



January 24, 2013

WHPC-Parkside-Glendale, LLC
Attn: Mr. Daniel J. O'Connell
2 East Mifflin Street, Suite 801
Madison, WI 53703

Subject: Technical Assistance - Cap Maintenance Plan, Parkside Commons Apartments
Property (formerly known as Parcel B of 5400 North Green Bay Road), 1400 West
Custer Avenue, Glendale, Wisconsin

Parcel #: 1959002001
FID: 241952260
BRRTS: 07-41-559912

Dear Mr. O'Connell:

On January 11, 2013, Apex Environmental (Apex), on behalf of WHPC-Parkside-Glendale, LLC, has requested technical assistance in clarifying if there are any actions or obligations that the Wisconsin Department of Natural Resources ("the Department") will require of WHPC-Parkside-Glendale, LLC on the purchase of the Parkside Commons Apartments property in order to stay in compliance with the Cap Maintenance plan for the property.

Cap Maintenance Plan

The Cap Maintenance Plan (see Exhibit 1 to Deed Restriction Cap Maintenance Plan) has the following key points required by the plan:

- Annual Inspections
- Repairs to Capped Areas
- Landscaping Maintenance
- Pavement Replacement and Repairs
- Utility Repairs
- Successors and Assigns

Basically, the Cap Maintenance Plan requires, at a minimum, yearly inspections of the paved and landscaped areas of the property, performing repairs on the paved, utility, and landscaped areas, documentation of the inspections and repairs, soil management (if required), and health/safety plans to protect workers during improvements or repairs. All documentation is to be kept on file by the owner and/or property manager and shall be made available for inspection by representatives of the Department upon request (see Exhibit 1, To Deed Restriction Cap Maintenance Plan for further details).

Deed Restriction

Prohibited activities for the Property under the Deed Restriction (see attached Attachment C Deed Restriction) are in addition to the Cap Maintenance Plan and includes the following activities that

require written approval by the Department prior to implementation for the current and future owners of the Property:

- (1) excavating; grading; utility repairs; removal, repair, or replacement of pavement; and placement of plants or other landscaping features other than in conformance with the Cap Maintenance Plan;
- (2) filling or placing material in landscaped areas other than clean topsoil or other clean landscaping material;
- (3) plowing for cultivation of agricultural crops; and
- (4) construction or installation of a building or other structure other than reconstruction of buildings and structures on the foundations that existed on the date of the deed restriction.

Apex's cover letter states that the site maintenance supervisor, Mr. Walter Denuszek, has lived at the apartments since 2003 and has told Apex that, "no landscaping work, repaving work, or underground utility work has been conducted on the subject property for the past nine and one-half years. This and the Phase I site reconnaissance inspection conducted on the property by Apex resulted in Apex concluding that there has been no evidence of disturbance observed during their inspection on November 28, 2012. Apex also stated that, "written documentation such as annual inspection reports and memorandum reports has apparently not been maintained by current or previous property owners."

Apex has requested that a written determination from the Department regarding whether WHPC-Parkside-Glendale, LLC, on the purchase of the Parkside Common Apartments property, would have any regulatory or legal consequences, or liabilities associated with:

- (1) previous owners of the subject property not having maintained the documentation required by the Cap Maintenance Plan; or
- (2) for any other past actions that may have been conducted by previous owners that were not in compliance with the Cap Maintenance Plan.

Department Determination

1. The first and only owner of the property that qualified for the Voluntary Party Liability Exemption Certificate of Completion is and continues to be Glendale Housing Partners, LLC of Portland, Oregon.
2. WHPC-Parkside-Glendale, LLC, upon purchase of the property, would be required to maintain the requirements in the Deed Restriction and Cap Maintenance Plan for the property. There are no additional actions or obligations that are required by the Department. Any "new" discharges to the environment would be subject to the requirements of s. 292, Wisconsin Statutes and NR 700, Wisconsin Administrative Code. As long as WHPC-Parkside-Glendale, LLC, maintains the property as described in this letter, they would not have any liability associated with any action or inaction of previous owners related to the cap and deed restriction.
3. Since there hasn't been any inspection and documentation of the Property condition as required in the Cap Maintenance Plan since the issuance of the COC (April 2001), the Department will require that Glendale Housing Partners, LLC conduct an onsite inspection of the Property in

order to bring the inspection documentation up-to-date. This would include photo documentation of the capped areas, any repairs, written documentation, and a submittal of the results to the Department.

4. On receipt of the inspection documentation, the Department may inspect the property for Cap Maintenance compliance. The Department will instruct the owner if repairs or additional repairs will be required before a compliance letter will be written bringing the inspection record up-to-date.
5. Because of the pending purchase of the Property by WHPC-Parkside-Glendale, LLC from Glendale Housing Partners, LLC; when this inspection is to be completed and submitted to the Department should be decided between both parties.
6. Once the inspection is up-to-date, the Department will not have any additional requirements for the (current or previous?) owner.

If you have any questions or comments, please feel free to contact me at the above address or at (414) 263-8644. Please refer to the FID number at the top of this letter in any future correspondence.

Sincerely,



John J. Hnat, P.G., C.P.G.

Project Manager/Hydrogeologist
Southeast Region
Remediation and Redevelopment

Enclosures: Attachment C Deed Restrictions
Exhibit I to Deed Restriction Cap Maintenance Plan

C: Gregory Collins, Axley Brynelson, LLP
Jason Herbst, Apex Environmental
John McGee, Glendale Housing Limited Partnership
WDNR SER Files

On and after the date of this Deed Restriction, the following activities are prohibited on the Property unless done in accordance with the Cap Maintenance Plan attached hereto as Exhibit I, or after obtaining the prior written approval of the Department: (1) utility repairs; (2) removal, repair or replacement of pavement; and (3) placement of plants or other landscaping features that require excavation or grading.

Otherwise prohibited actions that are necessary to respond to emergencies or conditions presenting an imminent and substantial threat to human health, safety or property may be undertaken without the prior written approval of the Department: however, the Department shall be notified of such actions as soon as possible.

These restrictions are hereby declared to be a covenant running with the land and shall be fully binding upon all persons acquiring the Property whether by descent, devise, purchase or otherwise. This restriction inures to the benefit of and is enforceable by the Department. The Department may initiate proceedings at law or in equity against any person or persons who violate or are proposing to violate this covenant to prevent the proposed violation or to recover damages for such violation.

Any person who is or becomes owner of the Property described above may request that the Department issue a determination that one or more of the restrictions set forth in this covenant is no longer required. Upon the receipt of such a request, the Department shall determine whether or not the restrictions contained herein can be extinguished.

IN WITNESS WHEREOF, the owner of the Property has executed this Declaration of Restrictions this 26th day of JANUARY, 2001.

GLENDALE HOUSING LIMITED
PARTNERSHIP

BY [Signature]

Print Name: Chuck Park

Its: Vice President

Subscribed and sworn to before me this 26th day of JANUARY, 2001.

[Signature]
Notary Public, State of OREGON
My Commission Expires JUNE 26, 2004

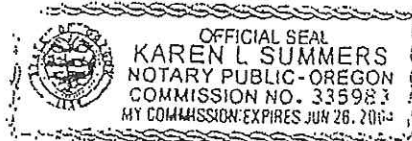


EXHIBIT I
TO DEED RESTRICTION

CAP MAINTENANCE PLAN

THIS CAP MAINTENANCE PLAN ("Cap Maintenance Plan") is made this 26th day of January, 2001, by GLENDALE HOUSING LIMITED PARTNERSHIP, a Wisconsin limited partnership ("Owner"), and, subject to the terms of the attached Deed Restrictions, shall be applicable to that certain real property in the City of Glendale, Milwaukee County, Wisconsin, more specifically described in the attached Deed Restrictions (the "Property").

1. Annual Inspections. Not less than annually, the paved areas of the Property and the landscaped areas of the Property shall be inspected to ensure that the integrity of the soil cover in the landscaped areas is maintained and that no significant fissures or cracks develop in the paved areas which would allow a materially significant increase in the infiltration and percolation of precipitation or surface water through the contaminated soils beneath the paved areas. Any disturbances of the soil cover or significant cracking of the pavement shall be noted. Upon completion of the inspection, a brief report shall be prepared which identifies the date of the inspection, the individual(s) conducting the inspection, any observed disturbance of the soil cover in the landscaped areas, and any significant cracking observed in the paved areas. A copy of the inspection report shall be kept on file by Owner and/or the property manager of the Property (the "Property Manager"), with a copy of this Cap Maintenance Plan, and shall be made available for inspection by representatives of the Wisconsin Department of Natural Resources, upon reasonable request, during the normal business hours of Owner or the Property Manager.

2. Repairs to Capped Areas. If, during the annual inspection or other routine inspections of the Property, the soil cover is observed to have been disturbed or significant cracking is observed in paved areas, Owner shall arrange to have repairs made to such areas, in a manner consistent with this Cap Maintenance Plan. Such repairs shall be carried out within a reasonable period of time, not to exceed one hundred twenty (120) days, subject to weather and season considerations.

3. Landscaping Maintenance. Owner of the Property shall maintain the vegetative cover in landscaped areas according to the custom and practice of the landscaping industry applicable to similarly situated properties in the Metropolitan Milwaukee area. In the event it becomes necessary, or if Owner desires to install or replace trees, shrubs, fencing or retaining walls, or perform other landscaping that would

penetrate below the soil cap into the contaminated soils below the soil cap, the following steps shall be taken:

A. The contractor performing the work shall be provided with a copy of this Cap Maintenance Plan and shall prepare a health and safety plan, appropriate to the work being performed, to protect workers from any significant or health threatening exposure to contaminated soils beneath the clean soil cover.

B. Any excavated clean soils from the soil cover shall be separated and segregated so that they may be replaced upon completion of the work. Any excavation into the contaminated soils beneath the soil cover shall be conducted in accordance with the health and safety plan, and any excavated contaminated soils shall be segregated and kept on site in conformance with the requirements of Chapter NR718, Wis. Adm. Code until completion of the work.

C. Upon completion of the work, previously excavated contaminated soils may be placed back into the excavation, but only to the extent such replacement does not interfere with the replacement and maintenance of the minimum one foot of clean soil cover over the area of the excavation, and does not constitute a violation of Wisconsin hazardous waste management law (Chapter 291, Wis. Stats.). The clean soil cover material and any additional clean soil necessary to bring the excavation to grade shall be replaced in such a way as to maintain a minimum one foot of clean soil cover, and the area of the excavation shall be seeded and/or mulched in a manner consistent with the landscape plan for the areas and standard landscaping custom and practice.

D. Any remaining contaminated soils that cannot be replaced in the excavation shall be properly characterized and disposed of at an appropriately licensed facility.

E. A brief memorandum report describing the work performed, identifying the person(s) performing the work and verifying that this Cap Maintenance Plan was adhered to, shall be prepared and kept on file by Owner and/or the Property Manager, and shall be made available for inspection by representatives of the Wisconsin Department of Natural Resources, upon reasonable request, during the normal business hours of Owner or Property Manager.

4. Pavement Replacement and Repairs. If it becomes necessary or desirable to remove or replace pavement, or perform repairs to paved areas, the pavement removal, repair or replacement shall be undertaken in the following manner:

A. The contractor performing the work shall be provided with a copy of this Cap Maintenance Plan and shall prepare a health and safety plan appropriate to the

work being performed to protect workers from any significant or health threatening exposure to contaminated soils beneath the paved area.

B. Any excavated clean soils from the soil cover, or granular layer materials where they exist beneath the paved area to be removed or repaired, shall be separated and segregated so that they may be replaced upon completion of the work. Any excavation into the contaminated soils beneath the soil cover, pavement or granular layer shall be conducted in accordance with the health and safety plan, and any excavated contaminated soils shall be segregated and kept on site in conformance with the requirements of Chapter NR718, Wis. Adm. Code until completion of the work.

C. Upon completion of the work, previously excavated contaminated soils may be placed back into the excavation, but only to the extent such replacement does not interfere with the replacement and maintenance of either the minimum one foot of clean soil cover and/or granular layer over the area of the excavation, and does not constitute a violation of Wisconsin hazardous waste management law (Chapter 291, Wis. Stats.). The clean soil cover material or granular layer material, and any additional clean soil or granular materials necessary to bring the excavation to grade, shall be replaced in such a way as to maintain either the minimum one foot of clean soil cover or the original thickness of the granular layer, if they previously existed beneath the pavement, and the area of the excavation shall be paved in a manner consistent with its original condition.

D. Any remaining contaminated soils that cannot be replaced in the excavation shall be properly characterized and disposed of at an appropriately licensed facility.

E. A brief memorandum report describing the work performed, identifying the person(s) performing the work and verifying that this Cap Maintenance Plan was adhered to, shall be prepared and kept on file by Owner and/or the Property Manager, and shall be made available for inspection by representatives of the Wisconsin Department of Natural Resources, upon reasonable request, during the normal business hours of Owner or Property Manager.

5. Utility Repairs. No utility repairs or installation of new or replacement utilities shall be conducted on the Property until after the utility and any contractor(s) for the utility have acknowledged receipt of a copy of this Cap Maintenance Plan. The utility repairs or installation(s) shall be conducted in strict conformance with the standards set forth above with respect to excavations into landscaped areas and paved areas. In addition, if the utility repairs or installation(s) involve any disturbance of the seals used to seal the entrance of utility lines into structures on the Property, such seals shall be replaced with new seals of like or superior quality. The utility or its contractor(s) shall prepare a memorandum report regarding the work, as set forth above, which shall be kept on file and made available for inspection by representatives of the Wisconsin Department

of Natural Resources, upon reasonable request, during the normal business hours of Owner or the Property Manager.

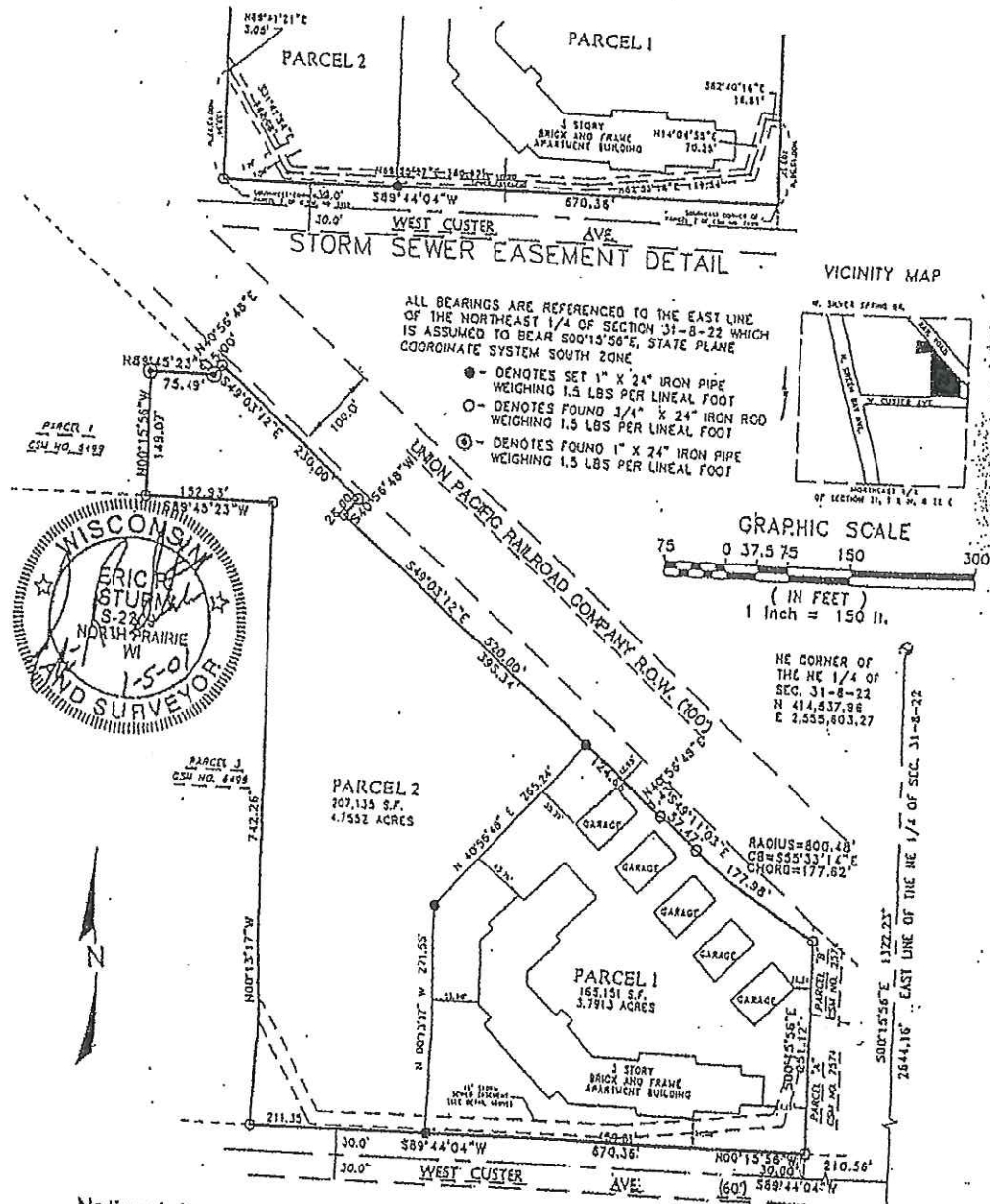
6. Successors and Assigns. Every obligation under this Cap Maintenance Plan shall run with the land and shall be binding upon Owner and upon the heirs, personal representatives, lessees, sublessees, invitees, permittees, successors and assigns of the fee owner of the Property and any subdivision thereof. Any reference to "Owner" shall apply only so long as the party owns all or a portion of real property within the Property, and thereafter such reference shall be intended to apply to such party's successors or assigns with respect to such interest. In the event the Property is now or hereafter subdivided, partitioned or otherwise divided into two or more separate parcels (each, a "Parcel"), the obligations of Owner hereunder with respect to each such Parcel shall devolve upon and be the sole responsibility of the fee Owner of such Parcel and its successors and assigns with respect to such Parcel. Any transferee of Owner's interest in the entire Property or any Parcel shall automatically be deemed, by acceptance of title to such property, to have assumed all of the obligations set forth in this Cap Maintenance Plan relating to such property. The transferring Owner shall, when such transfer is consummated, be relieved of all liability that arises thereafter under this Cap Maintenance Plan with respect to the Parcel or Property so conveyed by said Owner, but such Owner shall not thereby be relieved of liability that arose before such transfer which remains unsatisfied.

EXHIBIT II
TO DEED RESTRICTION

Site Plan Showing Buildings and Structures

CERTIFIED SURVEY MAP NO. 6923

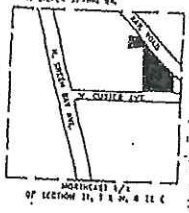
BEING A REVISION OF PARCEL 2 OF CERTIFIED SURVEY MAP NO. 6499 IN PART OF THE
NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 31, TOWN 8 NORTH, RANGE 22 EAST,
IN THE CITY OF GLENDALE, MILWAUKEE COUNTY, WISCONSIN.



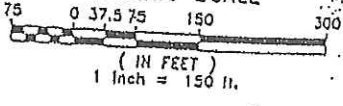
ALL BEARINGS ARE REFERENCED TO THE EAST LINE OF THE NORTHEAST 1/4 OF SECTION 31-8-22 WHICH IS ASSUMED TO BEAR $300^{\circ}15'56''E$, STATE PLANE COORDINATE SYSTEM SOUTH ZONE.

- ⊙ - DENOTES SET 1" X 24" IRON PIPE WEIGHING 1.5 LBS PER LINEAL FOOT
- - DENOTES FOUND 1/4" X 24" IRON ROD WEIGHING 1.5 LBS PER LINEAL FOOT
- ⊙ - DENOTES FOUND 1" X 24" IRON PIPE WEIGHING 1.5 LBS PER LINEAL FOOT

VICINITY MAP



GRAPHIC SCALE



NE CORNER OF THE NE 1/4 OF SEC. 31-8-22
N 414,637.86
E 2,555,803.27

RADIUS=800.48'
CB=535'33"1/4"E
CHORD=177.82'

SE CORNER OF THE NE 1/4 OF SEC. 31-8-22
N 411,894.08
E 2,553,615.32

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