

December 20, 2007

Mr. Anthony M. Wagar Willis of New York, Inc. One World Financial Center 200 Liberty Street, 6th Floor New York, NY 10281

Re:

1 - 3 Manorhaven Boulevard Port Washington, New York

Dear Mr. Wagar:

It was a pleasure speaking with you over the telephone concerning the above matter. As we discussed, I am enclosing our Phase I Environmental Site Assessment which provides current environmental and regulatory information about the property. Please feel free to circulate this information to prospective carriers who may be interested in underwriting environmental risks to financial institutions pending the owner's receipt of a No Further Action letter from the New York State Department of Environmental Conservation.

Please contact Wayne Cook, Esq., counsel for the property owner should you have any questions or comments concerning this matter at 212-237-1032. I will be out of town through the New Year but can be reached via email or cell phone at 516-840-8197.

Thank you again for your assistance in this matter.

Very truly yours,

Paul P. Stewart, JD, MS

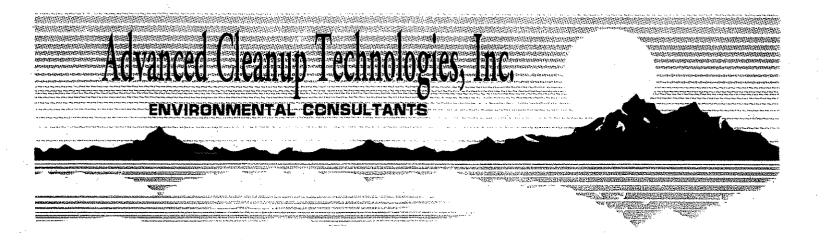
President

PPS/bv

Enc.

Cc: Wayne Cook, Esq.

115 Rome Street * Farmingdale, New York 11735 * Tel: 631/293-4992 * Fax: 631/293-4986 1000 7th North Street, Suite B-30 * Liverpool, New York 13088 * Tel: 315/451-9720 * Fax: 315/451-9727 E-mail: advancedcleanuptech.com



PHASE I ENVIRONMENTAL SITE ASSESSMENT

1-3 Manorhaven Boulevard Port Washington, New York 11050

December 19, 2007

ACT File #: 5621-PWNY

Prepared for:

Mr. Hugo Raimo Southampton Masonry LLC 26 Inwood Road Port Washington, NY 11050

115 Rome Street, Farmingdale, New York 11735 Tel: 631/293-4992 Fax: 631/293-4986 1000 7th North Street, Suite B-30, Liverpool, New York 13088 Tel: 315/451-9720 Fax: 315/451-9727 Website Address: actenvirons.com

CERTIFICATION

Property Location:

1-3 Manorhaven Boulevard Port Washington, New York 11050

Advanced Cleanup Technologies, Inc. performed a Phase I Environmental Site Assessment on the above-referenced property. The Assessment included a property inspection, research into the historical uses of the property and surrounding land, a review of regulatory agency files and historical assessment reports pertaining to the property and an interview with property representatives regarding past and present conditions at the property.

The Assessment was performed to meet or surpass the industry standard established by ASTM's Standard Practice for Phase I Environmental Site Assessments (E 1527-00). The Assessment has also considered other environmental issues such as asbestos, radon and lead which are not covered by the ASTM standard.

The results of the Assessment are contained in this report. Based upon this Assessment, Advanced Cleanup Technologies, Inc. makes the following conclusions and representations concerning the scope of the assessment and the environmental quality of the property. The Phase I Environmental Site Assessment has revealed the following Recognized Environmental Conditions at the subject property:

- Soil vapor contamination beneath the subject property (Section 3.1);
- Ground water contamination beneath the subject property (Section 3.1);

We hereby certify that we have no interest, present or contemplated, in the properties inspected and that neither the employment to make the inspection nor the compensation is contingent on the value of the properties. The analyses, opinions and conclusions contained in this report are limited only by any reported assumptions or limiting conditions described herein, and are our personal unbiased professional opinions and conclusions. We further certify that this Assessment was performed in conformity with the ASTM Standard and the scope outlined in this report. This inspection report accurately reflects current federal, state and local guidelines.

Dated: December 19, 2007

X. William K. Sisco

William K. Sisco

Senior Project Manager

By:

Paul P. Stewart, JD, MS

President

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1.0 INTRODUCTION AND SCOPE OF ASSESSMENT

Advanced Cleanup Technologies, Inc. (ACT) was retained to perform a Phase I Environmental Site Assessment of the property located at 1 to 3 Manorhaven Boulevard, Port Washington, New York 11050. The Assessment was performed to meet or surpass the industry standard established by ASTM's Standard Practice for Phase I Environmental Site Assessments (E 1527-00).

The purpose of the Assessment was to identify any Recognized Environmental Conditions at the property. As defined by the ASTM, a Recognized Environmental Condition is the presence of any hazardous substances or petroleum products on real estate under conditions that indicate an existing release, a past release, or a material threat of a release.¹

The Assessment consisted of a visual inspection of the premises, interviews with property representatives regarding past and present conditions at the property, research into historical uses of the property and surrounding land and a review of regulatory agency files and historical assessment reports pertaining to the property. The Assessment also included an overview of the site's hydrogeologic setting and an evaluation of environmental risks associated with asbestos, radon and lead.

A site inspection was performed by Paul P. Stewart of ACT on December 17, 2007. Tony Raimo, a representative of the property owner provided access and information regarding the property. Mr. Raimo has been associated with the subject property for approximately 1 year. The property is owned by Southampton Masonry LLC. The inspection consisted of the following activities:

- A visual examination of the interior and exterior of the premises;
- An evaluation of land usage in the area surrounding the site;
- Photography of the site.

All relevant Nassau County, Town of North Hempstead agencies were contacted for information pertaining to this property, including:

- Department of Planning and Development;
- Department of Health;
- Tax Assessment;
- Fire Marshal.

Databases of environmental information maintained by Federal and State agencies were also searched for known sources of environmental contamination at the site and its vicinity.

¹ American Society for Testing and Materials Practice E 1527-00, Sec. 3.3.28.

2.0 PROPERTY DESCRIPTION

2.1 Site Vicinity

The subject property, 1 to 3 Manorhaven Boulevard, is located in a commercial and residential area in the northwest portion of Nassau County, New York. The property is located along the north side of Manorhaven Boulevard and the west side of Sands Point Road. A Locational Diagram showing the site and its immediate vicinity is provided as Figure 1. Photographs of the site are contained in Appendix A.

Residential properties are located along Sands Point Road to the north of the subject property. A Sunoco Service Station is located to the south and a commercial building, Gold Coast Dental, is located to the east. A vacant lot owned by the Village of Manorhaven is located to the west of the subject property.

The topography of the property is level. The vicinity of the site is approximately 15 feet above mean sea level². The ground surface in the vicinity of the property is covered with asphalt and concrete pavement and landscaped lawns.

The subsurface beneath the site consists of unconsolidated sand and gravel layers from the ground surface to approximately 700 feet below ground surface. The major aquifer systems beneath the subject property are the Magothy and Lloyd aquifer systems. Bedrock beneath the subject property is approximately 700 feet below ground surface. Regional ground water flow in the vicinity of the site is toward the south.

2.2 Site Construction Details

The subject property consists of two adjoining one-story commercial buildings. The buildings are constructed on concrete slabs. The northern building, whose address is 1 Manorhaven Boulevard, is under renovation and has a partial basement. It formerly contained Chez Valet Dry Cleaners. The southern building, whose address is 3 Manorhaven Boulevard, contains Evergreen Hair Stylists, a hair and nail salon. It formerly contained a kitchen and bath showroom. The southern building contains no basement.

The combined footprint of both buildings is 6,560 square feet in area. The property is approximately 13,100 square feet in area. A Site Diagram is provided as Figure 2.

USGS 7.5 Minute Series Topographic Map, Sea Cliff, New York Quadrangle.

From Hydrogeologic Framework Of Long-Island, New York by Smolensky, D.A., Buxton, H.T., and Shernoff, P.K., 1989.

The electrical and water services enter the property along the eastern property boundary. Natural gas service enters the southern building along its southern property boundary. No natural gas service is provided for the northern building. The utility meters are located in the basement and garage of the northern building and along the western exterior wall of the southern building. The property is connected to the Nassau County municipal sewer system. No on-site septic system structures were identified at the subject property.

The northern building is provided heat by an oil-fired furnace located in the garage. The northern building is not provided with hot water. No stains or odors were identified in the vicinity of the heating equipment. The southern building is provided heat and hot water by a natural gas-fired furnace located in a utility closet. No stains, odors or evidence of spills were identified in the vicinity of the heating equipment.

2.3 Building Interior

The interior of the northern building is under renovation and has recently been completely gutted. It currently consists of a tile floor in the front of the building, a dirt sub-floor followed by a wood plank floor over the partial basement in the middle of the building and a concrete floor in the rear portion of the building. The walls consist of exposed wood studs. The ceiling similarly consists of exposed ceiling joists. A utility room containing an out of service oil-fired furnace and two former rest rooms are located in the rear portion of the northern building. An attached garage is located along the northeastern wall and contains a second oil-fired furnace.

The southern building contains a front counter, seating, wall displays and equipment for hair styling, manicures and pedicures. The interior contains ceramic floors, sheetrock walls and a suspended tile ceiling.

2.4 Building Exterior

The exteriors of both buildings consist of concrete walls and tar and shingle roofs. The main entrances of both buildings are located along their eastern walls. A roll up door along the eastern wall of the attached garage provides an additional entrance to the northern building. A door leading to an alleyway along the western wall of the southern building provides an additional entrance to the southern building.

The exterior of the northern building is surrounded by asphalt parking lots along its north and east sides and the southern building to the south. The western wall of the northern building abuts a vacant lot owned by the Village of Manorhaven.

The northern and southern buildings share a common wall. An alleyway used for the storage of solid waste containers separates the southern building from the vacant lot to the west. The southern exterior wall of the southern building faces a sidewalk along Manorhaven Boulevard.

3.0 FINDINGS AND RESULTS OF THE ASSESSMENT

3.1 Previous Environmental Reports

Several reports have been prepared summarizing environmental conditions beneath the subject property and the adjacent lot to its west. Copies of these reports are contained in Appendix B.

On November 29, 2004 Severn Trent Laboratories, (STL) produced a report containing the results of soil and soil vapor testing performed on the adjacent vacant lot to the west. The STL report described the collection of 3 soil and soil vapor samples from the eastern property boundary and 1 soil and soil vapor sample from the center of the vacant lot. All of the samples were analyzed for volatile organic compounds (VOCs). No VOCs were detected in any of the soil samples. However, several VOCs including Tetrachloroethene (PCE) were detected in the four soil vapor samples. The highest concentration of PCE (200 ug/m³) was found in soil vapor sample B-3 located in the eastern portion of the vacant lot adjacent to the northern building at the subject property.

A January 27, 2006 report by Berninger Environmental, Inc. (BEI) documented the collection and analysis of 3 soil vapor samples and 7 ground water samples from the adjacent lot. The BEI report described the presence of 594 ug/m³ of PCE in soil vapor sample SG-2 located adjacent to the northern building. The BEI report also documented the presence of 75 ug/l of PCE in ground water sample GW-2 located adjacent to the northern building. Water levels gauged from three piezometers installed on the adjacent lot determined that ground water flowed in a southerly direction towards Manorhaven Boulevard.

On October 30, 2006 ACT produced a Phase I/Phase II Environmental Site Assessment of the subject property. The Phase II portion of the assessment included the sampling of one soil boring near the underground fuel oil storage tank, five temporary ground water monitoring wells around exterior portions of the subject property and two conventional monitoring wells on the adjacent lot.

The soil boring near the underground fuel oil storage tank found no evidence of petroleum impacts to subsurface soil. Ground water samples from the temporary ground water monitoring wells found concentrations of PCE slightly above water quality standards. The highest concentration of PCE (18.8 ug/l) was found in temporary well TW-01 located outside the garage in the northern portion of the subject property.

On January 9, 2007 ACT completed a supplemental subsurface investigation of the subject property with informal guidance from the NYSDEC. The investigation included the collection of four soil vapor, four ground water samples and two ambient air samples inside the northern building while it was still occupied by the former dry cleaner. A suspect pipe trench was also inspected and found to be underlain by solid concrete flooring.

Ground water samples inside the northern building were found to contain slightly elevated concentrations of PCE, with the highest concentration (19.7 ug/l) found in temporary well TW-03 located in the northwest interior portion of the building. Soil vapor samples ranged in concentration of PCE from 15,000 ug/m³ to 39,800 ug/m³, with minor concentrations of Trichloroethene and chloroform also found. The highest concentration of PCE in soil vapor was found in sampling location SV-04 adjacent to the former dry cleaning machine. Concentrations of PCE in indoor air ranged from 190 ug/m³ to 353 ug/m³.

On November 21, 2007, ACT installed four soil borings through the concrete floor in the rear portion of the northern building. These soil borings were intended to investigate soil quality in the immediate vicinity of the former dry cleaning machine. Soil samples were continuously sampled from ground surface to the water table located approximately 9 feet below ground surface. Soil samples consisted of fine to medium sand with some silt, pebbles and organic material. One soil sample from each boring was collected at the soil/water interface. Ground water samples were also collected from the water table surface in each boring.

Soil samples in the immediate vicinity of the former dry cleaning machine ranged from non-detectable to 34 ug/kg of PCE. These concentrations are significantly below NYSDEC's Unrestricted Use Soil Cleanup Objectives (6 NYCRR Part 375, December 14, 2006). Ground water quality ranged from 2 ug/l to 130 ug/l of PCE, with the highest concentration located in SB-02 near the west wall of the northern building.

The most recent sampling event has demonstrated that soil quality beneath the subject property has not been impacted by PCE above applicable regulatory limits. The source of PCE in ground water has been identified along the interior western wall of the northern building. Similar concentrations of PCE in ground water were also identified beneath the adjacent lot.

The presence of PCE in soil vapor beneath the subject property is directly associated with off-gasing from residual low level ground water contamination beneath the subject property. Surveys of adjacent buildings recently conducted by the New York State Department of Health did not find any air quality exceedances.

3.2 Asbestos

A visual inspection of the property for suspect asbestos-containing materials (ACM) such as pipe and boiler insulation, ceiling tiles and floor tiles was conducted. No suspect asbestos-containing material was identified at the subject property.

These findings comprise only a preliminary inspection of the subject property for ACM and should not be interpreted as a formal asbestos survey. All Federal, State and local regulations should be followed with respect to the identification and abatement of asbestos-containing materials if renovations or demolition activities are to be performed at the property.

3.3 Hazardous Materials

A visual inspection of the property was conducted for evidence of potential hazardous material contamination. No areas of stressed vegetation or excavated areas were observed anywhere on the property. No pits, ponds, or lagoons indicative of hazardous waste disposal were identified at the property. No drums or containers identified as containing hazardous substances or wastes were observed at the subject property.

3.4 Storage Tanks

The fill and vent pipes of a 1,000 gallon underground fuel oil storage tank were observed in the northeast exterior portion of the northern building. As discussed in Section 3.1, soil and ground water samples collected in the vicinity of this tank were found to be free of petroleum contamination. No above-ground storage tanks or other evidence of underground storage tanks was identified at the subject property. No evidence of former underground storage tanks, such as asphalt or concrete patches, was identified at the property.

3.5 Radon

The New York State Department of Health maintains records of average radon levels throughout the state. The average level for the postal zip code 11050 is 1.9 picoCuries per Liter (pC/L). This level is considered to be within the normal background range. The United States Environmental Protection Agency (USEPA) standard for radon is 4.0 pC/L.⁴

3.6 Drinking Water Quality

The subject property is supplied water by the local municipality. The quality of this water is monitored for organics and inorganics, including lead, in accordance with Federal law. The municipality must maintain lead concentrations at less than 15 micrograms per liter.⁵

3.7 Lead In Paint

An inspection of the property for chipped, peeling or cracking paint was performed. No areas of chipped, peeling or deteriorating paint were identified at the property. Therefore, a paint sample was not obtained.

New York State Department of Health, Basement Screening Data. March 1999.

USEPA Safe Drinking Water Act, 42 USC 300, et. seq. (1982).

The buildings at the subject property was constructed prior to 1978. Lead content in paints manufactured and distributed prior to 1978 were not Federally regulated. Therefore, paints applied to the building surfaces prior to 1978 were probably lead based. As previously-mentioned, the painted surfaces at the building were identified in good condition.

These findings comprise only a preliminary inspection for lead-based paint at the subject property and should not be interpreted as a formal lead-based paint inspection. All Federal, State and local regulations should be followed with respect to lead-based paint if renovations or demolition activities affecting painted surfaces are to be performed.

3.8 Polychlorinated Biphenyls (PCB's)

No electrical transformers containing substantial amounts of PCB-contaminated oil or hydraulic fluid were observed at the property. No equipment which could contain substantial amounts of PCB-contaminated oil was identified at the property.

4.0 PRIOR USE INVESTIGATION

In order to determine the prior uses of the property, all available regulatory agency files and Fire Insurance Maps covering the subject property were obtained and reviewed. Appendix C contains copies of the regulatory agency documents.

According to the Nassau County Tax Assessment Department, the subject property tax map identification numbers are 4-74-1, 2, 3, 4 and 5. The footprint of the northern building is 4,431 square feet in area. The footprint of the southern building is 2129 square feet in area. The property is approximately 13,100 square feet in area.

The property is listed as commercial. The property was first developed with the current buildings in 1926. The buildings were previously utilized as a food market and a dry cleaner. Additions to the buildings were made in 1949, 1952, 1955, 1958 and 1960.

Fire Insurance Maps for the years 1961 and 1973 were obtained and evaluated by ACT at Cornell University Library, Ithaca, New York. Appendix D contains a copy of the Fire Insurance Maps.

The 1961 Map indicates the subject property was occupied by two abutting buildings having the same configurations as the current buildings. Properties to the north are occupied by residential dwellings. The property to the south is identified as a gasoline filling station. The property to the west is vacant and the property to the east is not covered by the 1961 map.

The 1973 Map indicates the subject property as containing the former dry cleaner and store. The properties to the south, west and north are unchanged. The properties to the east are not covered by the 1973 map.

The review of the regulatory agency documents and Fire Insurance Maps indicates that the property was developed in the early 1900's as a food market. Its former use in part as a dry cleaner is identified prior to 1973.

5.0 NEIGHBORHOOD HAZARDOUS WASTE ACTIVITY REVIEW

In an effort to determine the potential impact from hazardous waste activities at the subject property and neighboring properties, a review of information on waste sites within one mile of the subject property was conducted. Appendix E contains the results of the database searches and radius map diagrams. The review included a search of the following Federal, United States Environmental Protection Agency (USEPA) and State New York State Department of Environmental Conservation (NYSDEC) databases:

- USEPA National Priorities List (NPL) and Delisted NPL Sites;
- USEPA Comprehensive Environmental Response, Compensation, and Liability Act Information System (CERCLIS) and CERLIS No Further Remedial Action Planned (NFRAP) Sites;
- NYSDEC listing of Inactive Hazardous Waste Disposal and Registry Qualifying Sites or State equivalent NPL and CERCLIS Sites;
- USEPA and NYSDEC Resource Conservation and Recovery Act Information System (RCRIS) Hazardous Waste Treatment Storage and Disposal (TSD) facilities, including RCRA violations and RCRIS corrective action activity (CORRACTS), and Hazardous Waste Generators;
- NYSDEC Brownfield and Voluntary Cleanup Sites;
- NYSDEC Solid Waste Management Facilities Database;
- NYSDEC listing of Leaking Underground Storage Tanks and Spills List (Toxic Spills);
- NYSDEC listing of Major Oil Storage Facilities;
- NYSDEC listing of Petroleum Bulk Storage Facilities;
- NYSDEC listing of Chemical Bulk Storage Facilities;
- USEPA Emergency Response and Notification System (ERNS);
- USEPA and NYSDEC Institutional Controls/Engineering Controls (IC/EC).

The NPL and CERCLIS databases are maintained by the United States Environmental Protection Agency (USEPA) and contain records for each of the hazardous waste facilities nominated or chosen for cleanup under Superfund. The NPL database was searched for sites within a radius of 1 mile from the subject property. The subject property is not identified on the NPL database. No NPL sites are identified within 1 mile of the subject property.

The Delisted NPL database was searched for sites within a radius of ½ mile from the subject property. The subject property is not identified on the NPL database. No Delisted NPL sites are identified within ½ mile of the subject property.

The NYSDEC publication of Inactive Hazardous Waste Disposal and Registry Qualifying Sites in New York State contains a listing of all properties and facilities in New York State that have been identified as containing toxic or hazardous wastes and/or contamination in various forms. The subject property, Chez Valet Dry Cleaners, is identified in the database as Site #1. The facility identification number is 130169.

The listing of the subject property on the Inactive Hazardous Waste Disposal and Registry Qualifying Sites database is based upon the presence of soil vapor and ground water contamination beneath the subject property and vacant lot to the west which was discussed in Section 3.1. The NYSDEC issued a draft consent order for execution by the current property owner to implement an Interim Remedial Measure (IRM) to address residual soil vapor contamination beneath the building and to perform a supplemental subsurface investigation of the subject property. The draft consent order is currently under review by counsel for the property owner. An IRM work plan is being prepared for approval by the NYSDEC.

The CERCLIS database was searched for sites within a radius of ½ mile from the subject property. The subject property is not identified on the CERCLIS database. No CERCLIS sites are identified in the database within ½ mile of the subject property.

The CERCLIS-NFRAP database was searched for sites within a radius of ½ mile from the subject property. The subject property is not identified on the CERCLIS-NFRAP database. No CERCLIS-NFRAP sites are identified in the database within ½ mile of the subject property.

The RCRIS database includes listings of properties which are under going Corrective Action. The subject property is not listed in the Corrective Action database. No RCRIS Corrective Action sites are identified within 1 mile of the subject property.

The RCRIS database includes listings of properties which are considered Hazardous Waste Treatment, Storage or Disposal (TSD) facilities or Hazardous Waste Generators/Transporters. The subject property is not listed in the RCRIS TSD database. No RCRIS TSD sites are identified within ½ mile of the subject property.

The NYSDEC publication of Brownfield/Voluntary Cleanup Sites in New York State contains a listing of all properties and facilities where expansion or redevelopment is complicated by real or perceived environmental contamination. The subject property is not identified in the database. No Brownfield/Voluntary Cleanup sites are identified in the database within ½ mile of the subject property.

The NYSDEC database of Hazardous Substance Waste Disposal Sites in New York State contains a listing of all suspected properties and facilities in New York State that have been identified as possibly containing toxic or hazardous wastes and/or contamination in various forms. The subject property is not identified in the listing. No Hazardous Substance Waste Disposal sites are identified in the database within ½ mile of the subject property.

The NYSDEC Solid Waste Landfill Facility database (SWLF) includes properties which are active solid waste disposal sites. The SWLF database was searched for sites within a radius of ½ mile of the subject property. The subject property is not identified on the SWLF database. One SWLF site is identified in the database within 1 mile of the subject property. This site is located approximately 639 feet southeast of the subject property. This site should not impact the environmental quality of the subject property.

The NYSDEC Spills and Leaking Underground Storage Tank (LUST) lists were searched for all reported spills within ½ mile of the subject property. The subject property is not listed in the databases as containing a Spill or LUST. A total of 89 Spills or LUSTs have occurred within ½ mile of the property. The closest active site is located approximately 65 feet southeast of the subject property and has impacted groundwater. As discussed in Section 3.1, previous investigations of the adjacent vacant lot indicate low level soil vapor impacts to the subject property from gasoline constituents originating from this site. These low level impacts should not adversely affect environmental quality of the subject property. The remaining active and closed spill sites should not impact upon the environmental quality of the subject property.

The NYSDEC listing of Major Oil Storage facilities was searched for any listings within ¼ mile of the subject property. The subject property is not identified as a Major Oil Storage facility. No Major Oil Storage facilities are identified within ¼ mile of the property.

The NYSDEC listing of Petroleum Bulk Storage (PBS) facilities was searched for any listings within ¼ mile of the subject property. The subject property is identified in the PBS database. The subject property is listed as containing a 150 gallon above-ground PCE storage tank. The tank was installed in 1966. The tank is listed as in service. This tank was not observed during an inspection of the subject property on December 17, 2007. The PBS listing should be updated to reflect the absence of this tank at the subject property.

A total of 18 additional PBS facilities are identified within ¼ mile of the property. None of these sites should impact upon the environmental quality of the property.

The subject property is listed as an RCRIS Hazardous Waste Generator/Transporter. The subject property, Chez Valet, is identified as Site #111. The facility ID number is NYD981087612. The site is currently listed as a small quantity generator, although it has historically been listed as a large quantity generator. The property reportedly generated spent halogenated solvents since 1985. The property disposed of 450 pounds of spent halogenated solvents during the first half of 2006. No active violations are identified for the subject property. This listing should not impact the environmental quality of the subject property.

A total of 13 additional RCRIS Hazardous Waste Generator/Transporter sites are identified within ¼ mile of the subject property. The closest site, Shore Road Sunoco, is located approximately 71 feet to the southeast of the subject property. These Hazardous Waste Generator/Transporter sites should not impact upon the environmental quality of the subject property.

The NYSDEC listing of Chemical Bulk Storage (CBS) facilities was searched for any listings within ¼ mile of the subject property. The subject property is not identified as a CBS facility. No CBS sites are identified within ¼ mile of the property.

The ERNS database is a Federal listing of properties which emergency responses were made to in reference to hazardous waste. The ERNS database was searched for the subject property. The subject property is not listed in the ERNS database.

The USEPA and NYSDEC Institutional Controls/Engineering Controls (IC/EC) database was searched for the subject property. The subject property is not listed in the IC/EC database.

6.0 CONCLUSIONS

The results of the Phase I Environmental Site Assessment are contained in this report. Based upon this Assessment, ACT makes the following conclusions concerning the environmental quality of the property:

- Soil vapor contamination beneath the subject property (Section 3.1);
- Ground water contamination beneath the subject property (Section 3.1).

7.0 RECOMMENDATIONS

ACT makes the following recommendation with regards to the Recognized Environmental Condition at the property:

Soil Vapor and Ground Water Contamination

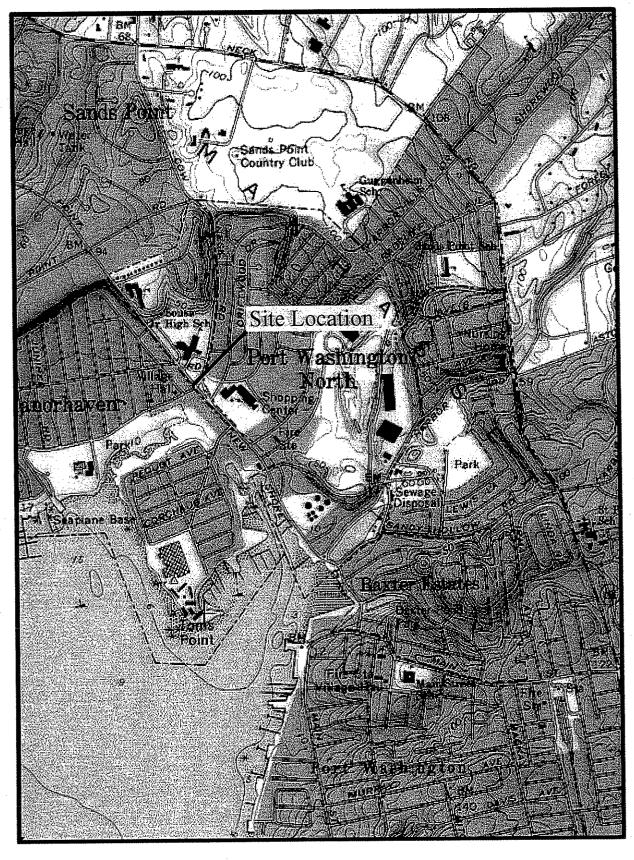
A short-term remedial measure consisting of the installation of an active subslab depressurization system beneath the subject property will eliminate risks associated with soil vapor contamination. A supplemental subsurface investigation should be performed in accordance with NYSDEC's Technical Guidance for Site Investigation and Remediation (DER-10, December 25, 2002) to address low level residual ground water contamination beneath the subject property.

The installation of a sub-slab depressurization system should cost approximately \$10,000. The cost to perform a supplemental subsurface investigation in accordance with DEP-10 should not exceed \$25,000.

8.0 EXCLUSIONS AND DISCLAIMER

The purpose of this investigation was to assess the potential environmental liabilities at the subject site with respect to data which Advanced Cleanup Technologies, Inc. has accumulated during the Phase I Environmental Site Assessment. The conclusions presented in this report are based solely on the observations of the site at the time of the investigation. Data provided, including information provided by others, was utilized in assessing the site conditions. The accuracy of this report is subject to the accuracy of the information provided. Advanced Cleanup Technologies, Inc. is not responsible for areas not seen or information not collected. This report is given without a warranty or guarantee of any kind, expressed or implied. Advanced Cleanup Technologies, Inc. assumes no responsibility for losses associated with the use of this report.

FIGURES

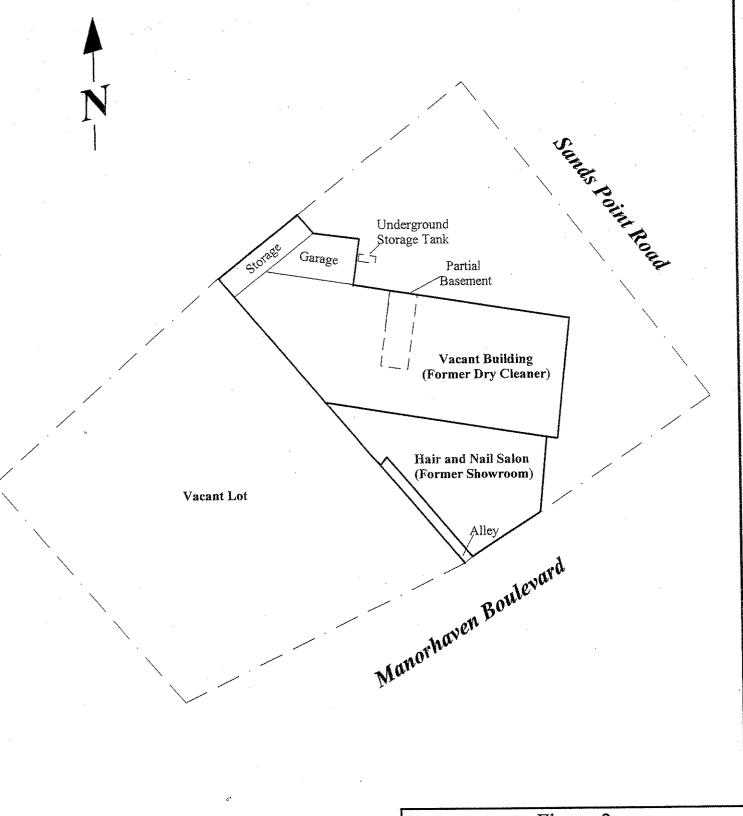


From USGS 7.5 Minute Topographic Map Of Sea Cliff, New York Quadrangle



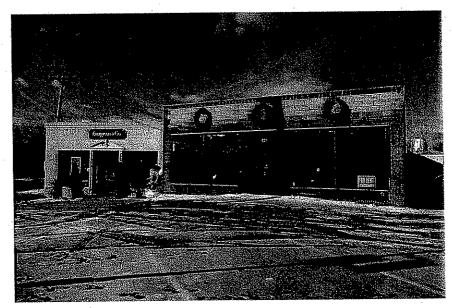
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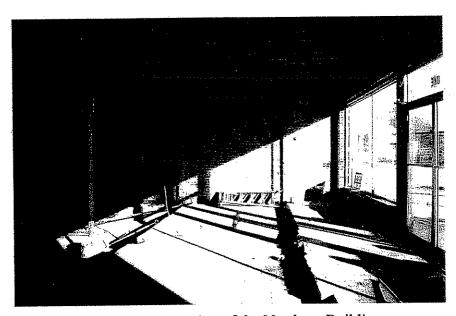


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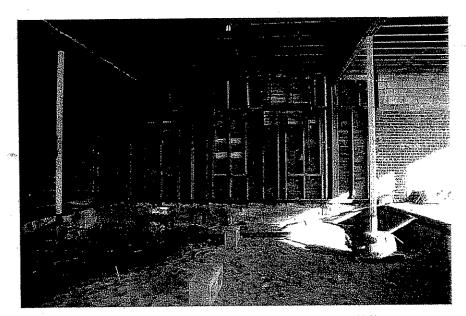
APPENDIX A SITE PHOTOGRAPHS



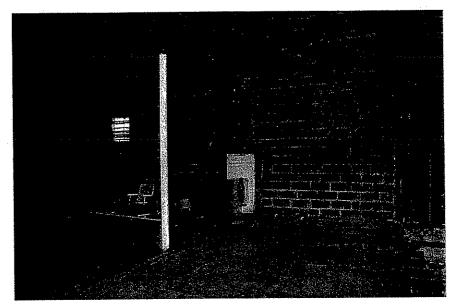
1-3 Manorhaven Boulevard, Port Washington, New York



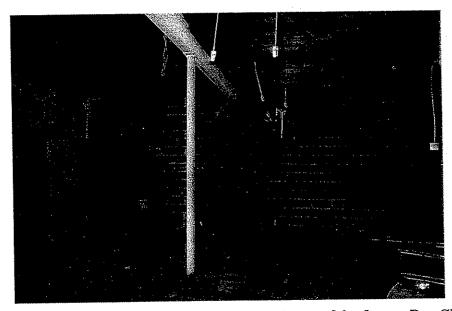
Front Interior Portion of the Northern Building



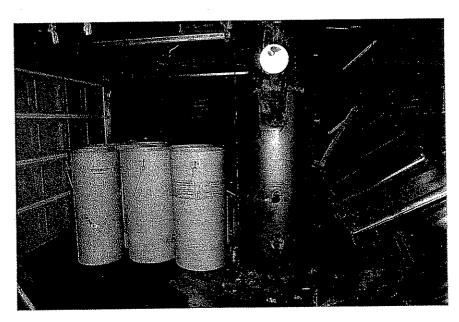
Central Interior Portion of the Northern Building



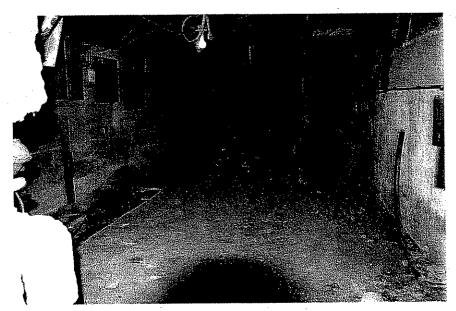
Rear Interior Portion of the Northern Building



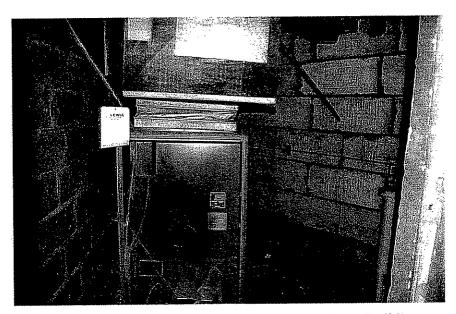
Rear Interior Portion of the Northern Building and area of the former Dry Cleaning Machine



Inactive Heating Equipment in Garage



Partial Basement in Northern Building



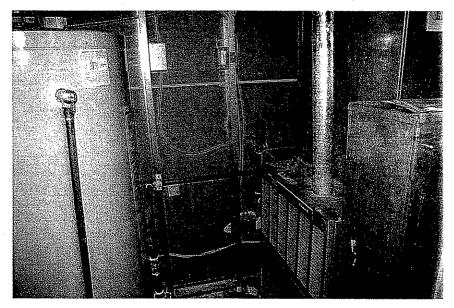
Fuel Oil Fired Heating Equipment in the Northern Building



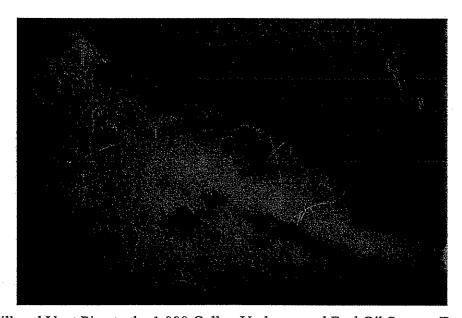
Interior of the Southern Building



Interior of the Southern Building



Natural Gas Fired Heating Equipment in the Southern Building



Fill and Vent Pipe to the 1,000 Gallon Underground Fuel Oil Storage Tank

APPENDIX B PREVIOUS ENVIRONMENTAL REPORTS