



Greenfield  
*Village*

Thursday, February 23, 2012

Kevin Bennett  
H2O Solutions USA, LLC  
20 Park Road, Suite K  
Burlingame, CA 94010

RE: 104 S. El Camino Real, Greenfield, CA

Dear Kevin,

As requested, the following is a summary of our mutual installation at our complex in Greenfield, CA. This 128-unit apartment complex was built about 5 years ago with retail on the ground floor.

Each apartment is complete with its own water heater, fan coil heater with recirculation pump and a separate recirculation pump in the water heater cabinet.

Greenfield Village Apartments was acquired in June of 2011. Upon our due diligence inspection, we noted significant calcification of the recirculation pumps and water inlets. Pinhole leaks were present and many recirculation pumps were frozen due to calcification.



We had successfully mitigated this exact situation at another property (Family Tree Apartments) which also had extensive pin hole leaks and water heater failures. Based upon this prior exceptional success, it was clear that the H2O Solutions USA, LLC team was again needed to engineer a solution.

H2O Solutions USA, LLC analysis revealed that the water supply in Greenfield, CA is very hard at 18 grains per gallon, 308ppm. This hardness had already caused significant damage from limescale to the water heaters and pumps and was the source of the pinhole leaks. Numerous pumps had already

failed by seizing and had been replaced. Now the water heaters were starting to fail as well.

H2O Solutions USA, LLC determined that apart from the heaters and pumps, which are readily accessible, the main concern was the fan coil heaters located in the ceilings of each apartment because not only are the pipes in the fan coil small in diameter, but there are also pumps pushing the water through the coil. The fan heater coils are difficult to replace because of a long delivery and quite costly.



At first, it was not easy to understand the hot water and heating systems as there was no documentation of how it all

worked together. H2O Solutions USA, LLC – Kevin Bennett soon discovered that the recirculation pump in the hot water cabinet was only there to circulate hot water from the water heater to the fan coil in the ceilings of the apartments. This design was intended be “green” but required that the pumps in the hot water cabinets be left running because if they were turned off, there would be no heating available for the units.

As part of the inspection process, a pump was taken offline and dismantled to look at the impeller. It was badly scaled and was very alarming because this was happening in the early stages of the apartment’s life cycle (just 5 years).

Our initial analysis revealed that at least \$400,000 would need to be spent in the near future to replace water heaters, pumps and fan coils.

Kevin Bennett of H2O Solutions USA, LLC (team leader) suggested a different permanent solution that was also a “green” non-chemical solution by utilization of the HydroFlow. Our study revealed that although significant upfront capital investment would be required, this was a much better alternative to the ongoing maintenance costs that would need to be incurred without any treatment. The ROI was remarkably short and would significantly impact on our bottom line.

H2O Solutions USA, LLC engineered the solution to install HydroFlow S38’s on the cold inlets to each water heater. H2O Solutions USA, LLC then verified that each unit would have a strong signal from the S38 so that it would protect from further limescale deposits and remove all existing limescale deposits.

The units have now been installed and operational for the last 8 months, and upon inspection, are limescale free.

To date, we have only had one pump that did not un-seize and there have been no requirements to replace any pumps, water heaters nor fan coils.

Kevin Bennett and the entire H2O Solutions USA, LLC team was exceptional to work with and has significantly contributed to our low cost of ownership.

Sincerely,

*Marc Korody*

*Stephen Shapiro*

Marc Korody  
Comptroller

Stephen Shapiro

Greenfield Village  
Greenfield Village, LLC  
Family Tree Apartments  
Family Tree-Kiely Associates, LLC