

TRIPLE PLAY REALTOR CONVENTION AND TRADE EXPO
ATLANTIC CITY, NEW JERSEY

**CLOSING THE DEAL ON CONTAMINATED SITES - SOLUTIONS FOR REAL
ESTATE PROFESSIONALS**

I. Steven D. Urgo, Esq. – White and Williams, LLP

1650 Market St., One Liberty Place, Ste. 1800, Philadelphia, PA 19103

215-864-7185; urgos@whiteandwilliams.com

- *Potential Liability Exposures for Real Estate Professionals in Contaminated Property Transactions*
- *The Problem – Leasing, Buying or Selling Contaminated Property*
 - Stigma of contamination
 - Valuation issues
 - Who pays for cleanup?
 - Obtaining financing
 - Legal Liabilities
- *The Opportunity – Leasing, Buying or Selling Contaminated Property*
 - Location, location, location
 - Showcasing redevelopment projects
 - Partnering with stakeholders
- *The Solution – Leasing, Buying or Selling Contaminated Property*
 - Mitigating liability exposure – environmental due diligence
 - Shifting environmental risk to insurers
 - Charting a clear course towards achieving a cost effective and approved cleanup
 - Maximizing available financing/grant opportunities

II. James Vetter - Marsh Risk and Insurance Services

215- 262 -3736

James.vetter@marsh.com

- Environmental Risks are a significant consideration in real estate transactions and with brownfield redevelopments. All stakeholders can be affected including sellers, buyers, developers, lending institutions, environmental consultants and construction firms. These risks can arise anywhere across the real estate lifecycle:
 - Acquisition
 - Development
 - Operation
 - Divestiture
- Environmental risks fall into two major categories:
 - Unknown pollution conditions, be they pre-existing or new spills
 - Known pollution conditions involving environmental cleanups
- Individual Pollution conditions can give rise to a myriad of claims broadly including:
 - Cleanup
 - Third party claims
 - Regulatory risk
 - Business risks
- The good news is that there are a variety of environmental risk management techniques that can be used to facilitate real estate sales and development. These include:
 - Contractors Pollution Liability Insurance
 - Secured Creditor Insurance
 - Pollution Legal Liability Insurance
 - Cost Cap Insurance
 - Environmental Liability Buyouts
- These solutions can be implemented individually or in tandem depending upon the risks involved and specific real estate and stakeholder needs.
- Environmental claims related to real estate make up over 50% of all claims. Claims recovery can be maximized by focusing on:
 - Legal involvement in policy manuscripting
 - Timely reporting of claims
 - Cooperation with the carrier.

III. Susan B. Boyle, MRP, Senior Environmental Practice Leader – GEI Consultants
18000 Horizon Way, Suite 200 | Mount Laurel, NJ 08054
T: 856.608.6860 | M: 609.781.6051 | F: 856.608.6864 | SBoyle@geiconsultants.com

- **The Brownfields Redevelopment Solution**

- Definition of Brownfields
- What is Site Remediation?
- Remediation=Remediation; A cleanup is a cleanup.
- Why the emphasis on “brownfield redevelopment” as a remediation category if “a cleanup is a cleanup”?
- Knowledge is key, especially of anticipated new end use(s).
 - Integration of Cleanup into Project Layout
- Risk management is also key. Includes:
 - Liability defenses and protection
 - Financial risk management (for some)

- **Where are Brownfields?**

- **Remediation Steps**

- **Laws, Rules, Standards, Guidance**

- **Importance of Due Diligence**

- **What really interests NJDEP?**

- **What really interests developers and their teams?**

- **Does the LSRP process change everything? Anything?**

- **Lessons Learned and Case Studies**