confirming that the source of water intrusion has been addressed.

CONCLUSIONS, OPINIONS, AND RECOMMENDATIONS

We have performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Standard Practice E1527-13 and the EPA Standards and Practices for All Appropriate Inquiries (40 CFR Part 312) of 3105 North Wilke Road, Arlington Heights, Cook County, Illinois, the *subject property*. Any exceptions to, or deletions from, this practice are described in Sections 1.4, 1.5, and 1.6 of this report.

AEI did not identify evidence of RECs or CRECs in connection with the subject property during the course of this assessment. AEI recommends no further investigation for the subject property at this time.



1.0 INTRODUCTION

This report documents the methods and findings of the Phase I Environmental Site Assessment performed in conformance with AEI's contract and scope and limitations of ASTM Standard Practice E1527-13 and the EPA Standards and Practices for All Appropriate Inquiries (40 CFR Part 312) for the property located at 3105 North Wilke Road, Arlington Heights, Cook County, Illinois (Appendix A: Figures and Appendix B: Property Photographs).

1.1 SCOPE OF WORK

The purpose of the Phase I ESA is to assist the client in identifying potential RECs, in accordance with ASTM E1527-13, associated with the presence of any hazardous substances or petroleum products, their use, storage, and disposal at and in the vicinity of the subject property. Property assessment activities focused on: 1) a review of federal, state, tribal, and local databases that identify and describe underground fuel tank sites, leaking underground fuel tank sites, hazardous waste generation sites, and hazardous waste storage and disposal facility sites within the ASTM approximate minimum search distance; 2) a property and surrounding site reconnaissance, and interviews with the past and present owners and current occupants and operators to identify potential environmental contamination; and 3) a review of historical sources to help ascertain previous land use at the site and in the surrounding area.

1.2 ADDITIONAL SERVICES

Other Environmental Considerations such as ACMs, LBP, lead in drinking water, radon, mold, and wetlands can result in business environmental risks for property owners which may disrupt current or planned operations or cash flow and are generally beyond the scope of a Phase I assessment as defined by ASTM E1527-13. Based upon the agreed-on scope of services this ESA did not include subsurface or other invasive assessments, business environmental risks, or other services not specifically identified and discussed herein.

1.3 SIGNIFICANT ASSUMPTIONS

The following assumptions are made by AEI in this report. AEI relied on information derived from secondary sources including governmental agencies, the client, designated representatives of the client, property contact, property owner, property owner representatives, computer databases, and personal interviews. AEI has reviewed and evaluated the thoroughness and reliability of the information derived from secondary sources including government agencies, the client, designated representatives of the client, property contact, property owner, property owner representatives, computer databases, or personal interviews. It appears that all information obtained from outside sources and reviewed for this assessment is thorough and reliable. However, AEI cannot guarantee the thoroughness or reliability of this information.

Groundwater flow, unless otherwise specified by on-site well data or well data from the subject property or nearby sites, is inferred from contour information depicted on the USGS topographic maps. AEI assumes the property has been correctly and accurately identified by the client, designated representative of the client, property contact, property owner, and property owner's representatives.



1.4 LIMITATIONS

Property conditions, as well as local, state, tribal, and federal regulations can change significantly over time. Therefore, the recommendations and conclusions presented as a result of this assessment apply strictly to the environmental regulations and property conditions existing at the time the assessment was performed. Available information has been analyzed using currently accepted assessment techniques and it is believed that the inferences made are reasonably representative of the property. AEI makes no warranty, expressed or implied, except that the services have been performed in accordance with generally accepted environmental property assessment practices applicable at the time and location of the assessment.

Considerations identified by ASTM as beyond the scope of a Phase I ESA that may affect business environmental risk at a given property include the following: ACMs, radon, LBP, lead in drinking water, wetlands, regulatory compliance, cultural and historical resources, industrial hygiene, health and safety, ecological resources, endangered species, indoor air quality, mold, and high voltage lines. These environmental issues or conditions may warrant assessment based on the type of the property transaction; however, they are considered non-scope issues under ASTM Standard Practice E1527-13.

If requested by the client, these non-scope issues are discussed herein. Otherwise, the purpose of this assessment is solely to satisfy one of the requirements for qualification of the innocent landowner defense, contiguous property owner or bona fide prospective purchaser under CERCLA. ASTM Standard Practice E1527-13 and the United States EPA Standards and Practices for All Appropriate Inquiries (40 CFR Part 312) constitute the "all appropriate inquiry into the previous ownership and uses of the property consistent with good commercial or customary practice" as defined in:

1. 42 U.S.C. § 9601(35)(B), referenced in the ASTM Standard Practice E1527-13.
2. Sections 101(35)(B) (ii) and (iii) of CERCLA and referenced in the EPA Standards and Practices for All Appropriate Inquiries (40 CFR Part 312).
3. 42 U.S.C. § 9601(40) and 42 U.S.C. § 9607(q).

The Phase I Environmental Site Assessment is not, and should not be construed as, a warranty or guarantee about the presence or absence of environmental contaminants that may affect the property. Neither is the assessment intended to assure clear title to the property in question. The sole purpose of assessment into property title records is to ascertain a historical basis of prior land use. All findings, conclusions, and recommendations stated in this report are based upon facts, circumstances, and industry-accepted procedures for such services as they existed at the time this report was prepared (i.e., federal, state, and local laws, rules, regulations, market conditions, economic conditions, political climate, and other applicable matters). All findings, conclusions, and recommendations stated in this report are based on the data and information provided, current subject property use, and observations and conditions that existed on the date and time of the property reconnaissance.



Responses received from local, state, or federal agencies or other secondary sources of information after the issuance of this report may change certain facts, findings, conclusions, or circumstances to the report. A change in any fact, circumstance, or industry-accepted procedure upon which this report was based may adversely affect the findings, conclusions, and recommendations expressed in this report.

AEI's limited radon screening, if included, is intended to provide a preliminary screening to evaluate the potential presence of elevated radon concentrations at the site. The proposed scope is not intended to define the full extent of the presence of radon at the subject property. As such, the results should be used for lending purposes only. The recommendations and conclusions presented as a result of the limited preliminary radon screening apply strictly to the property conditions existing at the time the sampling was performed. The sample analytical results are only valid for the time, place, and condition of the site at the time of collection and AEI does not warrant that the results will be repeatable or are representative of past or future conditions.

1.5 LIMITING CONDITIONS/DEVIATIONS

The performance of this assessment was limited by the following:

- While additional assessments may have been conducted on the subject property, these documents must be provided for AEI's review in order for the information to be summarized/included in this report. Please refer to Section 6.3 for a summary of previous reports and other documentation provided to AEI during this assessment.
- The User did not complete the ASTM User Questionnaire or provide the User information to AEI. AEI assumes that qualification for the LLPs is being established by the User in documentation outside of this assessment.
- On May 23, 2022, the Cook County Department of Public Health (CCDPH) was contacted for information on the subject property in order to identify former wells and/or septic systems or other potential environmental concerns associated with the subject property. At the issuance of this report, records at the CCDPH were not available for review. However since the subject property did not contain former structures and the current building has been connected to the municipal water and sewer systems since construction, this limitation is not expected to significantly alter the findings of this assessment.
- Due to the large volume of materials within portions of the building, direct visual observation of many of the floor and wall areas of the building was not possible. Features may be present that were not observed during AEI's field reconnaissance. Based on the quality of information obtained from other sources, this limitation is not expected to alter the overall findings of this assessment.

1.6 DATA FAILURE AND DATA GAPS

According to ASTM E1527-13, data gaps occur when the Environmental Professional is unable to obtain information required by the Standard, despite good faith efforts to gather such information. Pursuant to ASTM E1527-13, only significant data gaps, defined as those that affect the ability of the Environmental Professional to identify RECs, need to be documented.



Data failure is one type of data gap. According to ASTM E1527-13, data failure occurs when all of the standard historical sources that are reasonably ascertainable and likely to be useful have been reviewed and yet the objectives have not been met. Pursuant to ASTM E1527-13, historical sources are required to document property use back to the property's first developed use or back to 1940, whichever is earlier, or periods of five years or greater.

1.6.1 DATA FAILURE

The following data failure was identified during the course of this assessment:

Data Failure	Historical sources were not obtained at five-year intervals dating back to 1938. AEI was not able to track the history of the subject property between the years 1938 and 1946, and 1946 and 1952 as none of the historical sources utilized as part of this assessment covered this time period. In the 1938 and 1952 aerial photographs, the subject property appears as agricultural land. Thus, it is assumed that during this time period the subject property would have been agricultural land, if not vacant land. Therefore, this data failure is not expected to significantly alter the findings of this assessment.
Information/Sources Consulted	City directories, aerial photographs, Sanborn maps, local records.

Data Failure	The earliest historical resource obtained during this assessment was a 1938 aerial photograph which indicates the subject property was developed as agricultural land. The lack of historical sources for the subject property dating back to first developed use represents historical data source failure. However, it is assumed that the subject property would have been previously used for agricultural purposes if not undeveloped, this data failure is not expected to significantly alter the findings of this assessment.
Information/Sources Consulted	City directories, aerial photographs, Sanborn maps, local records.

1.6.2 SIGNIFICANT DATA GAPS

AEI did not identify significant data gaps which affected our ability to identify RECs.

1.7 RELIANCE

All reports, both verbal and written, are for the benefit of Cypress West Realty Partners. This report has no other purpose and may not be relied upon by any other person or entity without the written consent of AEI. Either verbally or in writing, third parties may come into possession of this report or all or part of the information generated as a result of this work. In the absence of a written agreement with AEI granting such rights, no third parties shall have rights of recourse or recovery whatsoever under any course of action against AEI, its officers, employees, vendors, successors or assigns. Reliance is provided in accordance with AEI's contract and Terms and Conditions executed by Cypress West Realty Partners on May 10, 2022. The limitation of liability defined in the Terms and Conditions is the aggregate limit of AEI's liability to the client and all relying parties.

2.0 SITE AND VICINITY DESCRIPTION

2.1 SITE LOCATION AND DESCRIPTION

PROPERTY INFORMATION	
Site Address(es)	3105 North Wilke Road, Arlington Heights, Cook County, Illinois 60004
Property ID (APN or Block/Lot)	03-07-100-019-1001, 1002, 1003, 1004
Location	East side of Wilke Road, approximately 1/4 mile north of Rand Road
Property Type	Office condominium building within a larger parcel parent parcel known as the Enterprise Office Campus.
SITE AND BUILDING INFORMATION	
Approximate Site Acreage/Source	6.15 (parent parcel)/Client provided
Number of Buildings	One
Building Construction Date(s)/Source	1985/Client provided
Building Square Footage (SF)/Source	30,328/Client provided
Number of Floors/Stories	One
Basement or Subgrade Area(s)	None identified
Number of Units	N/A
Additional Improvements	The adjoining parking areas and landscaping is the responsibility of the condominium association known as Enterprise Office Center Condominiums
On-site Occupant(s)	Arlington Pediatric Therapy Management Services, Ltd.
Current On-site Operations/Use	Therapy services for children including occupational therapy, physical therapy, speech therapy, sensory-related therapy, motor skills, sports medicine etc.
Current Use of Hazardous Substances	None identified
REGULATORY INFORMATION	
Regulatory Database Listing(s)	None identified

2.2 ON-SITE UTILITIES

Utility	Source/System Information
Heating System	Natural gas
Cooling System	Electricity
Potable Water	Village of Arlington Heights
Sewage Disposal/Treatment	Village of Arlington Heights

Utility source/system information listed in the table above is provided by John Homsher, unless otherwise noted above.

2.3 SITE AND VICINITY CHARACTERISTICS

The subject property is located in a commercial area of Arlington Heights, Illinois. The immediately surrounding properties consist of the following:

Direction	Tenant/Use (Address)	Regulatory Database Listing(s)
North	Office building (3201 North Wilke Road)	None identified
Northeast	Office building (3205 North Wilke Road)	None identified
East	Office buildings (3115 and 3125 North Wilke Road)	None identified
South	Shalom Memorial Park/Randhill Park Cemetery	None identified
West	North Wilke Road followed by State Route 53 and North Frontage Road	None identified

If the surrounding properties are listed in the regulatory database, please refer to Section 5.1 for discussion.

2.4 PHYSICAL SETTING

Geologic Unit: Description/Source	Geologic Unit: The subject property is situated within the Interior Plains physiographic province of the State of Illinois. Bedrock in Cook County is covered by up to 300 feet of un lithified surficial materials consisting of clay, silt, sand and gravel deposited primarily by glacial processes. Cook County is underlain by glacial till called the Wadsworth Formation. Specifically, the subject property is contains silty clayey till (Tinley Groundmoraine) of the Wadsworth Member of the Wedron Formation. The Wadsworth Member consists of glacial sediments, dominantly gray to dark gray clayey till, locally silty clayey till, with abundant small pebbles. The Wedron Formation is greater than 20 feet in thickness. Silurian dolomite is present at the bedrock surface over nearly the entire county./Illinois State Geological Survey (ISGS) maps dated 1970, 1984 and 2004
Soil Series: Description/Source	<p>Ashkum silty clay loam, Markham silt loam and Orthents, clayey, undulating/USDA Soil Survey</p> <p>Ashkum soil series consists of very deep, poorly drained, moderately slowly permeable soils on till plains. These soils formed in colluvial sediments and in the underlying silty clay loam till. The potential for surface runoff is low.</p> <p>Markham soil series consists of very deep, moderately well drained, slowly permeable soils on Wisconsin till plains. They formed in a thin layer of loess or silty material and in the underlying silty clay loam till. The potential for surface runoff is medium or rapid.</p> <p>Orthents soil series are soils similar to urban land which cannot be mapped. Urban land soils consist of land covered by pavement and buildings. Most of the areas are nearly level to gently sloping because of extensive grading and smoothing. Urban land is so modified by cuts and fills for works and structures that identification of the soil is not feasible. Runoff is generally very rapid, permeability is variable and available water capacity is very low. Most paved areas are designed to lead runoff into storm drainage systems.</p>
Groundwater Flow Direction/Source	West/Topographic map interpretation



Estimated Depth to Groundwater/ Source	25-50 feet bgs/ISGS Illinois Water Well (ILWATER) Interactive Map
Surface waters on the subject property or adjoining sites	None

Note: Groundwater flow direction can be influenced locally and regionally by the presence of local wetland features, surface topography, recharge and discharge areas, horizontal and vertical inconsistencies in the types and location of subsurface soils, and proximity to water pumping wells. Depth and gradient of the water table can change seasonally in response to variation in precipitation and recharge, and over time, in response to urban development such as storm water controls, impervious surfaces, pumping wells, cleanup activities, dewatering, seawater intrusion barrier projects near the coast, and other factors.

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3.0 HISTORICAL REVIEW OF SITE AND VICINITY

Reasonably ascertainable standard historical sources as outlined in ASTM Standard E1527-13 were used to determine previous uses and occupancies of the subject property that are likely to have led to RECs in connection with the subject property. A chronological summary of historical data found, including but not limited to aerial photographs, historical city directories, Sanborn fire insurance maps, and agency records, is as follows:

Date Range	Subject Property Description and Occupancy (Historical Addresses)	Source(s)
Prior to 1938	Unknown use/Data failure; refer to Section 1.6.1	Aerial photographs, city directories, local records
1938-1962	Agricultural land	Aerial photographs,
1972-1984	Undeveloped land	Aerial photographs,
1985-Present	Current commercial office building	Aerial photographs, city directories, local records, interviews, site observations

AEI did not identify potential environmental concerns in association with the current or historical use of the subject property.

If available, copies of historical sources are provided in [Appendix D](#).

3.1 AERIAL PHOTOGRAPHS

AEI reviewed aerial photographs of the subject property and surrounding area. A search was made of the EDR collection of aerial photographs. Aerial photographs were reviewed for the following years:

Year(s)	Subject Property Description	Adjoining Site Descriptions
1938, 1946	Agricultural land	NORTH: Agricultural land EAST: Agricultural land SOUTH: Agricultural land with a cemetery located further to the southeast. WEST: Agricultural land followed by a road with agricultural land beyond.
1952, 1955	No significant changes	NORTH: No significant changes EAST: No significant changes SOUTH: No significant changes WEST: No significant changes other than residences located further to the west and southwest.
1960	No significant changes	NORTH: No significant changes EAST: No significant changes SOUTH: No significant changes other than expansion of the cemetery is evident. WEST: No significant changes

Year(s)	Subject Property Description	Adjoining Site Descriptions
1962	No significant changes	NORTH: No significant changes EAST: No significant changes SOUTH: No significant changes WEST: No significant changes other than additional residences are evident.
1972, 1974	Undeveloped land	NORTH: Undeveloped land EAST: Undeveloped land SOUTH: A cemetery WEST: Undeveloped land and Wilke Road followed by Route 53 with residential properties beyond.
1980	No significant changes	NORTH: The current office building exist EAST: No significant changes SOUTH: No significant changes WEST: No significant changes
1988, 1993, 1994*, 1998, 2007, 2011, 2014, 2017	The current office building exists	NORTH: The current office buildings exist EAST: The current office buildings exist SOUTH: No significant changes WEST: No significant changes other than the parking lot exists between the site building and Wilke Road.

AEI did not identify potential environmental concerns in association with the historical use of the subject property during the aerial photograph review.

*Due to poor image quality and/or scale, detailed observation of site and adjoining property features was not possible.

3.2 SANBORN FIRE INSURANCE MAPS

Sanborn Fire Insurance maps were developed in the late 1800s and early 1900s for use as an assessment tool for fire insurance rates in urbanized areas. A search was made of the EDR collection of Sanborn Fire Insurance maps.

Sanborn map coverage was not available for the subject property.

3.3 CITY DIRECTORIES

A search of historical city directories was conducted for the subject property utilizing EDR. The following table summarizes the results of the city directory search.

Year(s)	Address - Occupant Listed
1958, 1962, 1967, 1971, 1977, 1980, 1985, 1990	No listings
1992	Cema Distribution, Memtek Products, Smurlo Ins.



Year(s)	Address - Occupant Listed
1995	Accu Mem Systems Inc., Amdur ASC Corp. Lsng, Arlington Pediatric Therapy, Genrad Inc., Kensington Financial Svc Inc., Memtek Products, RP Alpha Group, Elaine Slanis, Smurlo Insurance, Stewart Smurlo Insurance, TCF Bank Mortg, TCF Mortgage Corp., C Weber
2000	Advanced Air Technology Inc., Arlington Pediatric Therapy, Brownfield Development Corp., Brownfield News Magazine, Genrad Incorporated, Kensington Financial Services Incorporated, RP Alpha Group, Jerold Schneider, Elaine Slanis, Smulo Ins, Christine Weber, Wendes Engineering & Contracting Services
2005	Advanced Air Technology Inc., Dealer Product Services Inc., Kensington Financial, Stewart Smurlo, Wendes Engineering & Contracting Ser.
2010	Arlington Pediatric Therapy, Dealer Product SVC, Kensington Financial Svc
2014	Arlington Pediatric Therapy, Friends of Children in Therapy, Kensington Financial
2017	Arlington Rehabilitation for Sports, Friends of Children in Therapy

If listed above, XXXX indicates that the address is valid but there is no occupancy information available.

AEI did not identify potential environmental concerns in association with the historical use of the subject property during the city directory review.

3.4 HISTORICAL TOPOGRAPHIC MAPS

A search of historical topographic maps was conducted for the subject property utilizing NETR Online (www.historicaerials.com). Historical topographic maps were reviewed for the years 1923 through 1981. Topographic maps were reviewed for the following years:

Year(s)	Subject Property Description	Adjoining Site Descriptions
1923, 1927, 1931, 1938, 1958, 1962, 1965	No structures shown	NORTH: No structures shown EAST: No structures shown SOUTH: No structures shown with a cemetery further to the southeast. WEST: No structures shown; however it should be noted Wilke Road does not appear until 1938.
1973, 1981	No structures shown	NORTH: No structures shown EAST: No structures shown SOUTH: A cemetery WEST: Route 53 exists followed by residential properties

AEI did not identify potential environmental concerns in association with the historical use of the subject property during the historic topographic map review.

4.0 REGULATORY AGENCY RECORDS REVIEW

Local and state agencies, such as environmental health departments, fire prevention bureaus, and building and planning departments are contacted to identify any current or previous reports of hazardous substance use, storage, and/or unauthorized releases that may have impacted the subject property. In addition, information pertaining to AULs, defined as legal or physical restrictions, or limitations on the use of, or access to, a site or facility, is requested.

4.1 LOCAL ENVIRONMENTAL HEALTH DEPARTMENT AND/OR STATE ENVIRONMENTAL AGENCY

Agency	Date Contacted	Method of Contact	Name & Title of Contact	Agency Response
Cook County Department of Public Health (CCDPH)	May 23, 2022	Website	Percy C. Harris, Deputy Chief	Response pending, refer to Section 1.5

Agency	Date Contacted	Method of Contact	Name & Title of Contact	Agency Response
Illinois Environmental Protection Agency (IEPA)	May 25, 2022	Website	N/A	No records on file

4.2 FIRE DEPARTMENT

Agency	Date Contacted	Method of Contact	Name & Title of Contact	Agency Response
Arlington Heights Fire Department (AHFD)	May 31, 2022	Email	Laura Potts	Records discussed below

Records Summary

Date	Occupant	Document Type	Document Notes/Violations
9/9/2014	N/A	Incident	Van leaking gasoline (~1 gallon). Vehicle was removed
7/11/2012	N/A	Incident	Mulch fire near parking lot. AHFD extinguished the fire

Review of information on file for the subject property at the AHFD did not reveal any significant environmental concerns.



4.3 BUILDING DEPARTMENT

Agency	Date Contacted	Method of Contact	Name & Title of Contact	Agency Response
Arlington Heights Building & Life Safety Department (AHBLSD)	May 31, 2022	Email	Patty LeVee, Administrative Assistant	Records discussed below

Records Summary

Year(s)	Owner/Applicant	Description of Permit and Building Use
3/25/1992	N/A	Certificate of Compliance and Occupancy (permit #920032) for business alteration
5/22/1992	N/A	Certificate of Compliance and Occupancy (permit #911340) for business alteration (Suites H & S)
4/22/1996	Stanford	Certificate of Compliance and Occupancy (permit #960062) for Suite I
5/15/1998	N/A	Temporary Occupancy (permit #98835) for Suite D
12/29/1998	Ayelrod	Certificate of Compliance and Occupancy (permit #982668) for Suite I (office use)
12/16/2002	Hamilton Partners	Certificate of Compliance and Occupancy (permit #023559) for Suite A (office use)
7/3/2003	Arlington Pediatric	Certificate of Compliance and Occupancy (permit #03618) for office use
10/4/2006	Omni Commercial/ Hamilton Partners	Certificate of Compliance and Occupancy (permit #062901) for commercial alteration
6/29/2009	Arlington Pediatric	Application for building permit (#091869) for tenant improvements. Includes plumbing, fixtures, sinks, pool and ejector pump.
11/9/2009	Arlington Pediatric Therapy	Building permit #091869 for commercial remodel
7/15/2011	Arlington Pediatric Therapy	Application for building permit (#112525) for tenant improvements
8/17/2011	Arlington Pediatric Therapy	Building permit #112525 for interior remodel

Evidence indicating current or prior use or storage of hazardous substances was not on file for the subject property with the AHBLSD.

4.4 PLANNING DEPARTMENT

Agency	Date Contacted	Method of Contact	Name & Title of Contact	Agency Response
Arlington Heights Planning & Community Development Department (AHPCCD)	May 23, 2022	Website	N/A	The subject property is zoned M-1 (Research, Development & Light Manufacturing District)

4.5 ASSESSOR'S OFFICE

Agency	Date Contacted	Method of Contact	Name & Title of Contact	Agency Response
Cook County Assessor's Office	May 23, 2022	Website	N/A	Information obtained is discussed below

Records Summary

APN	03-07-100-019-1001, 1002, 1003, 1004
Acreage	6.15 (parent parcel) acres
Construction Date	Not provided
Building Square Footage	Not provided
Current Owner	3105 N. Wilke LLC
Additional Information	The subject property is part of a larger 268,073 square foot parcel (6.15 acres) containing four office buildings. The larger parcel is associated with APN 03-07-100-019. No other pertinent information is provided.

4.6 OTHER AGENCIES SEARCHED

Agency	Date Contacted	Method of Contact	Name & Title of Contact	Agency Response
Illinois Office of the State Fire Marshal (OSFM)	May 25, 2022	Website	N/A	No records of USTs are on file
Cook County Recorder of Deeds	May 25, 2022	Website	N/A	A Warranty Deed was recorded in 2009 between 3105 N. Wilke LLC (grantee) and Enterprise Office Center L.L.C.

No other agencies were contacted during the course of this assessment.

4.7 OIL AND GAS WELLS

Agency	Date Referenced	Resource	Oil or gas wells located within 500 feet of the subject property
Illinois State Geological Survey (ISGS)	May 25, 2022	ISGS Map	No

4.8 OIL AND GAS PIPELINES

Agency	Date Referenced	Resource	Pipelines located within 500 feet of the subject property
National Pipeline Mapping System (NPMS)	May 25, 2022	NPMS Public Map Viewer	No



5.0 REGULATORY DATABASE RECORDS REVIEW

AEI contracted EDR to conduct a search of publicly available information from federal, state, tribal, and local databases containing known and suspected sites of environmental contamination and sites of potential environmental significance. Data gathered during the current regulatory database search is compiled by EDR into one regulatory database report. Location information for listed sites is designated using geocoded information provided by federal, state, or local agencies and commonly used mapping databases with the exception of "Orphan" sites. Due to poor or inadequate address information, Orphan sites are identified but not geocoded/mapped by EDR, rather, information is provided based upon vicinity zip codes, city name, and state. The minimum search distance from the federal and state environmental records database listings specified in the current ASTM Standard E1527 is included in Section 5.1. A copy of the regulatory database report, which includes detailed descriptions of the databases noted below as well as the total number of sites identified, is included in Appendix C of this report.

In determining if a listed site is a potential environmental concern to the subject property, AEI generally applies the following criteria to classify the site as lower potential environmental concern: 1) the site only holds an operating permit (which does not imply a release), 2) the site's distance from, and/or topographic position relative to, the subject property, and/or 3) the site has recently been granted "No Further Action" by the appropriate regulatory agency.

Regulatory database listings associated with the subject property, adjoining site(s) and/or nearby sites of concern that were determined to warrant additional discussion are identified and further discussed in Section 5.1.

5.1 RECORDS SUMMARY

Database	Search Distance (Miles)	Subject Property	Adjoining Site(s)	Other Nearby Sites of Concern
Federal NPL (Superfund) sites	1.0			
Federal Delisted NPL sites	1.0			
Federal CERCLA removals/orders lists	0.5			
Federal CERCLA sites with NFRAP	0.5			
Federal RCRA facilities undergoing Corrective Action	1.0			
Federal RCRA TSD facilities	0.5			
Federal RCRA generator lists (LQG, SQG, VSQG)	SP/ADJ			
Federal RCRA NonGen/NLR list	SP/ADJ			
Federal IC/EC registries	SP			
Federal ERNS list	SP			
State- and tribal "Superfund" equivalent sites	1.0			
State- and tribal hazardous waste facilities	1.0			

Database	Search Distance (Miles)	Subject Property	Adjoining Site(s)	Other Nearby Sites of Concern
State/Tribal landfill and solid waste disposal lists	0.5			
State/Tribal leaking storage tanks	0.5			
State/Tribal registered storage tanks	SP/ADJ			
State/Tribal voluntary cleanup sites	0.5			
State/Tribal EC/IC registries	SP			
State/Tribal brownfield sites	0.5			
Orphans	N/A			
Additional Environmental Record lists	SP/ADJ			

Facility Name	AT&T - Frontage CEV - Q65670
Address	Frontage Road/RTE 53
Distance & Direction	300 feet southwest
Hydrologic Position	Cross-gradient
Databases Listed	None Identified
Comments	<p>The subject property is listed as a Tier 2 facility which identifies facilities that store or manufacture hazardous materials and submit a chemical inventory report. Based on the facility name and site reconnaissance, it appears that the listing is associated with the cellular tower compound located approximately 300 feet southwest of the subject property.</p> <p>Based on the nature of the database listing, the distance between the Tier 2 facility and subject property (approximately 300 feet), the nature of the Tier 2 facility, this listing is not expected to represent a significant environmental concern at this time.</p>

5.2 VAPOR MIGRATION

AEI reviewed reasonably ascertainable information for the subject and nearby properties, including a regulatory database, files for nearby release sites, and/or historical documentation, to determine if potential vapor-phase migration concerns may be present which could impact the subject property.

AEI did not identify significant on-site concerns and/or regulated listings from nearby sites which suggest that a vapor-phase migration concern currently exists at the subject property.



6.0 INTERVIEWS AND USER PROVIDED INFORMATION

6.1 INTERVIEWS

Pursuant to ASTM E1527-13, the following interviews were performed during this assessment in order to obtain information indicating RECs in connection with the subject property.

6.1.1 OWNER AND KEY SITE MANAGER

Relation to Property	Name	Date Interviewed	Method of Contact	Year First Associated w/ Property	Notes
Owner Representative	George Sianis	May 25, 2022	In Person	~30 years	Interviewed; see Interview Summary table below
Key Site Manager	John Homsher, Senior Vice President with Colliers	May 25, 2022	In Person	4 months	Interviewed; see Interview Summary table below
Building Engineer	Dave Braun, Lead Engineer with Hamilton Partners	May 25, 2022	In Person	~20 years	Interviewed; see Interview Summary table below

Interview Summary

Question	Owner (Representative) Response/ Comment	Key Site Manager Response/ Comment
Do you have any knowledge of USTs, clarifiers or oil/water separators, sumps, or other subsurface features?	No	No
Do you have any knowledge of previous environmental investigations conducted on site?	No	No
Do you have any knowledge of current or past industrial operations and/or other operations which would involve the use of hazardous substances and/or petroleum products?	No	No
Are you aware of any known plans for site redevelopment or change in site use?	No	No
Are you aware of any pending, threatened, or past litigation relevant to hazardous substances or petroleum products in, on, or from the property?	No	No
Are you aware of any pending, threatened or past administrative proceedings relevant to hazardous substances or petroleum products in, on, or from the property?	No	No
Are you aware of any notices from any governmental entity regarding any possible violation of environmental laws or possible liability relating to hazardous substances or petroleum products?	No	No
Are you aware of any incidents of flooding, leaks, or other water intrusion, and/or complaints related to indoor air quality?	No	No
Additional information provided:	N/A	N/A

Mr. Sianis indicated his wife Elaine Sianis and Christine Weber are owners of the building and of Arlington Pediatric Therapy (APT). APT has occupied a portion (58%) of the building for at least 30 years and in 2009 purchased the building. By 2012 the entire building was occupied by APT. The building was originally a four-unit condominium building. Mr. Sianis also indicated operations are strictly for therapy and no medical exams are performed and biomedical waste is not generated.

6.1.2 PAST OWNERS, OPERATORS, AND OCCUPANTS

AEI did not attempt to interview past owners, operators, and occupants of the subject property because information from these sources would likely be duplicative of information already obtained from other sources.

6.1.3 INTERVIEW WITH OTHERS

Information obtained during interviews with local government officials is incorporated into the appropriate segments of this report.

6.2 USER PROVIDED INFORMATION

User provided information is intended to help identify the possibility of RECs in connection with the subject property. According to ASTM E1527-13 and the EPA Standards and Practices for All Appropriate Inquiries (40 CFR Part 312), certain items should be researched by the prospective landowner or grantee, and the results of such inquiries may be provided to the Environmental Professional. The responsibility for qualifying for LLPs by conducting the inquiries ultimately rests with the User, and providing the information to the Environmental Professional would be prudent if such information is available.

The User did not complete the ASTM User Questionnaire or provide the User information to AEI. AEI assumes that qualification for the LLPs is being established by the User in documentation outside of this assessment.

Question	Response/ Comment
<p>1. Environmental liens that are filed or recorded against the property (40 CFR 312.25)</p> <p>Did a search of recorded land title records (or judicial records where appropriate) identify any environmental liens filed or recorded against the property under federal, tribal, state or local law?</p>	Information not provided
<p>2. Activity and use limitations that are in place on the property or that have been filed or recorded against the property (40 CFR 312.26(a)(1)(v) and vi)).</p> <p>Did a search of recorded land title records (or judicial records where appropriate) identify any AULs, such as engineering controls, land use restrictions or institutional controls that are in place at the property and/or have been filed or recorded against the property under federal, tribal, state or local law?</p>	Information not provided
<p>3. Specialized knowledge or experience of the person seeking to qualify for the LLP (40 CFR 312.28).</p>	Information not provided



Question	Response/ Comment
<p>Do you have any specialized knowledge or experience related to the property or nearby properties? For example, are you involved in the same line of business as the current or former occupants of the property or an adjoining property so that you would have specialized knowledge of the chemicals and processes used by this type of business?</p>	
<p>4. Relationship of the purchase price to the fair market value of the property if it were not contaminated (40 CFR 312.29).</p> <p>Does the purchase price being paid for this property reasonably reflect the fair market value of the property? If you conclude that there is a difference, have you considered whether the lower purchase price is because contamination is known or believed to be present at the property?</p>	Information not provided
<p>5. Commonly known or reasonably ascertainable information about the property (40 CFR 312.30).</p> <p>Are you aware of commonly known or reasonably ascertainable information about the property that would help the environmental professional to identify conditions indicative of releases or threatened releases? For example:</p> <p>(a) Do you know the past uses of the property?</p> <p>(b) Do you know of specific chemicals that are present or once were present at the property?</p> <p>(c) Do you know of spills or other chemical releases that have taken place at the property?</p> <p>(d) Do you know of any environmental cleanups that have taken place at the property?</p>	Information not provided
<p>6. The degree of obviousness of the presence or likely presence of contamination at the property, and the ability to detect the contamination by appropriate investigation (40 CFR 312.31).</p> <p>Based on your knowledge and experience related to the property, are there any obvious indicators that point to the presence or likely presence of contamination at the property?</p>	Information not provided

6.3 PREVIOUS REPORTS AND OTHER PROVIDED DOCUMENTATION

No prior reports or other relevant documentation in association with the subject property was made available to AEI during the course of this assessment.

7.0 SITE RECONNAISSANCE

Site Reconnaissance Date	May 25, 2022
AEI Site Assessor(s)	Julie Lagvankar
Property Escort(s)/ Relationship(s) to Property	Mr. George Sianis/Owner Representative Mr. John Homsher, Senior Vice President with Colliers
Units/Areas Observed	Building (addressed as 3105 North Wilke Road) and representative interior areas
Area(s) not accessed and reason(s)	Remaining portions of the parent parcel
Other Physical Constraints	None

Reconnaissance Findings Summary

Feature	Observed on Subject Property (see Section 7.1)	Observed on Adjoining Property (see Section 7.2)
Regulated Hazardous Substances/Wastes and/or Petroleum Products in Connection with Property Use		
Aboveground/Underground Hazardous Substance or Petroleum Product Storage Tanks (ASTs/USTs)		
Hazardous Substance and Petroleum Product Containers Not in Connection with Property Use		
Unidentified Substance Containers		
Electrical or Mechanical Equipment Likely to Contain Fluids		✓
Interior Stains or Corrosion		
Strong, Pungent, or Noxious Odors		
Pools of Liquid		
Drains, Sumps, and Clarifiers	✓	
Pits, Ponds, and Lagoons		
Stained Soil or Pavement		
Stressed Vegetation		
Solid Waste Disposal or Evidence of Fill Materials		
Waste Water Discharges		
Wells		
Septic Systems		
Biomedical Wastes		
Other	✓	

7.1 SUBJECT PROPERTY RECONNAISSANCE FINDINGS

During the site reconnaissance, AEI observed the items listed in the above Reconnaissance Findings Summary table, which are further discussed below.



7.1.1 DRAINS, SUMPS, AND CLARIFIERS

Various floor drains were noted within the restrooms of the building as well as within the therapy pool area. No storage of hazardous substances or petroleum products appeared present near the drains. Based on these observations, the presence of the drains is not expected to represent a significant environmental concern.

An ejector pit was also observed in the pool mechanical room and is used to drain the pool. According to building permit information, this ejector pit was installed in 2009 with the pool. No hazardous substances were observed around the sump. Based on this information, the presence of this system is not expected to represent a significant environmental concern.

7.1.2 OTHER

Cleaning supplies and detergents are stored in designated areas. All chemicals were packaged in consumer quantities. Based on the nature of these materials, the presence of cleaning supplies at the subject property is not expected to represent a significant environmental concern.

Additionally, chemicals such as muriatic acid and chlorine are used for the therapy pool and are stored in the pump/mechanical room adjacent to the pool. Based on the observed conditions and small quantities in storage, the presence of the materials is not expected to represent a significant environmental concern.

7.2 ADJOINING PROPERTY RECONNAISSANCE FINDINGS

During the site reconnaissance, AEI observed the items listed in the above Reconnaissance Findings Summary table, which are further discussed below.

7.2.1 ELECTRICAL OR MECHANICAL EQUIPMENT LIKELY TO CONTAIN FLUIDS

Transformer(s)

Two pad-mounted transformers were observed on the west and east/southeast sides of the building during the site reconnaissance and are owned and maintained by ComEd. One of the transformers was labeled as having No-PCBs. No spills, staining, or leaks were observed on or around the transformers. Based on the good condition of the equipment, the transformers are not expected to represent a significant environmental concern.

8.0 NON-ASTM SERVICES

8.1 ASBESTOS-CONTAINING BUILDING MATERIALS

Asbestos is the name for a group of naturally occurring silicate minerals that can be separated into fibers. The fibers are strong, durable, and resistant to heat and fire. They are also long, thin and flexible, so they can even be woven into cloth. Because of these qualities, asbestos has been used in thousands of consumer, industrial, maritime, automotive, scientific and building products. During the 20th century, some 30 million tons of asbestos have been used in industrial sites, homes, schools, shipyards and commercial buildings in the United States. Commercial use of ACM began in the early 1900s and peaked in the period between 1940 and into the 1970s. Common ACMs include pipe-covering, insulating cement, insulating block, refractory and boiler insulation materials, transite board, fireproofing spray, joint compound, vinyl floor tile, ceiling tile, mastics, roofing products, and duct insulation for HVAC applications. Inhalation of asbestos fibers can result in deleterious health effects.

The potential for ACM was evaluated based the United States EPA Guidance Document: Managing Asbestos in Place - A Building Owner's Guide to Operations and Maintenance Programs for Asbestos-Containing Materials (the Green Book). In 1973 the NESHAPS banned the use of most spray-applied surfacing ACM, specifically asbestos containing spray-on fireproofing and insulation. Subsequent revisions to this regulation in 1975 and 1978 effectively eliminated the use of friable pre-molded pipe, boiler, turbine, and duct insulation; and the spray application of friable asbestos-containing materials for all uses in buildings. In 1989 the EPA issued regulations to ban some asbestos-containing products and phase out most others over a multi-year period. The "Ban and Phase-Down" rule was challenged in court and the regulation remanded to the agency. As a result, any asbestos-containing products then "in commerce" would not be banned. Those not in commerce would be banned. Those materials "banned" could not be sold. It did not affect such materials already installed, or in use. Most US firms voluntarily ceased production of asbestos containing building materials not covered by the aforementioned Federal bans by the mid-1980s. In 1994, the OSHA determined that employers and building owners are required to treat installed thermal system installation and sprayed on and troweled-on surfacing materials, as well as vinyl or asphalt flooring material, as ACM in buildings constructed no later than 1980 until tested by laboratory analysis to prove otherwise.

The information below is for general informational purposes only and does not constitute an asbestos survey. In addition, the information is not intended to comply with federal, state or local regulations in regards to ACM.

Although the cutoff date of 1981 referenced in the OSHA regulations is generally accepted for estimating the likelihood that certain building materials may contain asbestos, building materials manufactured after 1981, while not expected to, may still contain asbestos. Typical materials that are known to still be manufactured with asbestos include but are not limited to: asphalt roofing products and building caulking materials and adhesives. A limited list of typical suspect ACMs is included in the following table:



Material Type	Location
Plaster (acoustical and smooth)	Walls and ceilings
Ceiling tile	Ceiling systems
Thermal systems insulations, packings, and gaskets	Heating systems, cooling systems, domestic and heating and cooling piping, ductwork, and other equipment
Floor tile and associate mastics, flooring felts, and papers (under hardwood/other)	Floors
Vinyl sheet flooring and adhesives	Floors
Cove base and associated mastics	Walls
Ceramic tile adhesives and grouts	Walls, floors, and ceilings
All adhesives	Mirrors, wall coverings, construction, etc.
Grout and caulking	Windows and doors
Gypsum board, tape, and joint compound	Wall and ceiling systems
Insulation materials	Walls, ceilings, and attic spaces
Roofing materials (felts, rolled, shingle, flashings, adhesives, tar, and insulations)	Roof and parapet wall systems
Brick and block, mortars	Walls

The observed suspect ACMs were in good condition and are not expected to pose a health and safety concern to the occupants of the subject property at this time. In the event that building renovation or demolition activities are planned, a thorough asbestos survey is required in accordance with the EPA NESHAP 40 CFR Part 61 prior to demolition or renovation activities that may disturb ACMs.

8.2 LEAD-BASED PAINT

Lead-based paint (LBP) is defined as any paint, varnish, stain, or other applied coating that has ≥ 1 mg/cm² (5,000 µg/g or 5,000 ppm) or more of lead by federal guidelines; state and local definitions may differ from the federal definitions in amounts ranging from 0.5 mg/cm² to 2.0 mg/cm². Section 1017 of the Housing and Urban Development (HUD) Guidelines, Residential Lead-Based Paint Hazard Reduction Act of 1992, otherwise known as "Title X," defines a LBP hazard as "any condition that causes exposure to lead that would result in adverse human health effects" resulting from lead-contaminated dust, bare, lead-contaminated soil, and/or lead-contaminated paint that is deteriorated or present on accessible, friction, or impact surfaces. Therefore, under Title X, intact LBP on most walls and ceilings would not be considered a "hazard," although the paint should be maintained and its condition monitored to ensure that it does not deteriorate and become a hazard. Additionally, Section 1018 of this law directed HUD and EPA to require the disclosure of known information on LBP and LBP hazards before the sale or lease of most housing built before 1978. Most private housing, public housing, or federally owned or subsidized housing is affected by this rule.

Under OSHA, lead-containing paint (LCP) is defined as any paint with any detectable amount of lead present in it. Therefore, all LBP is considered LCP. Conversely, LCP may not meet the criteria to be considered LBP in accordance with HUD guidelines or some states' definition of LBP.

It is important to note that LCP may create a lead hazard when being removed. The condition of these materials must be monitored when they are being disturbed. In the event LCP is subject to abrading, sanding, torching, and/or cutting during demolition or renovation activities, there may be regulatory issues that must be addressed.

The information below is for general informational purposes only and does not constitute a lead hazard evaluation. In addition, the information is not intended to comply with federal, state, or local regulations in regards to LBP.

In buildings constructed after 1978, it is unlikely that LBP is present; however, some paints utilized after 1978 will be LCP under OSHA. Structures built prior to 1978 and especially prior to the 1960s should be expected to contain LBP.

Due to the age of the subject property building, it is unlikely that LBP is present; however, LCP may be present. Based on the good condition of the observed painted surfaces, potential LCP is not considered a significant environmental concern at this time.

8.3 RADON

Radon is a naturally-occurring, odorless, and invisible gas. Natural radon levels vary and are closely related to geologic formations. Radon may enter buildings through basement sumps or other openings.

The United States EPA has prepared a map to assist National, State, and local organizations to target their resources and to implement radon-resistant building codes. The map divides the country into three radon zones, with Zone 1 being those areas with the average predicted indoor radon concentration in residential dwellings exceeding the EPA Action Limit of 4.0 pCi/L. It is important to note that the EPA has found homes with elevated levels of radon in all three zones, and the EPA recommends site specific testing in order to determine radon levels at a specific location. However, the map does give a valuable indication of the propensity of radon gas accumulation in structures.

Radon sampling was not requested as part of this assessment. According to the US EPA, the radon zone level for the area is Zone 2, which has a predicted average indoor screening level between 2 pCi/L and 4 pCi/L, equal to or below the action level of 4 pCi/L set forth by the US EPA.

8.4 MOLD

Molds are simple microscopic organisms which can often be seen in the form of discoloration, frequently green, gray, white, brown, or black. When excessive moisture or water accumulates indoors, mold growth may occur, particularly if the moisture problem remains undiscovered or unaddressed. As such, interior areas of buildings characterized by poor ventilation and high humidity are the most common locations of mold growth. Building materials, including drywall, wallpaper, baseboards, wood framing, insulation, and carpeting, often play host to such growth. Mold spores primarily cause health problems through the inhalation of spores or the toxins they emit when they are present in large numbers. This can occur when there is active mold growth within places where people live or work.

Mold, if present, may or may not visually manifest itself. Neither the individual completing this inspection, nor AEI has any liability for the identification of mold-related concerns except as defined in applicable industry standards. In short, this Phase I ESA should not be construed as a mold survey or inspection.

This activity was not designed to discover all areas which may be affected by mold growth on the subject property. Rather, it is intended to give the client an indication if significant (based on observed areas) mold growth is present at the subject property. Potential areas of mold growth, such as in pipe chases, HVAC systems, and behind enclosed walls and ceilings, were not observed as part of this limited assessment.

AEI observed interior areas of the subject property building in order to identify the presence of mold. AEI did not note obvious visual or olfactory indications of the presence of mold. However, water stained ceiling tiles were observed outside the pool therapy room. Based upon our observations, AEI recommends replacing stained ceiling tiles and confirming that the source of water intrusion has been addressed.

DRAFT



9.0 SIGNATURE OF ENVIRONMENTAL PROFESSIONALS

We declare that, to the best of our professional knowledge and belief, we meet the definition of Environmental Professional as defined in § 312.10 of 40 CFR Part 312.

We have the specific qualifications based on education, training, and experience to assess a property of the nature, history and setting of the subject property. We have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

Prepared By:

Reviewed By:



DRAFT

Julie Lagvankar
Associate Consultant

Kimberly A Cichon
Senior Author

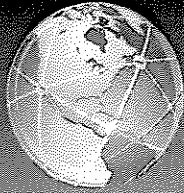
DRAFT



10.0 REFERENCES

Item	Date(s)	Source
Soils Information	Accessed May 2022	USDA Web Soil Survey http://websoilsurvey.nrcs.usda.gov/app/WebSoilSurvey.aspx
Topographic Map	2021	USGS, Lake Zurich, Illinois
Geology	1970, 1984, 2004	Illinois State Geological Survey (ISGS) maps
Depth to Groundwater Information	Accessed May 2022	ISGS Illinois Water Well (ILWATER) Interactive Map
Aerial Photographs	1938-2017 (non-inclusive)	EDR
Sanborn Map Search	May 11, 2022	EDR
City Directories	1958-2017 (non-inclusive)	EDR
Historical Topographic Maps	1923-1981 (non-inclusive)	NETR Online (www.historicaerials.com)
Environmental Health Department	May 23, 2022	Cook County Department of Public Health
State Environmental Agency	May 25, 2022	Illinois Environmental Protection Agency
State Environmental Agency	May 25, 2022	Illinois Office of the State Fire Marshal (OSFM)
Fire Department	May 31, 2022	Arlington Heights Fire Department
Building Department	May 31, 2022	Arlington Heights Building & Life Safety Department
Planning Department	May 23, 2022	Arlington Heights Planning & Community Development Department
Assessor's Information and Parcel Map	May 23, 2022	Cook County Assessor's Office
Recorder's Office	May 25, 2022	Cook County Recorder of Deed's
Oil and Gas Wells	May 25, 2022	Illinois State Geological Survey
Oil and Gas Pipelines	May 25, 2022	NPMS Public Map Viewer https://www.npms.phmsa.dot.gov/PublicViewer/composite.jsf
Regulatory Database Report	May 11, 2022	EDR
Interview with Owner Representative	May 25, 2022	George Sianis
Interview with Key Site Manager	May 25, 2022	John Homsher, Senior Vice President with Colliers
Interview with Building Engineer	May 25, 2022	Dave Braun, Lead Engineer with Hamilton Partners (condo association representative)
Radon Zone Information	1993	US EPA Map of Radon Zones https://www.epa.gov/radon





AEI Consultants

June 8, 2022

PROPERTY CONDITION REPORT - EQUITY

Property Information:

3105 N Wilke Road
Arlington Heights, Cook County, Illinois 60004

Project Information:

AEI Project No. 462597
Client Reference No.
Client Reference Name: Arlington Pediatric Therapy

Prepared For:

Cypress West Realty Partners
15305 Dallas Parkway Suite 1134
Addison, Texas 75001

Prepared By:

AEI Consultants
8700 West Bryn Mawr Avenue, Suite 710N
Chicago, Illinois 60631-3505

Purpose:

Acquisition only

Environmental
Due Diligence

Building Assessments

Site Investigation
& Remediation

Energy Performance
& Benchmarking

Industrial Hygiene

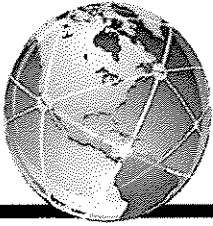
Construction
Risk Management

Zoning Analysis
Reports & ALTA
Surveys

National Presence

Regional Focus

Local Solutions



AEI

Consultants

June 8, 2022

Jon Foulger
Cypress West Realty Partners
15305 Dallas Parkway Suite 1134
Addison, Texas 75001

Subject: Property Condition Report - Equity
3105 N Wilke Road
Arlington Heights, Illinois 60004
AEI Project No. 462597
Client Reference No.
Client Reference Name: Arlington Pediatric Therapy

Dear Jon Foulger:

AEI Consultants is pleased to provide the *Property Condition Report - Equity* of the above referenced property. This assessment was authorized and performed in accordance with the scope of services engaged.

We appreciate the opportunity to provide services to you. If you have any questions concerning this report, or if we can assist you in any other matter, please contact me at (561) 570-2478 or marine@aeiconsultants.com.

Sincerely,
DRAFT
Rovin Narine
Vice President
AEI Consultants

Project Summary

Construction System	Good	Fair	Poor	Action	Immediate	Short Term	Over Term Years 1-12
3.1.1 Topography, Storm Water Drainage, and Retaining Walls	X			None			
3.1.2 Site Access, Parking, Pavement	X	X		Refurbish		\$5,000	\$10,000
3.1.3 Sidewalks, Curbing, Site Steps, and Ramps	X			None			
3.1.4 Landscaping, Fencing, Signage, Site Lighting	X			None			
3.1.5 Site Amenities		NA		None			
3.1.6 Utilities	X			None			
3.1.7 Other Site Structures		NA		None			
3.2.1 Foundations	X			None			
3.2.2 Framing	X			None			
3.2.3 Cladding	X	X		Refurbish		\$12,000	\$12,000
3.2.4 Roof Systems	X	X		Replace		\$303,280	
3.2.5 Appurtenances		NA		None			
3.2.6 Doors and Windows	X			None			
3.2.7 Common Area Amenities		NA		None			
3.2.8 Common Area Finishes		NA		None			
3.3.1 Plumbing Systems and Domestic Hot Water	X			Replace			\$1,950
3.3.2 Heating, Cooling, and Ventilation	X			Replace			\$90,000
3.3.3 Electrical Systems	X			None			
3.3.4 Vertical Transportation		NA		None			
3.3.5 Security	X			None			
3.3.6 Fire Protection and Life Safety Systems	X			Replace			\$4,000
3.4.1 Down Units		NA		None			
3.4.3 Tenant Unit Finishes	X			None			
3.4.4 Tenant Kitchens and Bathrooms	X			None			
4.1 Moisture and Microbial Growth	X			None			
6.1 Building Code	X			Pending FOIA Response			



Construction System	Good	Fair	Poor	Action	Immediate	Short Term	Over Term Years 1-12
6.2 Fire Code	X			Pending FOIA Response			
6.4 Retro-Commissioning and Energy Benchmarking Compliance	X			None			
7.0 Accessibility	X			Refurbish	\$1,500		
Totals					\$1,500	\$320,280	\$117,950

Summary	Today's Dollars	\$/SF
Immediate Repairs	\$1,500	\$0.05

Summary	Today's Dollars	\$/SF
Short Term Repairs	\$320,280	\$10.56

	Today's Dollars	\$/SF	\$/SF/Year
Replacement Reserves, today's dollars	\$117,950.00	\$3.89	\$0.32
Replacement Reserves, w/12, 2.5% escalation	\$150,220.04	\$4.95	\$0.41



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EXECUTIVE SUMMARY AND PROPERTY DESCRIPTION

AEI Consultants (AEI) was retained by Cypress West Realty Partners to conduct a Property Condition Assessment (PCA) and prepare this report at the Arlington Pediatric Therapy property located at 3105 N Wilke Road in Arlington Heights, Illinois.

The Property is 100% occupied by Arlington Pediatric Therapy, and used for medical office building.

A summary of the Property improvements is provided in the following table.

Salient Property Data	
Item	Description
Property Type	Medical Office
Site Area	6.15 acres as per Client provided
Number of Buildings	1
Year of Construction	1985 as per Client provided
Year of Substantial Renovation	2009/2010, 2018/2019 as per Client provided
Number of Floors	1
Number of Units	One
Ancillary Buildings	Not applicable
Gross Floor Area	30,328 SF per Client provided
Net Rentable Floor Area	30,328 SF per Client provided
Foundation Type	Concrete slab-on-grade
Frame Construction	Masonry bearing and steel framing
Facade	Unpainted masonry brick
Roof	Ballasted EPDM
Parking Surface	Asphalt
Number of Parking Spaces	307
Number of ADA Parking Spaces	8
Heating Type	Roof top package units (RTUs) - gas
Cooling Type	Individual Roof Top Package Units (RTU)
Hot Water Source	Individual small, gas-fired, tank-type water heaters
Electrical Wiring Type	Copper branch wiring
Plumbing Piping Type	Copper pipe
Elevator Type	None
Fire Protection Type	100% Sprinkler Coverage with Wet pipe system
Flood Zone	X (Non-shaded)
Seismic Zone	0
Wind Zone	IV Not applicable
Visibility From Street	Good

OVERALL CONDITION OF THE PROPERTY AND RECOMMENDATIONS

Based on AEI's observation of the Property and improvements, the Property appears to be in overall good condition.



AEI recommends addressing any observed deficiencies that require immediate action as a result of existing or potentially unsafe (health and safety) conditions, obvious material building code violations, or conditions that have the potential to result in, or contribute to, the failure of a critical element of system failure within one year, or a significant escalation in repair costs if left uncorrected. Opinions of Costs for Immediate Repairs are provided in the Immediate Repair Cost Table.

Short Term Repairs (0-1 Year) are recommended for Physical Deficiencies inclusive of deferred maintenance that may not warrant immediate attention, but requiring repairs or replacements that should be undertaken on a priority basis within the first year. Included are such deficiencies resulting from improper design, faulty installation and/or quality of original system or materials. Components or systems that have realized or exceeded their Expected Useful Life (EUL) and that may require replacement during this time frame are also included.

Capital Reserves are for recurring probable expenditures that are not classified as operation or maintenance expenses. The Capital reserves should be budgeted for in advance on an annual basis. Capital Reserves are reasonably predictable both in terms of frequency and cost. However, capital reserves may also include components or systems that have an indeterminable life but nonetheless have a potential liability for failure within an estimated time period. Opinions of costs for Capital Reserves are provided in a Capital Reserve Cost Schedule.

REMAINING USEFUL LIFE

Based on the general condition of the Property reported above, it is AEI's opinion that the Remaining Useful Life (RUL) of the Property is estimated to be not less than 40 years barring any natural disasters. This opinion is based on its current condition and maintenance status, assuming any recommended Immediate Repairs or Replacement Reserves are completed and appropriate routine maintenance and replacement items are performed on an annual or as-needed basis. The opinion regarding RUL does not pertain to the Property's marketability.



1.0 INTRODUCTION

AEI Consultants (AEI) was retained by Cypress West Realty Partners ("Client") to perform a Property Condition Assessment (PCA) of Arlington Pediatric Therapy located at 3105 N Wilke Road in Arlington Heights, Illinois (the "Property"). This PCA was performed in accordance with the Proposal between AEI Consultants and Cypress West Realty Partners, authorized on May 10, 2022.

1.1 PURPOSE

The purpose of this PCA is to assist our Client in understanding and assessing the condition of the Property and to make recommendations for the expected capital repair and replacement cost that the property may reasonably encounter during the projection period covered by this report. Assessments and recommendations are based upon a review of readily available public and private documents pertaining to the property as well as a walk-through survey of the site and buildings. The survey is intended to identify and describe the building and site systems, to assess the overall condition of the systems compared to industry standards, to identify conspicuous deficiencies, and to project a reasonable estimate of life-cycle cost and remaining useful life for site and building systems.

No assessment can wholly eliminate the uncertainty regarding the presence of physical deficiencies and performances of the building systems. According to the ASTM guidelines, a PCA is intended to reduce the risk regarding potential building systems and component failure. The ASTM standard recognizes the inherent subjective nature of the assessment regarding such issues as workmanship, quality of care during installation, maintenance of building systems and remaining useful life of the building system. Assessments, analysis and opinions expressed within this report are not representations regarding either the design integrity or the structural soundness of the property or components.

Factors that may affect our recommendations include the ready availability of historical records, the potential change in management and maintenance practices, and the availability of reliable disclosure of property conditions. The property assessment and related report are intended to assist our Client in the evaluation of the physical aspects of the subject property and how its condition may affect the soundness of their financial decisions over time.

This PCA follows the Client scope, industry standards, and purpose and process outlined in the ASTM E2018-15 Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process. Deviations or Limitations from the ASTM Guide are discussed in Section 1.3. Assessment methodology and limitations encountered at the property are further discussed in Section 8 of this report.

AEI understands that the special purpose of this assessment is to assist the Client in gaining understanding of the overall condition of the subject Property for the purposes of acquisition. As such, the assessments and recommendations within this report may be offered from a conservative vantage point in order to address the increased risk in assessing a property with limited availability to historical records.



Please note that AEI's original proposal included optional services to enhance the level of due diligence beyond the ASTM Standard's baseline level given your proposed acquisition position. Cypress West Realty Partners chose to utilize the ASTM Standard's baseline and not engage additional subspecialty consultants for this assignment.

1.2 SCOPE OF WORK

The PCA was performed in general conformance with ASTM E2018-15 "Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process" and is subject to the limitations and scope considerations contained within these Standards.

The scope of this assessment is to:

- Develop a general property description;
- Identify major existing components;
- Perform a visual assessment of the physical condition of the components;
- Perform a Visual Accessibility Survey consisting of a limited scope visual survey and completion of *Uniform Abbreviated Screening Checklist*;
- Approximate costs for repairs and/or capital reserve items based upon a reserve term provided by the Client; and
- Prepare this Property Condition Report (PCR).

Physical condition, as defined by ASTM E2018-15 is the physical state of a property, system, component or piece of equipment. Within the context of the assessment, the consultant may offer opinions of the physical condition of the property, or of systems, components and equipment observed. Such opinions commonly employ terms such as good, fair and poor; though additional terms such as excellent, satisfactory and unsatisfactory may also be used.

- Good condition—in working condition and does not require immediate or short term repairs above an agreed threshold.
- Fair condition—in working condition, but may require immediate or short term repairs above an agreed threshold.
- Poor condition—not in working condition or requires immediate or short term repairs substantially above an agreed threshold.

1.3 DEVIATIONS FROM THE GUIDE

This PCA includes the following deviations from ASTM E2018-15 "Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process":

- Opinions of Costs for Capital Reserves are provided in the Capital Reserve Cost Schedule. Capital Reserves are intended to represent anticipated expenditures that are not classified as operation or maintenance expenses. These Capital Reserves are expressed on an annual basis over the evaluation period requested by the Client. Capital Reserves



may include costs for items expected to reach the end of their useful life span before the end of the evaluation period, as well as ongoing costs for incremental or phased component replacement during the evaluation period.

- AEI estimated a Remaining Useful Life (RUL) for the Property.
- AEI provided the Seismic Zone, based on 1997 Uniform Building Code, in which the Property is located.
- AEI provided the Flood Zone(s) of the Property, based on the FIRM published by FEMA.
- AEI provided the Wind Zone, based on FEMA's map titled "Wind Zones in the United States", in which the Property is located.
- AEI provided a limited visual survey for the presence of microbial growth at the Property. Destructive sampling was not included in the scope of the work for this survey.

1.4 SITE VISIT INFORMATION

Site Visit Information Table	
Date of Site Visit	May 25, 2022
Time of Site Visit	10:00 AM
Weather Conditions	Sunny and 76°F
Site Assessor	Carolina Cartagena
Site Escorts	George Sianis
Point of Contact	John Homsher

1.5 INTERVIEWS

During the course of our assessment, the following individuals provided information that was used by our field assessor and reviewer to inform the descriptions and recommendations contained in this report.

George Sianis, the on-site escort or "Point of Contact" (POC), appeared to be very knowledgeable about the property's building systems, history of capital replacements and maintenance, and current conditions. Many of AEI's questions regarding the property's building systems, history of capital replacements and maintenance, and current conditions were answered.

Summary of Interviews			
Contact Name, Title	Entity	Contact Phone	Information Source Provided
George Sianis, Owner		(630-705-9585	Conducted tour, Answered specific questions regarding Property
John Homsher, Realtor	Colliers	(847) 444- 5715	Answered specific questions regarding Property

1.6 DOCUMENTS REVIEWED

AEI submitted a Pre-Survey Questionnaire (PSQ) to John Homsher. The Pre-Survey Questionnaire is designed to provide AEI with historical maintenance information regarding the site, including any known specific damage and/or corrective action taken.

The questionnaire as completed is included in the Appendices.



AEI shall have no obligation to retrieve or review any information or documentation that was not provided to AEI as requested, in a reasonable time to formulate an opinion and to complete this Report.

Summary of Documents Reviewed		
Document	Author/ Created By	Date Issued/ Published
HVAC Inventory 3105_TTU_M_S	David Braun / Condominium Association	2018/2019
View Roof Repair Survey	David Braun / Condominium Association	04/04/2022
Roof Repair Plan Map	STR Building Resources LLC	05/18/2022
2022 Roof Repair List	STR Building Resources LLC	04/04/2022
Fire Detection Inspection Report	Detection Systems & Service Inc	10/26/2021
Roof Survey	STR Building Resources LLC Kyle Dillman	04/04/2022
3105 N Wilke Offering Memorandum	Colliers	

1.7 RELIANCE

This assessment was conducted on behalf of and for the exclusive use of Cypress West Realty Partners (Client) solely for use in a property condition evaluation of the subject property. This report and findings contained herein shall not, in whole or in part, be disseminated or conveyed to any other party, nor used by any other party, in whole or in part without prior written consent of AEI. AEI acknowledges and agrees that the report may be conveyed to and relied upon by the Client and their successors and assigns.

Reliance is provided in accordance with AEI's Proposal and Terms and Conditions executed by Cypress West Realty Partners on May 10, 2022. The limitation of liability defined in the Terms and Conditions is the aggregate limit of AEI's liability to the Client and all relying parties.



2.0 OPINIONS OF COST

2.1 METHODOLOGY

Based upon observations during our site visit and information received from our interviews with building management and service personnel, which for the purpose of the PCA was deemed reliable, AEI prepared general-scope, Opinions of Cost based on appropriate remedies for the deficiencies noted. Such remedies and their associated costs were considered commensurate with the Property's position in the market and prudent expenditures. These opinions are for components of systems exhibiting significant deferred maintenance, and existing deficiencies requiring major repairs or replacement. Repairs or improvements that could be classified as (i) cosmetic, (ii) decorative, (iii) part or parcel of a building's renovation program or to reposition the asset in the marketplace, (iv) routine or normal preventative maintenance, or (v) that are the responsibility of the tenants were not included.

Opinions of costs included in this report should be construed as preliminary estimates. Actual costs most probably will vary from the consultant's opinions of probable costs due to a variety of factors including design, quality of materials, contractor selected, market conditions, and competitive solicitation. Based on observations of readily apparent conditions, there may be a number of immediate and capital reserve costs that are recommended over the evaluation period. These needs are identified in the various sections of this report and are summarized in the attached cost tables. Costs for routine or normal preventive maintenance, or a combination thereof, are not included. Where management's budget for the repair or capital replacement appeared reasonable, AEI included the budget in the Repair and Reserve Cost Tables. However, please note that this PCA does not constitute an in-depth budget analysis.

Immediate repairs are repairs that require immediate action as a result of: material existing or potential unsafe conditions, material building or fire code violations, or conditions that, if left uncorrected, have the potential to result in or contribute to critical element or system failure within one year or will most probably result in a significant escalation of its remedial cost.

Short term repairs are repairs such as deferred maintenance, that may not warrant immediate attention, but require repairs or replacements that should be undertaken on a priority basis in addition to routine maintenance.

Based on observations of readily apparent conditions, an **Immediate & Short Term Repair Cost** list was developed addressing areas found to require replacement, repairs, or significant maintenance to help the Client evaluate the property.

Other items that are not immediate or short term, or are not driven by immediate repair needs are listed in the **Capital Reserve Schedule**. These items were observed by the assessor or based on comments by current tenant. Capital reserves are for recurring probable expenditures that are not classified as operation or maintenance expenses. The capital reserves should be budgeted for in advance on an annual basis. Capital Reserves are reasonably predictable both in terms of frequency and cost. However, capital reserves may also include components or systems that have an indeterminable life but nonetheless have a potential liability for failure within an estimated time period. Capital reserves exclude systems or components that are estimated



to expire after the reserve term and that are not considered material to the structural and mechanical integrity of the subject property. Systems and components that are not deemed to have a material effect on the use are also excluded. Replacement costs were solicited from ownership / property management, AEI's discussions with service companies, manufacturers' representatives, and previous experience in preparing such schedules for other similar facilities. Costs for work performed by the owner's or property management's maintenance staff were also considered.

AEI's reserve methodology involves identification and quantification of those systems or components that may require capital reserves within the evaluation period. The evaluation period is defined as the effective age plus the reserve term. Additional information concerning system's or component's respective replacement costs (in today's dollars), typical expected useful lives, and remaining useful lives were estimated so that a Capital Reserve Schedule could be prepared. The Capital Reserve Schedule, presupposes that all required remedial work has been performed or that monies for remediation have been budgeted for items recommended in the Immediate Repair Cost Estimate.

The Effective Useful Life (EUL) is the average amount of time in years that a system, component or structure is estimated to function when installed new and assuming that routine maintenance is practiced. It is based upon site observations, research, and judgment, along with referencing EUL tables from various industry sources, including, but not limited to, Life Expectancy Guidelines published by Marshall & Swift and United States Department of Housing and Urban Development guidelines. Accurate historical replacement records, if provided, are typically the best source of information. Exposure to the elements, initial quality and installation, extent of use, the quality and amount of preventive maintenance exercised, etc., are all factors that impact the effective age of a system or component. As a result, a system or component may have an effective age that is greater or less than its actual chronological age. The Remaining Useful Life (RUL) of a component or system equals the EUL less its effective age.

The Remaining Useful Life (RUL) is a subjective estimate based upon observations, or average estimates of similar items, components, or systems, or a combination thereof, of the number of remaining years that it is estimated to be able to function in accordance with its intended purpose before requiring replacement. Such period of time is affected by the initial quality of the system or component, the quality of the initial installation, the quality and amount of preventive maintenance, climatic conditions, extent of use and other factors.

The RUL estimate is an expression of a professional opinion and is not a guarantee or warranty, expressed or implied. This estimate is based upon the observed physical condition of the property at the time of the visit and is subject to the possible effect of concealed conditions or the occurrence of extraordinary events such as natural disasters or other unforeseen events that may occur subsequent to the date of the site visit. The RUL estimate is made only with regard to the expected physical or structural integrity of the improvements on the Property. Based upon observations during our site visit and information received from our interviews with building management and service personnel, which for the purpose of the PCA was deemed reliable, AEI prepared general-scope, Opinions of Cost based on appropriate remedies for the deficiencies noted. Such remedies and their associated costs were considered commensurate with the Property's position in the market and prudent expenditures. These opinions are for components of systems exhibiting significant deferred maintenance, and existing deficiencies



requiring major repairs or replacement. Repairs or improvements that could be classified as (i) cosmetic, (ii) decorative, (iii) part or parcel of a building's renovation program or to reposition the asset in the marketplace, (iv) routine or normal preventative maintenance, or (v) that are the responsibility of the tenants were not included.

The observed or reported condition of the reviewed systems, any recommended actions and the associated opinions of probable cost of repair or replacements are presented in the following Sections of this report. A summary of opinions of costs is presented in the Executive Summary. The opinions of probable costs for Immediate Repairs, Short Term Repairs and Capital Reserves are summarized in the following tables:

DRAFT



Immediate Repair and Short Term Costs

Arlington Pediatric Therapy
 3105 N Wilke Road
 Arlington Heights, Illinois 60004
 June 8, 2022

Item	Quantity	Unit	Unit Cost	Replacement Percent	Immediate Total	Short Term Total	Comments
3.1.2 Site Access, Parking, Pavement							
Asphalt Pavement, Seal coat, Restripe, and Crack seal (Shared Condominium Association Parking)	1	Allow	\$5,000.00	100%	\$0	\$5,000	Seal and stripe asphalt paving
3.2.3 Cladding							
Exterior walls, Repaint and Recaulk	8,000	SF	\$1.50	100%	\$0	\$12,000	Paint and caulk exterior surfaces
3.2.4 Roof Systems							
EPDM Roof, Replace	30,328	SF	\$10.00	100%	\$0	\$303,280	Replace roofing based on age
7.0 Accessibility							
Accessible Parking, Provide Missing signage	3	EA	\$500.00	100%	\$1,500		Provide signage at all accessible parking spaces
Total Repair Cost					\$1,500.00	\$320,280.00	

Capital Reserve Schedule

Arlington Pediatric Therapy
 3105 N Wilke Road
 Arlington Heights, Illinois 60004
 June 8, 2022

Item	EUL	EFF AGE	RUL	Quantity	Unit	Unit Cost	Cycle Replace	Replace Percent	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Total Cost	
3.1.2 SITE ACCESS, PARKING, PAVEMENT																						
Asphalt Pavement, Seal coat, Restripes, and Crack seal (Shared Condominium Association Parking)	5	4	1	1	Allow	\$5,000.00	\$5,000	20%						\$5,000					\$5,000		\$10,000	
3.2.3 CLADDING																						
Exterior walls, Repaint and Recaulk	8	8	0	9,000	SF	\$1.50	\$12,000	100%									\$12,000				\$12,000	
3.3.1 PLUMBING SYSTEMS AND DOMESTIC HOT WATER																						
Water heater, Replace (Gas-fired, 30 gallon)	15	13	2	2	EA	\$975.00	\$1,950	100%	\$1,950												\$1,950	
3.3.2 HEATING, COOLING, AND VENTILATION																						
Packaged rooftop unit (RTU), Replace (2 tons)	15	4	11	6	EA	\$5,000.00	\$30,000	100%												\$30,000	\$30,000	
Packaged rooftop unit (RTU), Replace (5 tons)	15	3	12	4	EA	\$10,000.00	\$60,000	100%												\$60,000	\$60,000	
3.3.6 FIRE PROTECTION AND LIFE SAFETY SYSTEMS																						
Central Fire Alarm Panel, Replace	20	15	5	1	EA	\$4,000.00	\$4,000	100%					\$4,000								\$4,000	
Total (Uninflated)									\$0.00	\$1,950.00	\$0.00	\$0.00	\$4,000.00	\$5,000.00	\$0.00	\$0.00	\$12,000.00	\$0.00	\$35,000.00	\$60,000.00	\$117,950.00	
Inflation Factor (2.5%)									1.0	1.025	1.051	1.077	1.104	1.131	1.16	1.189	1.218	1.249	1.28	1.312		
Total (Inflated)									\$0.00	\$1,998.75	\$0.00	\$0.00	\$4,415.25	\$5,657.04	\$0.00	\$0.00	\$14,620.83	\$0.00	\$44,802.96	\$78,725.20	\$150,220.04	
Evaluation Period:									12													
# of SF:									30,328													
Reserve per SF per year (Uninflated)									\$0.32													
Reserve per SF per year (Inflated)									\$0.41													

2.2 RECENT, IN PROGRESS AND PLANNED CAPITAL IMPROVEMENTS

AEI provided a pre-survey questionnaire and conducted an interviews of persons listed in this report to help determine historic, current, and planned information about the property, especially concerning significant capital expenditures over \$3,000. A summary of disclosed or easily observable recent, current, or planned capital expenditures are briefly outlined below.

2.3 INCURRED CAPITAL REPLACEMENT AND MAINTENANCE COSTS

The scope of work of this PCA does not include a legal summary, interpretation or commentary on leases or Ownership Association legal documents associated with the Property. All information below was reported to AEI; verification would be prudent.

For purposes of this assessment, this PCR's Costs Tables include opinions of cost for repair or replacement of all systems expected to occur during the evaluation term, regardless of lease designations of responsibility.

According to property management personnel, based on the typical lease agreement, the interior components within each tenant space are to be maintained, repaired, or replaced by the tenant at the tenant's own expense. This responsibility also extends to any exterior mechanical, electrical, or plumbing equipment that services the tenant space, such as rooftop HVAC units and wall-mounted electrical equipment.

The landlord is responsible for the maintenance or replacement costs of the building structure and envelope including the roof and exterior walls. The landlord is also responsible for any mechanical, electrical, or plumbing equipment that serves the entire building as well as for the parking lot.



3.0 SYSTEM DESCRIPTIONS AND OBSERVATIONS

3.1 SITE COMPONENTS

3.1.1 TOPOGRAPHY, STORM WATER DRAINAGE, AND RETAINING WALLS

Topography, Storm Water Drainage, and Retaining Walls			
Item	Description	Action	Condition
Topography	Relatively level with no discernible slope	R&M	Good
Retaining Walls	Not applicable		
Adjoining Properties	Roughly at similar elevation	NA	Not applicable
Storm Water Collection System	Underground municipal drainage system	R&M	Good
Landscape Drainage System	Landscaping sloped away from the foundation	R&M	Good
Pavement Drainage System	Curb gutters and drain inlets	R&M	Good
Foundation Drainage System	Landscaping sloped away from the foundation	R&M	Good

ASSESSMENT / RECOMMENDATION

AEI did not observe evidence of significant erosion or chronically-standing water. The storm water system appeared to provide adequate runoff capacity. Overall, property drainage appeared to be good and the drainage infrastructure components appeared to be in good condition. Also, there is no evidence of excessive storm water runoff from adjacent properties.

No notable deficiencies or indications of deferred maintenance of topography or drainage were observed or reported. The RULs of these features are expected to exceed the evaluation period.

3.1.2 SITE ACCESS, PARKING, PAVEMENT

Site Access, Parking, Pavement Descriptions			
Items	Description	Action	Condition
Asphalt Pavement Use and Location	Parking lot	R&M	Good/Fair
Concrete Pavement Use and Location	Not applicable		
Other Pavement and Location	Not applicable		
Seal Coating	Worn with grayish appearance but functional	ST/RR	Good/Fair
Striping	Painted parking striping faded and worn	ST/RR	Good/Fair
Number of Parking Spaces	307 as per Zoning Report	R&M	Good
Number of ADA Spaces	8	R&M	Good
Site Access	Provided by two (2) entrances / exits from following adjoining municipal streets: N Wilke Road	R&M	Good



Site Access, Parking, Pavement Descriptions			
Items	Description	Action	Condition
Signalization at Site Access	Not applicable		
Easement or Alley Way	Entrance drive is part of shared easement.	R&M	Good
Bollards	Not applicable		

ASSESSMENT / RECOMMENDATION

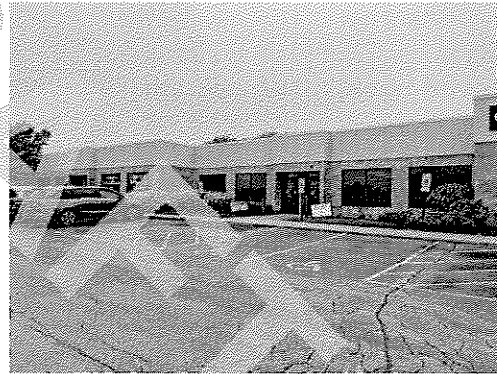
There is onsite asphalt pavement at drive lanes and parking areas. The POC reported that the parking lot is owned and maintained as part of the condominium association. Parking spaces are shared throughout the common condominium association property. Cost of maintenance and repairs to asphalt pavement are collected thru lease agreements.

AEI recommends periodic crack-filling, seal coating and re-striping of the asphalt paving during the evaluation period. An opinion of cost for the parking leased repairs is included in the Tables.

Photographs



Asphalt parking



West facing facade



South area parking



Cost Summary

Cost Recommendation	EUL	EFF AGE	RUL	Year	Cost
Asphalt Pavement, Seal coat, Restripe, and Crack seal (Shared Condominium Association Parking)g	5	4	1	Short Term	\$5,000
				6	\$5,000
				11	\$5,000
Total					\$15,000

3.1.3 SIDEWALKS, CURBING, SITE STEPS, AND RAMPS

Sidewalks, Curbing, Site Steps, and Ramps Descriptions			
Item	Description	Action	Condition
Sidewalk Material(s)	Concrete	R&M	Good
Locations of On-Site Sidewalks	Sidewalks from parking areas to all building entrances	R&M	Good
Sidewalks along adjacent public roadways	Not applicable		
Curbs and Gutter	Concrete Curbs	R&M	Good
Wheel Stops	Not applicable		
Ramps	Not applicable		
Exterior Steps	Not applicable		
Handrails	Not applicable		

ASSESSMENT / RECOMMENDATION

No notable deficiencies or indications of deferred maintenance of sidewalks, curbing, site steps or ramps were observed or reported. The RULs of these features are expected to exceed the evaluation period.

Photographs



Concrete sidewalk



3.1.4 LANDSCAPING, FENCING, SIGNAGE, SITE LIGHTING

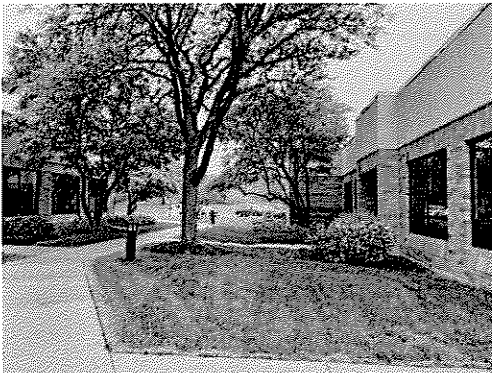
Landscaping, Fencing, Signage, Site Lighting Descriptions			
Item	Description	Action	Condition
Landscaping	Trees, shrubbery, and manicured lawn	R&M	Good
Irrigation	Automatic underground system	R&M	Good
Perimeter Fencing	Not applicable		
Entry Gates	Not applicable		
Patio Fencing	Not applicable		
Refuse Area Fencing	Not applicable		
Building Lighting	Building mounted lighting	R&M	Good
Parking Area Lighting	Pole-mounted fixtures	R&M	Good
Exterior Lighting Controller	Timer	R&M	Good
Signage	Building-mounted signs and Pylon sign	R&M	Good
Water Features	Not applicable		

ASSESSMENT / RECOMMENDATION

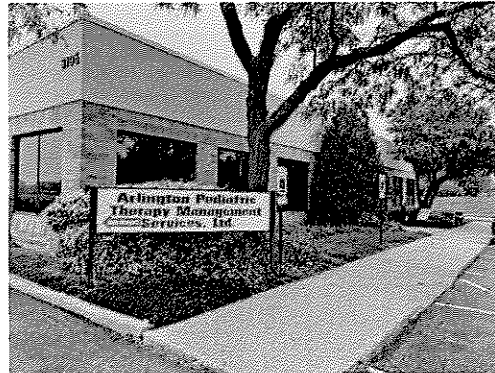
Lighting was observed to be in overall good condition. The quantity, location, and general intensity of the fixtures and lamps are considered to be generally adequate for the property. No unusual problems or concerns were observed or reported. Although not observed after dark, lighting appears adequate. The remaining useful life of the exterior lighting is expected to exceed the evaluation period. Due to the limited scope and low estimated cost, AEI anticipates that any repairs to the Property lighting can be accomplished as part of routine maintenance.

No notable deficiencies or indications of deferred maintenance of landscaping, signage, exterior lighting systems or fencing were observed or reported. The RULs of these features are expected to exceed the evaluation period.

Photographs



Landscaped area



Facility signage





East facing landscaped area

3.1.5 SITE AMENITIES

ASSESSMENT / RECOMMENDATION

The Property does not include notable exterior amenities.

3.1.6 UTILITIES

According to the ASTM guidelines, visual inspection and comments on municipal, underground services lines are outside of the scope of our property assessment.

The below ground water supply piping and waste water discharge piping were not visible to AEI. AEI observed the site and inquired with management as to the overall condition and maintenance history of the water supply and waste water discharge lines.

Utility Provider Summary	
Utility Provider	Provider
Natural Gas	Nicor
Electricity	COMED
Potable Water	Village of Arlington Heights
Sanitary Sewerage	Village of Arlington Heights
Storm Sewer	Village of Arlington Heights

Utilities Descriptions			
Item	Description	Action	Condition
Domestic Water Supply Lines	Not observed by AEI due to underground location. Material and age not reported; assumed to be original to construction.	R&M	Good
Waste Service Lines	Not observed by AEI due to underground location. Material and age not reported; assumed to be original to construction.	R&M	Good
On-site Lift Stations	Not applicable		



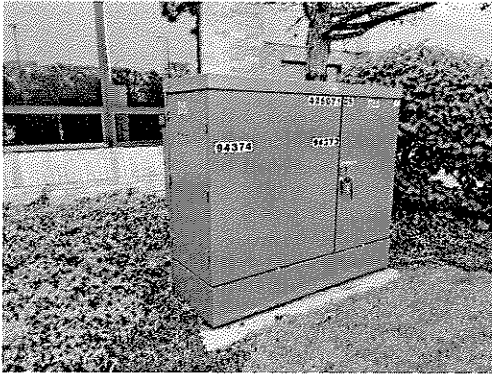
Utilities Descriptions			
Item	Description	Action	Condition
On-site Waste Water Treatment System	Not applicable		
On-site Domestic Water Wells	Not applicable		
On-site Irrigation Wells	Not applicable		
Electrical Transformers	Underground lines to Property-owned, pad-mounted electrical transformer(s)	R&M	Good
Alternative Energy Systems	Not applicable		
Emergency Generator	Not applicable	Refer to Section 3.3.3 below for details	

ASSESSMENT / RECOMMENDATION

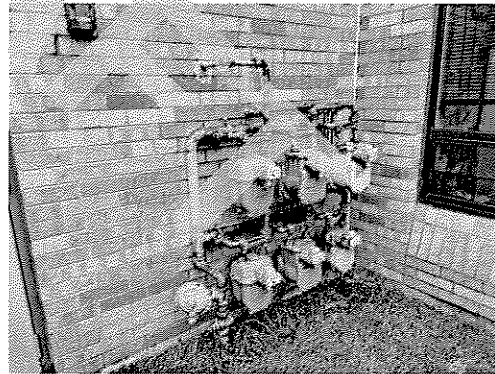
The Property is responsible for all underground piping on the Property. No recent or chronic leaks were reported and no signs of recent or chronic leaks were observed.

No notable deficiencies or indications of deferred maintenance of utilities were observed or reported. The RULs of these features are expected to exceed the evaluation period.

Photographs



Pad mounted transformer



Gas meters

3.1.7 OTHER SITE STRUCTURES

ASSESSMENT / RECOMMENDATION

The Property does not include free-standing garages or other notable ancillary structures, such as carports or maintenance sheds.

3.2 ARCHITECTURAL COMPONENTS



3.2.1 FOUNDATIONS

Although requested, plans showing the foundation were not provided. The foundation and footing construction could not be verified while on-site due to hidden conditions. The top of the concrete slab was observable in the back-of-the-house Maintenance area. Therefore, based on our limited site observations, the building appears to be constructed as noted in table below.

Of note, movement in foundation systems can occur over time and create slight stress cracking in the above grade structure. Minor cracking, if noted, appeared to fall within the scope of acceptable tolerances for buildings of this type unless otherwise noted below.

Foundation Descriptions			
Item	Description	Action	Condition
Foundation Type	Concrete slab-on-grade	R&M	Good
Foundation Walls	Concrete stem walls	R&M	Good
Building Floor	Concrete slab-on-grade	R&M	Good
Moisture Control	Landscaping sloped away from the foundation	R&M	Good

ASSESSMENT / RECOMMENDATION

Observations of exterior walls revealed no apparent signs of movement that would indicate excessive settlement or an improperly installed foundation system.

The substructure is considered to be generally adequate and in overall good condition.

No notable deficiencies or indications of deferred maintenance of foundations were observed or reported. The RULs of these features are expected to exceed the evaluation period.

3.2.2 FRAMING

Although requested, building plans showing the structural systems was not provided for our review.

Visual access to the structural elements of the building was limited due to hidden conditions. The superstructure was exposed in some locations, specifically the back-of-the-house mechanical area, allowing for limited observation. Other structural elements were concealed by interior finishes and exterior finishes. Therefore, based on our limited site observations, the building appears to be constructed as noted in table below.

Framing Descriptions			
Item	Description	Action	Condition
Roof Design	Low-slope with no attic space	R&M	Good
Roof Framing and Deck	Steel joists supporting concrete slab over corrugated metal form	R&M	Good
Fire Retardant Treated (FRT) Plywood	FRT plywood was not observed	NA	Not applicable
Frame Construction	Masonry bearing and steel framing	R&M	Good



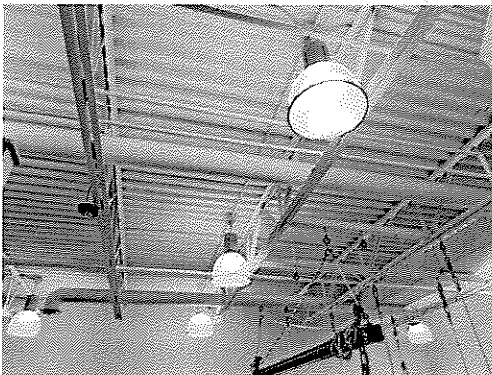
Framing Descriptions			
Item	Description	Action	Condition
Upper Floor Construction	Not applicable		
Secondary Framing Members	Concrete masonry unit (CMU) bearing walls with interior steel framing	R&M	Good
Interior Stair Structures and Locations	Not applicable		

ASSESSMENT / RECOMMENDATION

Walls and floors appeared to be plumb, level, and stable. There were no signs of significant deflection or movement. Based on our observations and interviews, the superstructure appeared to be generally appropriate for the architectural style, height, and occupancy of the building, and was judged to be in overall good condition.

No notable deficiencies or indications of deferred maintenance of framing were observed or reported. The RULs of these features are expected to exceed the evaluation period.

Photographs



Steel frame structure

3.2.3 CLADDING

Cladding Descriptions			
Item	Description	Action	Condition
Primary Exterior Wall Finishes and Cladding	Unpainted masonry brick veneer	R&M	Good
Secondary / Accent Exterior Wall Finishes	Exterior insulation finish system (EIFS) along the wall / roof line	ST/RR	Good
Trim Finishes	Metal		
Soffits/Eaves	Not applicable		



Cladding Descriptions			
Item	Description	Action	Condition
Prominent Exterior Architectural Style	Low level of detail trim	R&M	Good
Sealants	Sealants are used at control joint locations of dissimilar materials as well as at windows and doors.	ST/RR	Good/Fair
Painting	Information of when the building was last painted was not available.	ST/RR	Good/Fair

ASSESSMENT / RECOMMENDATION

The brick masonry is primarily located on the lower elevation of the building. The brick facade was observed to be in overall good condition. There was no evidence of cracking or efflorescence. Brick should typically be reassessed for mortar deterioration every year. The brick mortar will require cleaning and re-pointing as part of the property management's routine maintenance program.

The upper wall / roof line are primarily exterior insulation finish system (EIFS). The EIFS material was observed to be in overall good condition.

In some EIFS applications, inadequate provisions for drainage and ventilation from behind the base coat and/or polystyrene insulation have been found to result in deterioration of the wood or gypsum substrate and, over time, damage to the underlying structural elements. Due to the concealed nature of this condition, visible indications of such problems are not often apparent. Our findings related to EIFS at the property are necessarily limited to observations from available exterior and interior vantage points.

Based on the EUL of exterior paint and observed conditions, AEI recommends re-painting of the building exteriors over the projection period covered by this report. Re-caulking should be performed at the same time. An opinion of cost for this work is included in the Tables..

Based on the estimated Remaining Useful Life (RUL) and current condition of the sealant, replacement of sealants during the evaluation period is recommended. An opinion of cost for this work is included in the Tables.

No other notable deficiencies or indications of deferred maintenance of cladding systems were observed or reported.



Photographs



Front facade entrance



East facade



West facing facade



East facing facade

Cost Summary

Cost Recommendation	EUL	EFF AGE	RUL	Year	Cost
Exterior walls, Repaint and Recaulk	8	8	0	Short Term 9	\$12,000 \$12,000
Total					\$24,000



3.2.4 ROOF SYSTEMS

The report contents are based on our limited site observations and research. This report does not constitute a full and comprehensive roof survey, and it is not to be interpreted to mean that roof leaks or defective roofing materials are not currently present. AEI recommends retaining a roofing consultant if a comprehensive report on the condition of the system is desired.

Roof Construction						
Roof ID	Construction Type	Approx. Area (SF)	Est. Age (Yrs)	RUL (Yrs)	Action	Condition
Building Roof	Low slope with EPDM (with stone ballast)	30,328	20	0	ST	Good/Fair

Roof Drainage, Parapets and Flashings					
Roof ID	Drainage	Flashing	Coping (parapet)	Action	Condition
Building Roof	Internal drains	Membrane extends onto vertical protrusions	Aluminum	R&M	Good

Typical Roof Penetrations and Appurtenances				
Item	Description	Action	Condition	
Plumbing Vents	Roof vents	R&M	Good	
Air Exhausts/ Ventilation	Fan exhausts over bathrooms and kitchens	R&M	Good	
Skylights	Not applicable			
Roof Insulation	Tapered rigid Insulation	R&M	Good	
Roof Ventilation	Standard roof exhaust vents	R&M	Good	
HVAC Equipment Mounts	26 rooftop units located throughout	R&M	Good	

ASSESSMENT / RECOMMENDATION

Roof access was not provided at the time of the site visit assessment.

Roof ages were provided by the POC. The roof system was replaced in 2002. The condominium association does annual inspections. The 2022 Annual Roof Repair List done by STR named a few repair descriptions on April 04, 2022.

- Deteriorated Sealant in localized areas
- Deteriorated lead flashings in localized areas
- Missing Pre-Fab Boot Clamp
- Condensate Dripping on Roof Surface: Repair PVC condensate drain

According to the Association maintenance manager the roofs are generally in overall good condition. No unusual problems or concerns were observed or reported. However based on the age, and EUL of the roofs, replacement is anticipated during the evaluation period. According to



building owner, roof replacement and repairs are responsibility of the condominium association. For the purpose of this assessment report, an opinion of cost for this work is included in the Tables.

Should any warranties exist, copies should be obtained and reviewed as part of good management practices. Should the Property ownership be transferred, any existing roof warranty should be re-assigned to the new building owner. Warranties should not be relied upon without close examination of the language of the document, research into the issuing company, and historic information concerning installation and maintenance.

Cost Summary

Cost Recommendation	EUL	EFF AGE	RUL	Year	Cost
EPDM Roof, Replace	20	20	0	Short Term	\$303,280
Total					\$303,280

3.2.5 APPURTENANCES

ASSESSMENT / RECOMMENDATION

No notable architectural appurtenances are provided at the property.

3.2.6 DOORS AND WINDOWS

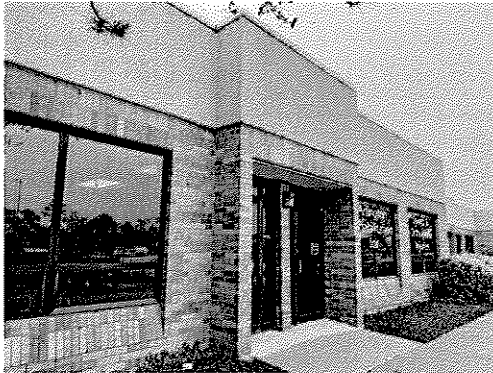
Doors and Windows			
Item	Description	Action	Condition
Storefront Windows	Aluminum-framed storefront systems	R&M	Good
Other Window Types	Fixed windows	R&M	Good
Window Frames	Aluminum frame	R&M	Good
Window Panes	Double pane insulated	R&M	Good
Main Entrance Doors	Aluminum storefront entrance doors	R&M	Good
Secondary Entrance Doors	Aluminum storefront entrance doors	R&M	Good
Tenant Space Doors	Not applicable		
Service Doors	Steel clad insulated door	R&M	Good
Overhead Doors	Not applicable		

ASSESSMENT / RECOMMENDATION

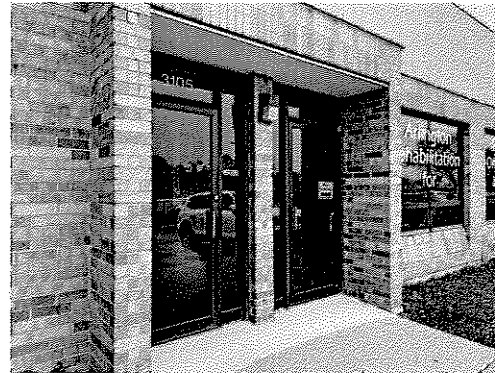
No notable deficiencies or indications of deferred maintenance of door and window systems were observed or reported. The RULs of these features are expected to exceed the evaluation period.



Photographs



Entrance doors and windows



Storefront doors

3.2.7 COMMON AREA AMENITIES

ASSESSMENT / RECOMMENDATION

The Property does not have common area amenities.

3.2.8 COMMON AREA FINISHES

ASSESSMENT / RECOMMENDATION

The Property does not have interior common areas. Each tenant space is accessed directly from the exterior.

3.3 MECHANICAL, ELECTRICAL, AND PLUMBING SYSTEMS

The report contents are based on our limited site observations, interviews, and document review. No testing of the mechanical equipment or systems was conducted.

3.3.1 PLUMBING SYSTEMS AND DOMESTIC HOT WATER

Plumbing Systems and Domestic Hot Water Systems			
Item	Description	Action	Condition
Hot and Cold Water Distribution	Copper pipe	R&M	Good
Water Meters	One meter per tenant; mounted on exterior wall	R&M	Good
Back-flow Prevention Device	Not applicable		
Polybutylene Water Piping	No polybutylene piping was observed or reported.		
Galvanized Water Piping	No galvanized piping was observed or reported.		
Sanitary Waste and Vent	PVC pipe	R&M	Good



Plumbing Systems and Domestic Hot Water Systems			
Item	Description	Action	Condition
Domestic Water Heaters/ Boilers	Individual small, gas-fired, tank-type water heaters	RR	Good

Natural Gas Systems			
Item	Description	Action	Condition
Natural Gas / Propane Distribution Piping	Steel piping painted black	R&M	Good
Natural Gas Meters	One for building, located on building exterior	R&M	Good
On-site Uses of Natural Gas	Domestic water heating HVAC	R&M	Good

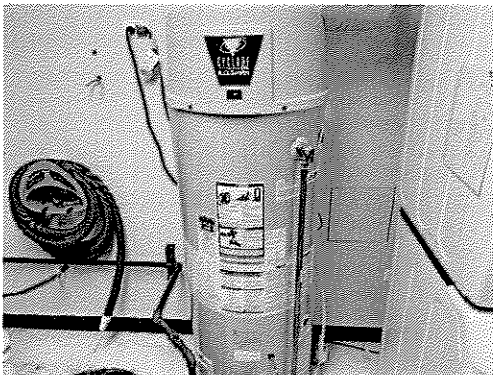
ASSESSMENT / RECOMMENDATION

The domestic water plumbing systems and sewer systems appeared to be good and well maintained, and, according to site contact, are in good condition. According to site contact, the water pressure is adequate. No items of deferred maintenance were observed or reported. The RULs of the piping systems should exceed the evaluation period.

Condition of the water heaters observed by AEI was good with no significant deficiencies. The temperature and pressure relief valves on units observed appeared properly piped. Based on the effective ages and EULs of existing water heaters, replacement during the evaluation period is anticipated; an opinion of cost is included in the Tables.

No notable deficiencies or indications of deferred maintenance of distribution piping or water heater systems were observed or reported.

Photographs



Water heater



Cost Summary

Cost Recommendation	EUL	EFF AGE	RUL	Year	Cost
Water heater. Replace (Gas-fired, 30 gallon)	15	13	2	2	\$1,950
Total					\$1,950

3.3.2 HEATING, COOLING, AND VENTILATION

Heating and Cooling Description - Overall			
Item	Description	Action	Condition
Primary Ambient Air Cooling System	Individual Roof Top Package Units (RTU)	RR	Good
Primary Heating System	Roof top package units (RTUs) - gas	RR	Good
Controls	Individual controls on each mechanical unit	R&M	Good
Energy Management System (EMS)	Not Applicable		
Supplemental Systems	Not applicable		
Areas not provided with Heating	Not applicable		
Areas not provided with Air-conditioning	Not applicable		
Refrigerant	R-410a (Puron)	R&M	Good
Primary HVAC Maintenance	Condominium Association	R&M	Good
Warranties	Not provided	R&M	Good



Based on the observed condition and estimated age of the equipment, the package units can be expected to last through the evaluation term, with the help of routine maintenance.

Ventilation Description			
Item	Description	Action	Condition
Common Area Corridor Ventilation / Make-up Air	Not applicable		
Toilet Room Ventilation	Direct vent fans	R&M	Good
Passive Ventilation	Not applicable		
Stair tower Ventilation	Not applicable		
Warehouse / Manufacturing Area Ventilation	Not applicable		
Dehumidification System	Not applicable		

Equipment List HVAC						
Equipment ID / Area Served	Type	Model No.	Manufacturer	Capacity	Manufacture YR	Action
1	RTU (Gas)	48KCEA05A2A3A0A0A0	Carrier	4 Tons	2018	R&M
2	RTU (Gas)	48KCEA05A2A3A0A0A0	Carrier	4 Tons	2018	R&M
3	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M
4	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2018	R&M
5	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M
6	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2018	R&M
7	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M
8	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M
10	RTU (Gas)	48VL-C2406030	Carrier	2 Tons	2019	R&M
11	RTU (Gas)	48VL-C2406030	Carrier	2 Tons	2019	R&M
12	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M
13	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M
14	RTU (Gas)	48VL-C2406030	Carrier	2 tons	2019	R&M
15	RTU (Gas)	48VL-C2406030	Carrier	2 Tons	2019	R&M
16	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2018	R&M
17	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M
18	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M
19	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2018	R&M
20	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M
21	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M
22	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M
23	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M
24	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M
25	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M
26	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M
27	RTU (Gas)	48FCEA05A2A3A0A0A0	Carrier	4 Tons	2019	R&M



ASSESSMENT / RECOMMENDATION

Access to the roof was not provided to AEI at the time of the site visit, therefore, rooftop units were not observed. An inventory documentation of the rooftop units was available, and information is included as part of this report.

The rooftop units operate with gas heat and integral condenser. There are 26 rooftop packaged units that have all been replaced between 2018 and 2019. The units range from 2 to 4 ton capacity and are manufacturer by Carrier.

According to the property owner the rooftop units are owned and maintained by the Condominium Association. The condominium maintenance manager reported that the units are in good condition and are have periodic repairs performed as part of the routine maintenance. Cost for repairs or replacement is recovered thru leasing agreements.

Based on the age, replacement for some of the units is expected to be necessary during the projection period covered by this report. An opinion of cost for this work is included in the Tables.

No other notable deficiencies or indications of deferred maintenance of HVAC systems were observed or reported.

Cost Summary

Cost Recommendation	FUL	EFF AGE	RUL	Year	Cost
Packaged rooftop unit (RTU). Replace (2 tons)	15	4	11	11	\$30,000
Packaged rooftop unit (RTU). Replace (5 tons)	15	3	12	12	\$60,000
Total					\$90,000

3.3.3 ELECTRICAL SYSTEMS

Electrical Systems			
Item	Description	Action	Condition
Service Type	Underground lines to pad-mounted electrical transformer(s)	R&M	Good
Number and size(s) of Building Service	One 1000-Amp, and One 600-Amp 120/208-Volt, 3-phase, 4-wire	R&M	Good
Main Panel Manufacturer	ITE	R&M	Good
Service Redundancy	Not Applicable		
Electrical Meters	One meter per tenant; mounted on exterior wall	R&M	Good
Typical Tenant Service Amperage	600 Ampere breaker panel	R&M	Good
Sub Panel Manufacturer(s)	ITE	R&M	Good
Overload Protection	Circuit breaker switches	R&M	Good
Service Wire	Copper wiring	R&M	Good
Branch Wiring	Copper wiring	R&M	Good



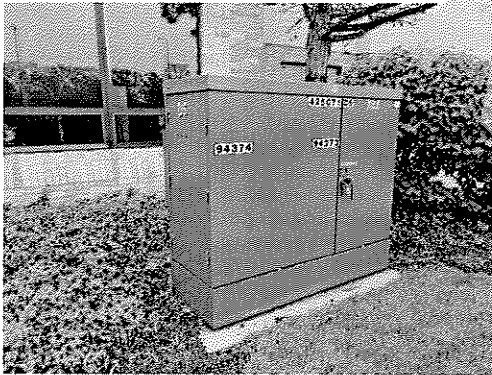
Electrical Systems			
Item	Description	Action	Condition
Ground Fault Circuit Interrupter	Observed in kitchen, bathrooms, and wet areas	R&M	Good
Date of Most Recent Thermography Infrared (IR) Test	Not applicable		

ASSESSMENT / RECOMMENDATION

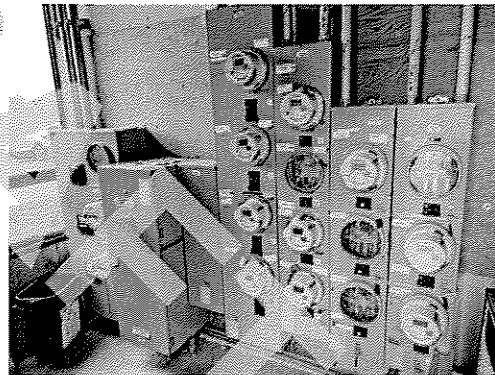
In general, the electrical systems for the Property, including switchboards, panel boards, lighting and wiring systems appeared in good condition and adequately sized for the intended use of the facilities.

No notable deficiencies or indications of deferred maintenance of electrical systems were observed or reported. The RULs of these features are expected to exceed the evaluation period.

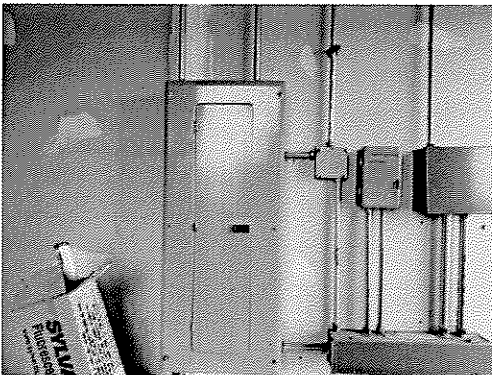
Photographs



Pad mounted transformer



Electrical meters



Electrical panel



3.3.4 VERTICAL TRANSPORTATION

ASSESSMENT / RECOMMENDATION

This property does not have elevators or other forms of vertical transportation.

3.3.5 SECURITY

Evaluation and recommendations of the security system are beyond the scope of work of this PCA as per ASTM.

As a courtesy, AEI's comments below are based on cursory observations of existing readily visible equipment for obvious material deficiencies. AEI did not operate the systems or assess any security system in its entirety. This PCA does not include evaluation the effectiveness of any security system.

Security Features			
Item	Description	Action	Condition
Buzzer or Intercom	Not applicable		
Security Alarm System	By tenant	R&M	Good
Camera System	By tenant	R&M	Good
Main Entry Door Hardware	Deadbolt hardware	R&M	Good
Tenant Space Hardware	Deadbolt hardware	R&M	Good
Gate at Entry	Not applicable		
Fencing	Not applicable		

ASSESSMENT / RECOMMENDATION

No visible deficiencies or indications of deferred maintenance of the readily observable security system equipment were noted or reported.

3.3.6 FIRE PROTECTION AND LIFE SAFETY SYSTEMS

Fire Safety Equipment			
Item	Description	Action	Condition
Fire Suppression Systems	100% Sprinkler Coverage with Wet pipe system	R&M	Good
Fire Extinguishers	Located throughout the building	R&M	Good
Fire Extinguisher Inspection Date	August 2021 Fox Valley Fire and Safety	R&M	Good
Smoke/ Fume Detectors	Hard-wired smoke detectors with battery back-up	R&M	Good
Carbon Monoxide (CO) Detectors	Combination Smoke and Carbon Monoxide detectors (hard-wired)	R&M	Good
Other Equipment and Devices	Strobe light alarms. Illuminated exit signs.	R&M	Good



Fire Safety Equipment			
Item	Description	Action	Condition
	Battery back up light fixtures.		
Special Systems	Not applicable		
Fire Hydrants, Number and on-site Locations	Located along adjacent public streets	R&M	Good
Smoke control system/ smoke evacuation method	Emergency lighting and egress signage are provided by the typical battery pack fixtures	R&M	Good

Fire Alarm System			
Item	Description	Action	Condition
Main Fire Alarm Panel	Honeywell MS 9200UDLS	RR	Good
Auxiliary Fire Alarm Panels	Not applicable		
Addressable	Not applicable		
Systems Monitored and Controlled by Fire Alarm System	Smoke detectors, heat detectors, sprinkler water flow switch.	R&M	Good
Fire Alarm Inspection Date	10/26/2021	R&M	Good
Fire Alarm Inspection Entity	Detection Systems & Service INC.	R&M	Good
Service Contractor	Josh Belke		
Fire Alarm Off-Site Communication Entity	Fire Department		

Fire Suppression System			
Item	Description	Action	Condition
Fire Suppression Type	100% Sprinkler Coverage with Wet pipe system	R&M	Good
Areas covered by Wet Fire Sprinkler System	100%	R&M	Good
Areas covered by Dry Fire Sprinkler System	None		
Areas covered by Standpipe System but no Fire Sprinklers	None		
Areas not covered by Fire Suppression System	Not applicable		



Fire Suppression System			
Item	Description	Action	Condition
Number and Locations of Fire Sprinkler Main Riser(s)	One main riser located at the sprinkler room along the east side of the building.	R&M	Good
Fire Suppression System Inspection Date	10/21/2021	R&M	Good
Fire Suppression System Inspection Entity	Northshore Fire Protection	R&M	Good
Service Contractor	Bell		
Separate Backflow Valve on Fire Sprinkler Service	Not applicable		
Fire Sprinkler Distribution Piping	Black steel pipe	R&M	Good
Fire Sprinkler Head Manufacturer and type	Viking	R&M	Good
Fire Department Connection (FDC)	One, located near main entrance	R&M	Good

ASSESSMENT / RECOMMENDATION

The building is protected by a fire suppression system which appears to be in generally overall good condition. Inspections appeared to be up to date.

There is a central life safety monitoring system; the central panel was observed inside the mechanical room. The hard-wired smoke detectors, pull-stations and audible alarms are tied to the fire alarm panel. Visual strobe lights are located in conjunction with audible alarms. The entire system automatically switches from utility power to the emergency generator in the case of a power failure. Motion sensors tied to a monitoring station are located in tenant spaces.

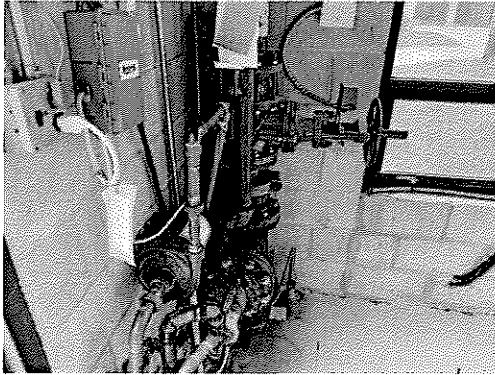
The fire alarm panel is model Honeywell MS 9200UDLS. The fire alarm system has communication abilities; it is monitored by a third party vendor and fire department. When activated they also sound a local alarm.

The fire alarm panel appeared to be in overall good and serviceable condition, but appears to be older, although the age was not provided. No unusual deficiencies were observed or reported. Based on the age and EUL of the fire alarm panel, replacement is anticipated. An opinion of cost for this work is included in the Tables.

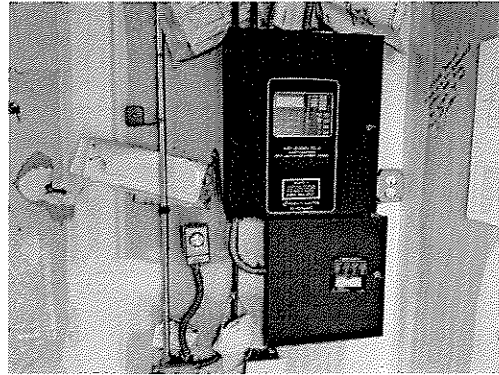
No other notable deficiencies or indications of deferred maintenance of fire protection and life safety systems were observed or reported. The RULs of these features are expected to exceed the evaluation period.



Photographs



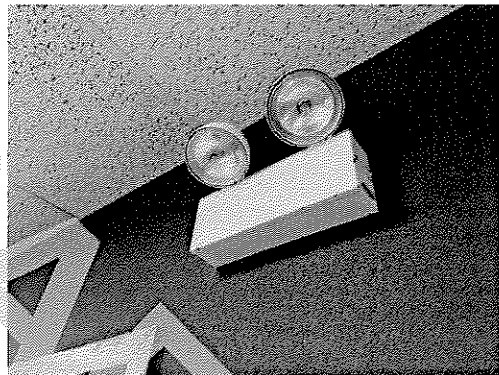
Main sprinkler system



Fire alarm control panel



Fire extinguisher



Emergency lighting

Cost Summary

Cost Recommendation	EUL	EFF AGE	RUL	Year	Cost
Central Fire Alarm Panel. Replace	20	15	5	5	\$4,000
Total					\$4,000

3.4 TENANT UNITS

3.4.1 DOWN UNITS

A "down" commercial unit is one that is unrentable due to an existing or reoccurring physical deficiency, such as fire or water damage, infestation. It is not a commercial unit that is only "vacant" or has not had a tenant fit-out.

No down unit was reported at the time of the assessment.



3.4.2 TENANT MIX

Commercial or Mixed Use Tenant Mix		
Tenant Type	Quantity	Total Area Per Unit Type (square feet)
Medical Office	1	30,328 SF

Commercial Units Observed			
Unit ID	Tenant Name	Status	Comments
3105 N Wilke Rd	Arlington Pediatric Therapy	Occupied	Good condition.

3.4.3 TENANT UNIT FINISHES

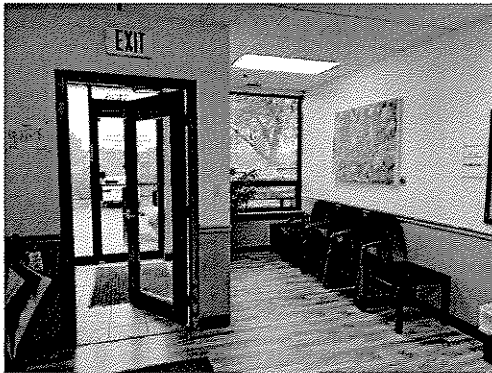
Office / Retail Area Finishes			
Item	Description	Action	Condition
Carpet	Offices	R&M	Good
Resilient Flooring	Employee break rooms, therapy rooms, offices	R&M	Good
Other Flooring	Wood laminate, Ceramic tile	R&M	Good
Walls	Gypsum board with painted finish	R&M	Good
Ceilings	Painted smooth gypsum	R&M	Good

ASSESSMENT / RECOMMENDATION

No notable deficiencies or indications of deferred maintenance of tenant unit finishes were observed or reported.

The RULs of these features are expected to exceed the evaluation period.

Photographs

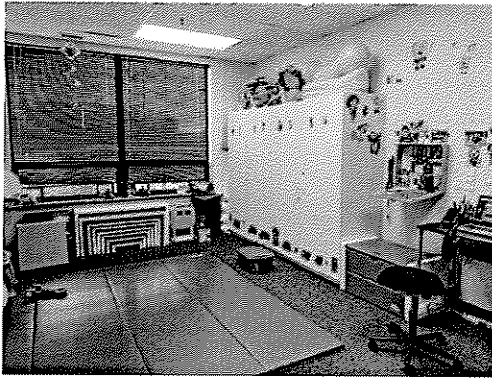


Entry vestibule area

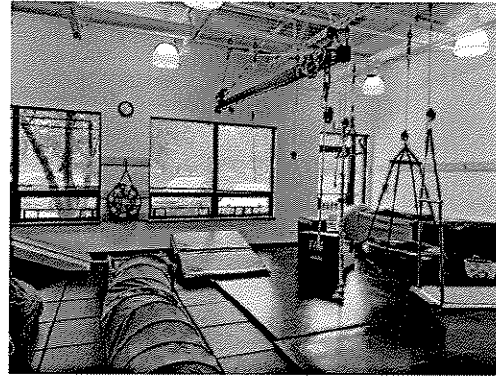


Conference room

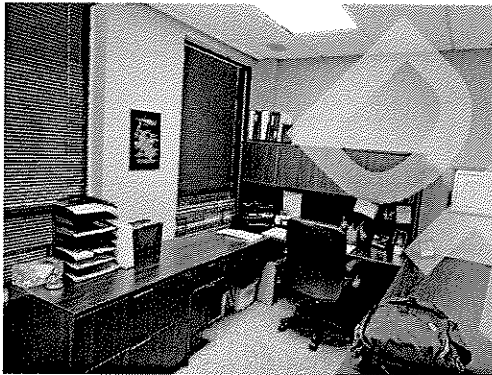




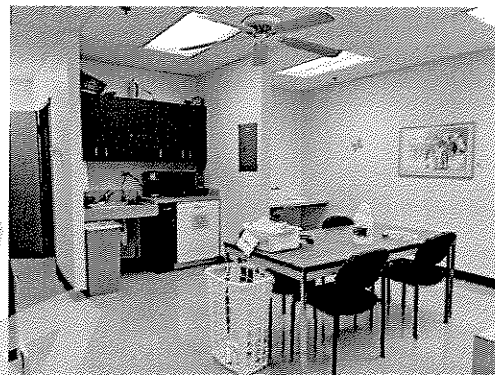
Facility therapy room interiors



Therapy gym area



Administration office space



Break room

3.4.4 TENANT KITCHENS AND BATHROOMS

Tenant Kitchens			
Item	Description	Action	Condition
Kitchen Sink & Countertop	Laminated particleboard and underhung stainless steel sink	R&M	Good
Kitchen Cabinetry	Wood frame with particle board doors, covered with plastic laminate	R&M	Good
Kitchen Appliances and Other	Residential style refrigerator and counter microwave and dishwasher	R&M	Good

Tenant Restrooms			
Item	Description	Action	Condition
Number and Types of Tenant Restrooms	14 multi-user restrooms	R&M	Good
Restroom Countertop and Sink	Plastic laminated particle board with underhung sink or wall mounted sink	R&M	Good
Restroom Cabinetry	Not applicable		
Toilet	Tank top toilet with large capacity tank	R&M	Good



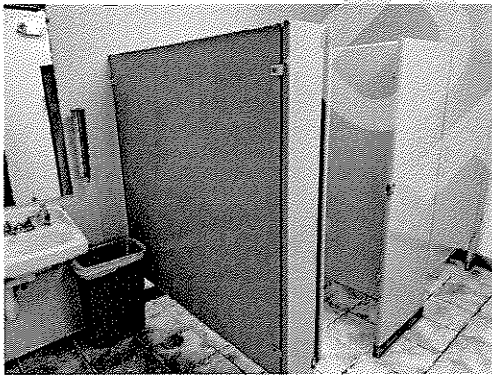
Tenant Restrooms			
Item	Description	Action	Condition
Accessories	Wall mounted mirror	R&M	Good
	Grab bars		

ASSESSMENT / RECOMMENDATION

No notable deficiencies or indications of deferred maintenance of tenant unit finishes were observed or reported.

Decisions and budgets to replace interior finishes typically are based on factors other than age and wear, such as property use, lease renewals and tenant marketing goals.

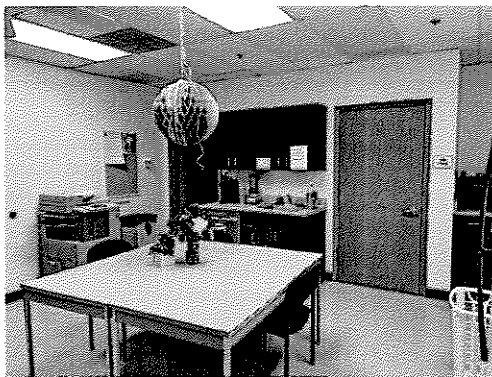
Photographs



Facility bathroom



ADA bathroom



Employee break room



4.0 MOISTURE AND MICROBIAL GROWTH

4.1 MOISTURE AND MICROBIAL GROWTH

Microbial growth (e.g., mold or fungus) may occur when excess moisture is present. Porous building materials such as gypsum board, insulation in walls and ceilings, and carpeting retain moisture and become microbial growth sites if moisture sources are not controlled or mitigated. Potential sources of moisture include rainwater intrusion, groundwater intrusion, condensation on cold surfaces, and water leaks from building systems (e.g., plumbing leaks, HVAC system leaks, overflowing drains, etc.). Inadequate ventilation of clothes dryers and shower stalls may also result in excess moisture conditions. Microbial growth may be clearly visible (e.g., ceramic tile mortar in shower stalls) or may be concealed with no visible evidence of its existence (e.g., inside wall cavities); however, without proper tests, the existence of mold cannot be verified. Testing for mold is outside the scope of a base-line PCA.

AEI conducted a limited visual survey for the presence of microbial growth at the Property. Sampling or testing was not included in the scope of work for this survey. The assessment consisted of gaining entry to interior spaces, and visually evaluating the accessible areas.

ASSESSMENT / RECOMMENDATION

George Sianis reported no knowledge of suspected mold or microbial growth at the Property and that tenant occupants have not relayed complaints concerning suspected mold or microbial growth. George Sianis indicated that no formal indoor air quality management plan currently exists at the Property.

AEI identified no documents regarding indoor air quality or microbial concerns.

George Sianis was not aware of any roof leaks, water leaks or infiltration and associated damage from pipes, fixtures, or HVAC systems at the Property. No floor drain or ground water problems were reported.

AEI observed no notable indications of excessive moisture or microbial growth at the property.



5.0 NATURAL HAZARDS

5.1 SEISMIC ZONE

AEI reviewed the property location in order to determine the seismic zone in which the property is located. According to the 1997 Uniform Building Code (UBC), the property is located in Seismic Zone 0. A copy of the UBC Seismic Map is included in the Appendices.

Seismic Zones are defined as follows:

Seismic Zone 0: an area of very low probability of damaging ground motion.

Seismic Zone 1: an area of low probability of damaging ground motion.

Seismic Zone 2A: an area of low to moderate probability of damaging ground motion.

Seismic Zone 2B: an area of moderate risk of damaging seismic activity.

Seismic Zone 3: an area with a moderate to high probability of damaging ground motion.

Seismic Zone 4: an area with a high probability of damaging ground motion.

ASSESSMENT / RECOMMENDATION

The propensity of natural hazards to adversely affect this property is designated above.

AEI offers SEL (Scenario Estimated Loss) and SUL (Scenario Upper Limit) analysis.

Further Study may be undertaken at the discretion of our client.

5.2 WIND ZONE

AEI reviewed the property location in order to determine the wind zone in which the property is located. The Design Wind Speed measuring criteria are consistent with ASCE 7-05. Our judgement is that the property is located in Wind Zone IV. This map also indicates that the Property is also located in a Special Wind Region. This map also indicates that the Property is also located in a Not applicable. A copy of the Wind map is included in the Appendices.

Wind Zones are defined as follows:

Zone I (130 MPH)

Zone II (160 MPH)

Zone III (200 MPH)

Zone IV (250 MPH)

Special Wind Zone



Hurricane Susceptible Zone

ASSESSMENT / RECOMMENDATION

The propensity of wind events to adversely affect this property is designated in the discussion above.

Further Study may be undertaken at the discretion of our client.

5.3 FLOOD ZONE

AEI reviewed FEMA flood zone maps to identify the flood zone in which the property is located. According to Panel No. 17031C0044J, dated 08/19/2008, this property is located within Flood Zone X (Non-shaded).

Flood Zones are described as follows:

Flood Zone A, defined as an area of 100-year flood; base flood elevations and flood hazard factors not determined.

Flood Zone AE, defined as an area of 100-year flood; base flood elevation determined.

Flood Zone B, defined as an area between limits of the 100-year flood and 500-year flood; an area subject to 100-year flooding with average depths less than one foot or where the contributing drainage area is less than one square mile; or an area protected by levees from the base flood.

Flood Zone C, defined as an area of minimal flooding.

Flood Zone D, defined as an area of undetermined, but possible flood hazards.

Flood Zone V, defined as an area of 100-year flood with velocity (wave action); base flood elevations and flood hazard factors not determined.

Flood Zone X (shaded area), defined as an area of 500-year flood; an area of 100-year flood with average depths of less than one foot or with drainage areas less than one square mile; or an area protected by levees from 100-year flood.

Flood Zone X (non-shaded area), defined as an area outside the 500-year flood plain.

This information is provided for reference purposes only. Further Study may be undertaken at the discretion of our client.

NOTE: FEMA flood maps do not always show all streets, do not show property lines and do not show locations of buildings. The above Flood Zone designation is not to be relied upon to determine if the property and improvements are subject to flooding. A land survey with structures and other improvement shown along with a flood zone designation should be obtained by the client.



6.0 REGULATORY INQUIRY

6.1 BUILDING CODE

AEI requested a record of open violations on file for the Property from the Village of Arlington Heights FOIA office via written FOIA request

ASSESSMENT / RECOMMENDATION

At the time of the issuance of this report, a reply to our request has not been provided.

This information is provided for reference purposes only. Further Study may be undertaken at the discretion of our client.

6.2 FIRE CODE

AEI requested a record of open violations on file for the Property from the Village of Arlington Heights FOIA Office via written FOIA request.

ASSESSMENT / RECOMMENDATION

At the time of the issuance of this report, a reply to our request has not been provided.

This information is provided for reference purposes only. Further Study may be undertaken at the discretion of our client.

6.3 ZONING

The property is located in Zoning District M-1: Research, Development, and Light Manufacturing District.

This information is provided for reference purposes only.

6.4 RETRO-COMMISSIONING AND ENERGY BENCHMARKING COMPLIANCE

Energy disclosure laws, Benchmarking, are aimed at encouraging energy use awareness and making the energy performance of buildings public, especially during building sale transactions. Commercial buildings, typically over 50,000 SF (multi-family excluded) are required to review their utility records over one to three years and create an energy cost and use report based on building square footage and building type. AEI collects utility use records for one to three years and charts the energy use per square foot. High performing buildings may be designated as Energy Star. This Benchmarking is intended to encourage property owners to maximize operations, make improvements, and minimize carbon foot print.

Standards for Benchmarking vary by jurisdiction on the types and sizes of buildings included in the Law or Policy. Further investigation of compliance laws may be necessary to substantiate the Benchmarking requirements.



ASSESSMENT/RECOMMENDATION

AEI offers Energy Benchmarking Assessments and can complete a review at the client's request for an additional fee.

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7.0 ACCESSIBILITY

The Americans with Disabilities Act (ADA) is a civil rights law that was enacted in 1990 to provide persons with disabilities with accommodations and access equal to, or similar to, that available to the general public. Title III of the ADA requires that owners of buildings that are considered to be places of public accommodations remove those architectural barriers and communications barriers that are considered readily-achievable in accordance with the resources available to building ownership to allow use of the facility by the disabled.

The determination as to whether removal of a barrier or an implementation of a component or system is readily achievable is often a business decision, which is based on the resources available to the owner or tenants and contingent upon the timing of implementation. Determination of whether barrier removal is readily-achievable is on a case-by-case basis; the United States Department of Justice did not provide numerical formulas or thresholds of any kind to determine whether an action is readily achievable.

As required by the ADA, the U.S. Architectural and Transportation Barriers Compliance Board promulgated the ADA Accessibility Guidelines (ADAAG). ADAAG provided guidelines for implementation of the ADA by providing specifications for design, construction, and alteration of facilities in accordance with the ADA. The ADAAG was superseded by the 2010 ADA Standards for Accessible Design. These guidelines specify quantities, sizes, dimensions, spacing, and locations of various components of a facility so as to be in compliance with the ADA.

It is important to understand that ADA is not a building code; it is a civil rights law. As a result, local building departments may not be responsible for compliance with ADA requirements and failure to meet ADA may not be considered to be a building code violation. Conformance with other accessibility standards is beyond the scope of this section.



AEI has performed a baseline ADA Visual Accessibility Survey consisting of a limited scope visual survey and completion of the checklist provided herein. The baseline scope of work excludes limited measurement and counts. Since the evaluation is limited in scope and is based on representative sampling, non-compliant conditions may exist which will not be identified as a result of the assessment. Some of the information may be obtained from the owner, such as the number of standard and accessible parking spaces, or the number of total and ADA-compliant guestrooms.

Supplemental assessment may be needed to satisfy the risk tolerance and desired level of due diligence of some users. It should be understood by the Client that the limited accessibility screening and related observations described herein do not comprise a full ADA Compliance Survey, and that such a survey, which may reveal specific aspects of the Property that are not in compliance, is beyond the scope of this assessment. The intent of this PCA is to provide a limited visual screening of the property to identify obvious accessibility issues and possible solutions.

Assessment of ADA Title III Application		
Application	Yes/No	Definition
Age: Was this property constructed after July 1992?	No	Under Title III of the ADA, all "new construction" (construction, modification, or alterations) after the effective date of the ADA (approx. July 1992) must be fully compliant with the ADAAG.
Use: Is the property classified as a place of public accommodation?	No	A public accommodation is a private entity that owns, operates, leases, or leases to a place of public accommodation. Places of public accommodation include restaurants, hotels, theaters, doctor's offices, pharmacies, retail stores, museums, libraries, parks, private schools, and day care centers, and entities that offer certain examinations and courses related to educational or occupational certification.
Use: Is the property classified as a historic structure?	No	Properties listed or are eligible for listing in the National Register of Historic Places or properties designated as historic under state or local law should comply to the "maximum extent feasible" unless the changes would destroy the historic significance of a feature of the building.
Use: Is the property classified as a private club or religious structure?	No	Properties classified as such are exempt from complying with the ADAAG.
Does the property plan a significant renovation? (If so, 20% of the renovation budget should be allocated to ADA upgrades)	No	Alterations include, but are not limited to, remodeling, renovation, rehabilitation, reconstruction, historic restoration, changes or rearrangement in structural parts or elements, and changes or rearrangement in the plan configuration of walls and full-height partitions.



Assessment of ADA Title III Application		
Application	Yes/No	Definition
		Normal maintenance, reroofing, painting or wallpapering, asbestos removal, or changes to mechanical and electrical systems are not alterations unless they affect the usability of the building or facility.

Uniform Abbreviated Screening Checklist for the 2010 Americans with Disabilities Act					
	Item	Yes	No	N/A	Comments
History					
1.	Has an ADA survey previously been completed on the property?			✓	No previous ADA Survey for the property was provided or reported.
2.	Have any ADA Improvements been made to the property?	✓			
3.	Is any litigation pending related to ADA issues?		✓		
Parking					
1.	Does the required number of standard ADA-designated spaces appear to be provided?	✓			Total Number of parking: 307; Total # ADA Accessible parking stalls: 8
2.	Does the required number of van-accessible designated spaces appear to be provided?	✓			Total # of Van-accessible ADA parking spaces 3 of the above-referenced 8 ADA stalls
3.	Are accessible spaces part of the shortest accessible route to an accessible building entrance?	✓			
4.	Is a sign with the International Symbol of Accessibility at the head of each space?		✓		ADA parking spaces located near the facility entrance have missing post signs.
5.	Does each accessible space have an adjacent access aisle?	✓			
6.	Do parking spaces and access aisles appear to be relatively level and without obstruction?	✓			
Exterior Accessible Route					
1.	Is an accessible route present from public transportation stops and municipal sidewalks on the property?			✓	
2.	Are curb cut ramps present at transitions through curbs on an accessible route?	✓			
3.	Do the curb cut ramps appear to have the proper slope for all components?	✓			
4.	Do ramps on an accessible route appear to have a compliant slope?			✓	
5.	Do ramps on an accessible route appear to have a compliant length and width?			✓	



Uniform Abbreviated Screening Checklist for the 2010 Americans with Disabilities Act					
	Item	Yes	No	N/A	Comments
6.	Do ramps on an accessible route appear to have compliant end and intermediate landings?			✓	
7.	Do ramps on an accessible route appear to have compliant handrails?			✓	
Building Entrances					
1.	Do a sufficient number of accessible entrances appear to be provided?	✓			
2.	If the main entrance is not accessible, is an alternate accessible entrance provided?	✓			
3.	Is signage provided indicating the location of alternate accessible entrances?			✓	
4.	Do doors at accessible entrances appear to have compliant clear floor area on each side?	✓			
5.	Do doors at accessible entrances appear to have compliant hardware?	✓			
6.	Do doors at accessible entrances appear to have a compliant clear opening width?	✓			
7.	Do pairs of accessible entrance doors in series appear to have the minimum clear space between them?	✓			
8.	Do thresholds at accessible entrances appear to have a compliant height?				
Interior Accessible Routes and Amenities					
1.	Does an accessible route appear to connect with all public areas inside the building?	✓			
2.	Do accessible routes appear free of obstructions and/or protruding objects?	✓			
3.	Do ramps on accessible routes appear to have a compliant slope?			✓	
4.	Do ramps on accessible routes appear to have a compliant length and width?			✓	
5.	Do ramps on accessible routes appear to have compliant end and intermediate landings?			✓	
6.	Do ramps on accessible routes appear to have compliant handrails?			✓	
7.	Are adjoining public areas and areas of egress identified with accessible signage?			✓	
8.	Do public transaction areas have an accessible, lowered counter section?			✓	
9.	Do public telephones appear mounted with an accessible height and location?			✓	



Uniform Abbreviated Screening Checklist for the 2010 Americans with Disabilities Act					
	Item	Yes	No	N/A	Comments
10.	Are publicly-accessible swimming pools equipped with an entrance lift?			✓	
Interior Doors					
1.	Do doors at interior accessible routes appear to have compliant clear floor area on each side?	✓			
2.	Do doors at interior accessible routes appear to have compliant hardware?	✓			
3.	Do doors at interior accessible routes appear to have compliant opening force?	✓			
4.	Do doors at interior accessible routes appear to have a compliant clear opening width?	✓			
Elevators					
1.	Are hallway call buttons configured with the "UP" button above the "DOWN" button?			✓	
2.	Is accessible floor identification signage present on the hoistway sidewalls?			✓	
3.	Do the elevators have audible and visual arrival indicators at the entrances?			✓	
4.	Do the elevator hoistway and car interior appear to have a minimum compliant clear floor area?			✓	
5.	Do the elevator car doors have automatic re-opening devices to prevent closure on obstructions?			✓	
6.	Do elevator car control buttons appear to be mounted at a compliant height?			✓	
7.	Are tactile and Braille characters mounted to the left of each elevator car control button?			✓	
8.	Are audible and visual floor position indicators provided in the elevator car?			✓	
9.					
1.	Do publicly-accessible toilet rooms appear to have a minimum compliant floor area?	✓			
2.	Does the lavatory appear to be mounted at a compliant height and with compliant knee area?	✓			
3.	Does the lavatory faucet have compliant handles?	✓			
4.	Is the plumbing piping under lavatories configured to protect against contact?	✓			
5.	Are grab bars provided at compliant locations around the toilet?	✓			
6.	Do toilet stall doors appear to provide the minimum compliant clear width?	✓			



Uniform Abbreviated Screening Checklist for the 2010 Americans with Disabilities Act					
	Item	Yes	No	N/A	Comments
7.	Do toilet stalls appear to provide the minimum compliant clear floor area?	✓			
8.	Do urinals appear to be mounted at a compliant height and with compliant approach width?			✓	
9.	Do accessories and mirrors appear to be mounted at a compliant height?	✓			
Hospitality Guestrooms					
1.	Does property management report the minimum required accessible guestrooms?			✓	
2.	Does property management report the minimum required accessible guestrooms with roll-in showers?			✓	

This checklist does not cover all of the requirements for ADA. It is not for facilities undergoing new construction, remodels or alterations, for determining what new construction, remodel or alterations should occur in order to provide ADA compliance. In addition, this checklist does not attempt to illustrate all possible barriers/problems or propose all possible barrier removal and modifications solutions. Not all situations are covered above.

This ADA General Observation Checklist is intended as a general visual screening of the existing subject Property and shall not be construed as an "ADA Survey." Additionally, not all areas of the subject Property may have been accessed during the PCA. AEI recommendations are offered and are based upon visual observations of deficiencies that are considered to be readily achievable. Further financial study of the recommendations may be necessary in order to determine if they may constitute an undue financial burden.

Parking Requirements for ADA

Total Number of Parking Spaces Provided	Minimum Accessible Spaces Required
1 to 25	1
26 to 50	2
51 to 75	3
76 to 100	4
101 to 150	5
151 to 200	6
201 to 300	7
301 to 400	8
401 to 500	9
501 to 1000	2% of total parking spaces
1001 and over	20, plus 1 for each 100 or fraction thereof, over 1000 One of every 6 or fraction of 6 should be van accessible



ASSESSMENT / RECOMMENDATION

Although the property is primarily used for Medical Office , it appears on-site operations may include occasional visits by customers to the front offices. As such, it is assumed that parking and exterior route to main entrance should be handicapped-accessible as per ADA Title III.

Based on our limited accessibility screening, our findings are summarized on the Table below.

Items of non-conformance with the ADA or "barriers" are noted herein without regard as to whether or not they are, by ADA definition, "readily achievable". Corrections of any barriers should be addressed from a liability standpoint and determined by building ownership in consultation with its accountants, attorneys and design/construction professionals.

Further study may identify opportunities to improve accessibility performance and design. AEI offers full ADA Assessments at the client's request for an additional fee.

ADA Priorities				
Priority Concerns	Deficiencies Observed	Readily achievable and not a financial burden?	Recommendation	Possible Solution
Parking	Yes	Yes	Repair	Increase the number of accessible ADA Signage
Site Circulation	No	Not applicable	Not applicable	Not applicable
Access to Goods and Services (Interior Circulation)	Not applicable	Not applicable	Not applicable	Not applicable
Public Restrooms or Restrooms shared by multiple Tenants	Not applicable	Not applicable	Not applicable	Not applicable

Photographs



West facing facade



ADA parking without signage



Bathroom sink with pipe cover



ADA bathroom

Cost Summary

Cost Recommendation	EUL	EFF AGE	RUL	Year	Cost
Accessible Parking, Provide Missing signage	-	-	-	Immediate	\$1,500
Total					\$1,500



cosmetic, (ii) decorative, (iii) part or parcel of a building's renovation program or to reposition the asset in the marketplace, (iv) routine or normal preventative maintenance, or (v) that are the responsibility of the tenants were not included.

It is the intent of the PCA to reflect material physical deficiencies and the corresponding opinion of costs that are (i) commensurate with the complexity of the Property and (ii) not minor or insignificant. Opinion of costs that are either individually or in the aggregate less than a threshold amount set by industry standards are not included in the tables.

Opinions of costs included in this report should be construed as preliminary budgets. Actual costs most probably will vary from the consultant's opinions of costs due to a variety of factors including design, quality of materials, contractor selected, market conditions, and competitive solicitation. Based on observations of readily apparent conditions, there may be a number of immediate and capital reserve costs that are required over the evaluation period. These needs are identified in the various sections of this report and are summarized in the attached cost tables. Costs for routine or normal preventive maintenance, or a combination thereof, are not included. Where management's budget for the repair or capital replacement appeared reasonable, AEI included the budget in the tables; however, please note that this PCA does not constitute an in-depth budget analysis.

8.2 LIMITATIONS

Property Condition Assessments performed by AEI are based upon, but not limited to, the scope of work outlined by ASTM Standard E2018-15. Our review of the subject property consisted of a visual screening of the site, the structure(s) and the interior spaces. Technical Assessments were made based on the appearance of the improvements at the time of this Assessment.

The recommendations and conclusions presented as a result of this Assessment apply strictly to the time the Assessment was performed. Available documentation has been analyzed using currently accepted Assessment techniques and AEI believes that the inferences made are reasonably representative of the property.

No warranty is expressed or implied, except that the services rendered have been performed in accordance with generally accepted Assessment practices applicable at the time and location of the study.

This report should not be construed as technically exhaustive. This report does not warranty or guarantee compliance with any Federal, state or local statute, ordinance or regulation including but not limited to, building codes, safety codes, environmental regulations, health codes or zoning ordinances or compliance with trade/design standards or the standards developed by the insurance industry. Local, state and federal regulations, and codes change significantly over time from when the Property was developed and the subject building was constructed. The Property and subject building may not meet all current regulations, and code requirements put forth on a local, state, or federal level.

The following are excluded from this Assessment for the Property as per the ASTM scope of work:



- Subterranean conditions such as soil types and conditions, underground utilities, separate sewage disposal systems, wells, manholes, utility pits; systems that are either considered process-related or peculiar to a specific tenancy or use; or items or systems that are not permanently installed.
- Opinions on matters regarding security of the Property and protection of its occupants or users from unauthorized access.
- Operating or witnessing the operation of lighting, lawn irrigation, or other systems typically controlled by time clocks or that are normally operated by the building's operation staff or service companies.
- Evaluating systems or components that require specialized knowledge or equipment, including but not limited to: flue connections, interiors of chimneys, flues or boiler stacks; electromagnetic fields, electrical testing and operating of any electrical devices; examination of elevator and escalator cables, sheaves, controllers, motors, inspection tags; or tenant-owned or maintained equipment.
- Evaluation of process-related equipment or condition of tenant owned/maintained equipment.

AEI has made reasonable efforts to properly assess the property conditions within the contracted scope of services; however, limitations during the assessment may be encountered.

AEI's findings and conclusions were based primarily on the visual assessment of the Property at the time of the site visit. In addition, the assessment value is based upon comparative judgments with similar properties in the Property observer's experience. The Client is herewith advised that the conditions observed by AEI are subject to change. AEI's Property observations included areas that were readily accessible without opening or dismantling secure areas or components. AEI's conclusions did not include any destructive or invasive testing, laboratory analysis, exploratory probing or engineering evaluations of structural, mechanical, electrical, or other systems with related calculations.

No assessment can wholly eliminate the uncertainty regarding the presence of physical deficiencies and performances of the building system. According to the ASTM guidelines, a PCA is intended to reduce the risk regarding potential building system and component failure. The ASTM standard recognizes the inherent subjective nature of the assessment regarding such issues as workmanship, quality of care during installation, maintenance of building systems and remaining useful life of the building system or components.

Assessments, analysis and opinions expressed within this report are not representations regarding either the design integrity or the structural soundness of the project.

If any part of the Property was under construction or renovation at the time of our site visit, it should be noted that this PCA is not a construction progress report or a construction loan monitoring report. A review of the construction budget, plans and schedule was not performed,



and no comparison of our observations to these documents was made. A code review was not performed. AEI assumes that the construction will continue until completed and that a Certificate of Occupancy will be obtained.

Specific Limitations to AEI's Access to the subject Property were due to the following circumstances:

- Although requested by AEI, roof access was not provided.

Specific Limitations to AEI's standard site assessment protocol were encountered during the preparation of this report:

- Despite attempts to receive requested site related documentation/ information noted in Section 1.6 and on the PSQ, some documents were not made available for our review. AEI shall have no obligation to retrieve or review any information or documentation that was not provided to AEI as requested in a reasonable time to formulate an opinion and to complete this Report.

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9.0 MEMBERS OF THE CONSULTANT TEAM

A resume of the property evaluator and the senior reviewer are included in the appendix of this report.



Carolina Cartagena, Field Observer

DRAFT

Michael Kee, AIA, NCARB

National Client Manager

DRAFT

