



May 25, 2016

Kentucky Employers' Mutual Insurance
250 West Main Street, Suite 900
Lexington, Kentucky 40507

Attention: Mr. Paul Dillon

Reference: **Phase I Environmental Site Assessment**
Kingston Hall Lot 22
Lexington, Kentucky
S&ME Project No. 7283-16-013

Dear Mr. Dillon:

S&ME, Inc. has completed the Phase I Environmental Site Assessment (ESA) for the referenced property. The attached report presents the results of S&ME's assessment of the site, which was performed in accordance with ASTM E1527-13 and S&ME Proposal No. 11-1600088, dated May 6, 2016. The purpose of the Phase I ESA was to identify, to the extent feasible, recognized environmental conditions in connection with the property.

ASTM E1527-13 states that an Environmental Site Assessment "meeting or exceeding" this practice and completed less than 180 days prior to the date of acquisition or intended transaction is presumed to be valid if the report is being relied on by the User for whom the assessment was originally prepared and the following components were completed: interviews, the regulatory review, site visit, and the declaration by the environmental professional responsible for the assessment.

S&ME appreciates the opportunity to provide this Phase I ESA for this project. Please contact us at (865) 970-0003 at your convenience if there are questions regarding the information contained in this report.

Sincerely,

S&ME, Inc.

Timothy S. Schalk
Environmental Professional

James R. Bruce, PG, CHMM
Senior Reviewer



❖ Executive Summary

S&ME, Inc. has performed a Phase I Environmental Site Assessment (ESA) of Kingston Hall Lot 22 at 1150 Providence Place Parkway in Lexington, Kentucky. The following summary is intended as an overview of the Phase I ESA, and does not include the complete findings and opinions of the full report.

The subject property consists of one parcel containing approximately 22 acres. The property is currently unoccupied farmland and woodlands. Remains of two wooden barns and a vacant brick residence are located on the southeast portion of the property. An asphalt-paved driveway crosses the northeast portion of the property. No evidence of hazardous materials or underground storage tanks (fill or vent pipes) was observed on the subject property. Historical records indicate that the subject property has been farmland since at least 1927. Two wooden barns and a residence have been located on the property in the past. Evidence of recognized environmental conditions (RECs) were not identified on the subject property.

The subject property was not identified on regulatory databases reviewed. Three off-site facilities were identified within the ASTM minimum search distances. The off-site facilities are all at least 2,500 feet from the subject property and are not considered RECs in connection with the subject property.

Based on the results of this Phase I ESA, S&ME identified no evidence of RECs in connection with the subject property. Based upon historical records, regulatory databases and records, and on-site observations, a Vapor Encroachment Condition can be ruled out.