

PHASE I ENVIRONMENTAL ASSESSMENT

of

Performed On: June 23, 2014
Loan / Asset No.: 172388
44-51 Purves Street
44-35 to 44-51 Purves Street
Long Island City, Queens, New York 11101

Prepared for:

Berkadia Commercial Mortgage LLC
601 Montgomery Street, Suite 1500
San Francisco, California 94111

and

BBVA Compass
1345 Avenue of the Americas, 4th Floor
New York, NY 10105

Prepared by:

Property Solutions Incorporated
31A Northfield Avenue
Edison, New Jersey 08837
Phone: (732) 417-0999 x220
Fax: (732) 417-0888
Email: dhessemer@propertysolutionsinc.com

Draft: July 1, 2014

Property Solutions Project No. 20142231

PHASE I ENVIRONMENTAL ASSESSMENT

Of

Performed On: June 23, 2014
Loan / Asset No.: 172388
44-51 Purves Street
44-35 to 44-51 Purves Street
Long Island City, Queens, New York 11101

Prepared for:

Berkadia Commercial Mortgage LLC
601 Montgomery Street, Suite 1500
San Francisco, California 94111

and

BBVA Compass
1345 Avenue of the Americas, 4th Floor
New York, NY 10105

Prepared by:

Property Solutions Incorporated
31A Northfield Avenue
Edison, New Jersey 08837
Phone: (732) 417-0999 x220
Fax: (732) 417-0888
Email: dhessemer@propertysolutionsinc.com

Dated: July 1, 2014

Property Solutions Project No. 20142231

Danielle C. Salerno
Project Manager

Donald P. Hessemer, CHMM
Regional Director

We declare that, to the best of our professional knowledge and belief, we meet the definition of *Environmental professional* as defined in §312.10 of 40 CFR 312 and we have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. We have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

Danielle C. Salerno
Project Manager

Donald P. Hessemer, CHMM
Regional Director

20142231

TABLE OF CONTENTS

| SECTION | PAGE |
|--|------|
| PROJECT SUMMARY | |
| EXECUTIVE SUMMARY | |
| 1.0 INTRODUCTION | 1 |
| 1.1 PURPOSE | 1 |
| 1.2 SCOPE OF WORK | 2 |
| 1.3 SIGNIFICANT ASSUMPTIONS | 3 |
| 1.4 LIMITATIONS AND EXCEPTIONS OF THE ASSESSMENT | 4 |
| 1.5 SPECIAL TERMS AND CONDITIONS | 5 |
| 1.6 RELIANCE | 5 |
| 1.7 DATA GAPS | 6 |
| 2.0 GENERAL PROPERTY INFORMATION | 7 |
| 2.1 PROPERTY LOCATION | 7 |
| 2.2 PROPERTY DESCRIPTION | 7 |
| 2.3 PROPERTY OPERATIONS | 8 |
| 2.4 UTILITIES | 8 |
| 3.0 USER PROVIDED INFORMATION AND RESPONSIBILITIES | 9 |
| 4.0 PHYSICAL SETTINGS | 14 |
| 4.1 TOPOGRAPHY/REGIONAL DRAINAGE | 14 |
| 4.2 SOILS | 14 |
| 4.3 UNDERLYING FORMATION | 14 |
| 4.4 GROUNDWATER | 14 |
| 5.0 NEIGHBORING PROPERTIES | 16 |
| 6.0 HISTORICAL PROPERTY INFORMATION | 17 |
| 6.1 CITY DIRECTORIES | 17 |
| 6.2 AERIAL PHOTOGRAPHS | 19 |
| 6.3 FIRE INSURANCE MAPS | 20 |
| 6.4 TOPOGRAPHIC QUADRANGLE MAP | 23 |
| 6.5 PRIOR USE INTERVIEWS | 24 |
| 6.6 PREVIOUS REPORTS AND PLANS | 24 |
| 6.7 CHAIN OF TITLE INFORMATION | 26 |
| 6.8 ACTIVITY AND USE LIMITATIONS/ENVIRONMENTAL LIENS | 26 |
| 6.9 OTHER HISTORICAL SOURCES | 27 |
| 6.10 HISTORICAL USE DATA FAILURE | 28 |
| 7.0 INTERVIEWS | 30 |

20142231

| | | |
|--------|--|----|
| 8.0 | ENVIRONMENTAL RECORD SEARCH..... | 32 |
| 8.1 | PROPERTY-SPECIFIC RECORDS..... | 32 |
| 8.1.1 | DEPARTMENT OF HEALTH..... | 32 |
| 8.1.2 | FIRE DEPARTMENT..... | 32 |
| 8.1.3 | PLANNING/ZONING DEPARTMENT | 32 |
| 8.1.4 | BUILDING DEPARTMENT/INSPECTION DEPARTMENT | 33 |
| 8.1.5 | TAX ASSESSOR/TAX DEPARTMENT..... | 33 |
| 8.1.6 | ELECTRIC UTILITY | 34 |
| 8.1.7 | SEWER DEPARTMENT/PROVIDER | 34 |
| 8.1.8 | WATER DEPARTMENT/SUPPLIER..... | 35 |
| 8.1.9 | OTHERS..... | 35 |
| 8.1.10 | STATE ENVIRONMENTAL AGENCY | 35 |
| 8.1.11 | STATE ONLINE DATABASE INFORMATION/GIS | 36 |
| 8.1.12 | USEPA ENVIROFACTS..... | 38 |
| 8.2 | ENVIRONMENTAL DATABASE INFORMATION | 38 |
| 8.3 | LOCAL LISTS..... | 42 |
| 8.4 | DATABASE PROPRIETARY LISTS | 42 |
| 8.5 | VAPOR MIGRATION..... | 43 |
| 8.6 | TRANSFER ACT | 44 |
| 9.0 | PROPERTY VISIT | 45 |
| 9.1 | ASTM SCOPE CONSIDERATIONS..... | 45 |
| 9.1.1 | UNDERGROUND STORAGE TANKS..... | 45 |
| 9.1.2 | ABOVEGROUND STORAGE TANKS..... | 46 |
| 9.1.3 | POLYCHLORINATED BIPHENYL-CONTAINING ELECTRICAL EQUIPMENT | 46 |
| 9.1.4 | HYDRAULIC EQUIPMENT..... | 46 |
| 9.1.5 | CHEMICAL, HAZARDOUS MATERIALS, AND RAW MATERIALS STORAGE AND USAGE | 46 |
| 9.1.6 | WASTE GENERATION, STORAGE, AND DISPOSAL | 47 |
| 9.1.7 | WELLS, SUMPS, PITS, AND FLOOR DRAINS | 47 |
| 9.1.8 | STORMWATER RUNOFF AND SURFACE WATER | 47 |
| 9.1.9 | LAGOONS, PONDS, SEPTIC SYSTEMS, AND SEPARATORS..... | 48 |
| 9.1.10 | STRESSED VEGETATION, STAINING, AND ODORS | 48 |
| 9.1.11 | SURFICIAL DISTURBANCE | 48 |
| 9.1.12 | ON-PROPERTY DRY CLEANERS..... | 48 |
| 9.2 | ASTM NON-SCOPE CONSIDERATIONS..... | 49 |
| 9.2.1 | ASBESTOS-CONTAINING MATERIALS..... | 49 |
| 9.2.2 | RADON..... | 49 |
| 9.2.3 | LEAD-BASED PAINT..... | 49 |
| 9.2.4 | LEAD IN DRINKING WATER..... | 49 |
| 9.2.5 | POTENTIAL WETLANDS..... | 50 |
| 9.2.6 | AIR EMISSIONS | 50 |
| 9.2.7 | MOLD/WATER INTRUSION | 50 |
| 9.3 | FLOODPLAIN | 51 |
| 9.4 | HIGH VOLTAGE POWER LINES | 51 |
| 9.5 | UREA FORMALDEHYDE..... | 51 |

20142231

| | | |
|------|---------------------------------------|----|
| 10.0 | CONCLUSIONS AND RECOMMENDATIONS | 52 |
| 11.0 | REFERENCES | 54 |
| 11.1 | INFORMATION SOURCES..... | 54 |
| 11.2 | DEFINITIONS | 54 |
| 11.3 | ACRONYMS | 64 |

ATTACHMENT I PROFESSIONAL QUALIFICATIONS

APPENDICES

| | |
|-------------------|------------------------------------|
| APPENDIX A | FIGURES |
| • USGS TOPO MAP | |
| • TAX MAP | |
| • WETLAND MAP | |
| • FLOOD PLAIN MAP | |
| APPENDIX B | PROPERTY DIAGRAM |
| APPENDIX C | PHOTOGRAPHS |
| APPENDIX D | USER CORRESPONDENCE |
| APPENDIX E | AERIAL PHOTOGRAPHS |
| APPENDIX F | HISTORIC MAPS |
| APPENDIX G | PREVIOUS REPORTS AND PLANS |
| APPENDIX H | CHAIN OF TITLE/ENVIRONMENTAL LIENS |
| APPENDIX I | CORRESPONDENCE |
| APPENDIX J | ENVIRONMENTAL DATABASE |

20142231

PROJECT SUMMARY

| | | | |
|-------------------------------------|---|-------------------------|---|
| Client Name/User: | Berkadia Commercial Mortgage LLC and BBVA Compass | Property Visit Date: | June 23, 2014 |
| Client Contact: | Mr. Chris Nuckols and Mr. Craig Bender | Construction Date: | Ongoing/2015 |
| Property Solutions Project No.: | 20142231 | No. Bldgs./Units: | One Bldg./284 Units (when complete) |
| Property Solutions Project Manager: | Mr. Donald P. Hessemer, CHMM | No. of Stories: | 26 (when complete) 7 (at time of property visit) |
| Phone No.: | (732) 417-0999 (Ext. 220) | Bldg. Square Footage: | 269,715 s.f. |
| Email: | DHessemer@propertysolutionsinc.com | Property Acreage: | 0.34 acre |
| Property Name: | 44-51 Purves Street | Basement/Slab-on-grade: | Slab-on-grade |
| Property Address: | 44-35 to 44-51 Purves Street | Property Use: | Residential |
| Property Town, County, State: | Long Island City, Queens, NY | Property History: | Bakery, vacant lot, parking lot |
| Property Identification: | Block 267, Lot 9 | Other Improvements: | None |

Our review of general property information, observation of adjacent properties, research of historical property information, including a review of environmental records, and a property visit revealed the following:

| | No Further Action | REC | CREC | HREC | De Minimis Conditions | ASTM Non-scope Considerations | Opinion of Probable Cost | Refer to Section |
|---|-------------------|-----|------|------|-----------------------|-------------------------------|--------------------------|------------------|
| Property Operations | X | | | | | | | 2.3 |
| Neighboring Properties | | (1) | | | | | | 5.0 |
| Historical Review | X | (2) | | | | | | 6.0 |
| Previous Reports | X | | | | | | | 6.6 |
| Regulatory Review | | (1) | | (3) | | | | 8.0 |
| Vapor Migration | | (1) | | | | | | 8.5 |
| USTs | X | | | | | | | 9.1.1 |
| ASTs | | | | (3) | | | | 9.1.2 |
| PCBs | X | | | | | | | 9.1.3 |
| Chemicals/Hazardous Materials/Raw Materials | X | | | | | | | 9.1.5 |
| Waste Generation/Disposal | X | | | | | | | 9.1.6 |
| Stressed Vegetation, Staining, and Odors | X | | | | | | | 9.1.10 |
| Surficial Disturbances | X | | | | | | | 9.1.11 |
| ACMs | X | | | | | | | 9.2.1 |

20142231

| | No Further Action | REC | CREC | HREC | De Minimis Conditions | ASTM Non-scope Considerations | Opinion of Probable Cost | Refer to Section |
|------------------------|-------------------------|-----|------|------|--------------------------|-------------------------------------|-----------------------------------|---------------------|
| Radon | X | | | | | | | 9.2.2 |
| Lead-Based Paint | X | | | | | | | 9.2.3 |
| Lead in Drinking Water | X | | | | | | | 9.2.4 |
| Other | X | | | | | | | |

Notes / Recommendations: To understand the property and report, you must read the Executive Summary and complete report.

We have performed a Phase I Environmental Assessment in conformance with the scope and limitations of ASTM Practice E 1527-13 of 44-51 Purves Street located at 44-35 to 44-51 Purves Street in Long Island City, Queens, New York 11101. Any exceptions to, or deletions from, this practice are described in Section 1.0 of this report. This assessment has revealed no evidence of recognized environmental conditions in connection with the subject property except for the following:

Recognized Environmental Conditions

- (1) The westerly adjoining property located at 44-30 Purves Street was listed in the New York State Department of Environmental Conservation's (NYSDEC's) Environmental Site Remediation Database as an active Brownfields site with ongoing remediation. This property is located in a lateral to downgradient direction, approximately 50 feet from the subject property boundary, and is not listed in the environmental database report obtained from EDR. According to the Environmental Site Remediation Database, the site has been vacant since 2006, and formerly contained several buildings that operated most recently as an auto repair shop and carpet storage building. Previous operations included a chemical laboratory, filter cleaner company, hardware warehouse, paper embossing company, taxi repair facility, controller manufacturing company, pine chemical company, and a freight company.

Primary contaminants of concern at the site reportedly include volatile organic compounds (VOCs) associated with petroleum and chlorinated solvents, semi-volatile organic compounds (SVOCs), and metals. Several of the contaminants of concern are related to historic fill, which were identified on the site through subsurface investigation and characterization from approximately 2-11 feet below grade. Several metals associated with historic fill are present in soil at concentrations that exceed the NYSDEC unrestricted use soil cleanup objectives (UUSCOs) by greater than one order of magnitude. Among these are lead, which was detected as high as 7,380 parts per million (ppm) compared to the UUSCO of 63 ppm, and barium detected as high as 4,340 ppm compared to the UUSCO of 350 ppm. Trivalent chromium and mercury were also detected at levels above their respective UUSCO, but within one order of magnitude. Additionally, chlorinated solvents including tetrachloroethylene (PCE) and its breakdown products were detected in groundwater at levels exceeding the ambient water quality standards (AWQS) by several orders of magnitude. PCE was detected in groundwater in concentrations as high as 620 parts per billion (ppb), compared to the AWQS of 5 ppb. VOCs related to petroleum and chlorinated solvents were detected at elevated concentrations in on-site soil vapor, including PCE as high as 634 micrograms per cubic meter (ug/m3). The remedial investigation is currently ongoing, and a significant health threat assessment will reportedly be conducted once the investigation is complete.

Based on the above information, the adjoining Brownfields site is considered a recognized environmental condition. Property Solutions has submitted a request to review available files with the NYSDEC for the adjoining Brownfields site to assess the extent of contamination and risk, if any, to the subject property.

20142231

Property Solutions recommends conducting a limited Phase II subsurface investigation to assess whether the contamination from the adjoining Brownfields site has impacted the groundwater beneath the subject property, including a soil vapor screening to determine the risk of vapor encroachment to the subject property.

- (2) The subject property is depicted with various manufacturing operations, auto repair, and auto garages in the Sanborn fire insurance maps and city directories. Additionally, a gas tank is depicted on the subject property in the 1936 Sanborn map. No further information is available in any historical or regulatory sources regarding this gas tank. The subject property is listed in the CBS AST and CBS databases for a 500-gallon steel AST containing PCE that was removed in July 2001; however that tank is listed for the 44-43 Purves Street subject property address, which is not the location of the gas tank depicted on the 1936 map. It is unclear if the two sources are referring to the same tank.

It is clear based on a review of the historical information that the area of Long Island City in which the subject property is situated has a long history of industrial use as well as auto repair usage. Based on this information, the lack of information regarding the gasoline tank depicted on the 1936 fire insurance map, and the historical use of PCE at the subject property, the historical use of the subject property is considered a recognized environmental condition. Property Solutions recommends conducting a limited Phase II subsurface investigation to assess whether the historical operations have impacted the soil and groundwater beneath the subject property.

In addition, Property Solutions has identified the following:

Historical Recognized Environmental Condition

The following historical recognized environmental condition was identified at the subject property based on the findings provided in this report:

- (3) The subject property, identified as S&M Automatic Precision Co. and located at 44-43 Purves Street, is listed in the NY SPILLS database under Spill No. 9713189. The spill was reported on February 26, 1998 when a broken hose on a tanker truck delivering the product to an on-site AST released approximately 100 gallons of Tetrachloroethylene (PCE) to the soil. Groundwater was not impacted. Corrective action was taken and the spill case was closed on May 14, 1998. Based on the nature of the spill, closed remediation status and current construction activities at the subject property, it is unlikely that any remaining impacted soil is present on the subject property. Property Solutions considers the closed spill case to be a historical recognized environmental condition. No further action is recommended.

EXECUTIVE SUMMARY

Property Solutions Incorporated (Property Solutions) conducted a Phase I Environmental Assessment of 44-51 Purves Street located at 44-35 to 44-51 Purves Street in Long Island City, Queens, New York 11101 (subject property) at the request of Berkadia Commercial Mortgage LLC and BBVA Compass.

The subject property consists of an irregularly-shaped, 0.34-acre parcel of land located on the east side of Purves Street, south of the intersection of Jackson Avenue and Purves Street. The subject property formerly consisted of Tax Lot 1 in Tax Block 267. In January 2014, the northerly adjoining Tax Lot 9 was merged with Tax Lot 1 to create the current subject property boundary. The current legal description of the subject property is Block 267, Lot 9.

The subject property is currently under construction, and will be improved with one, 26-story, residential building to be completed in 2015 (subject building). The current progress of the subject building at the time of the property visit was seven stories. The subject property is currently also improved with a temporary construction trailer. There are no other improvements on the subject property. The remaining portions of the subject property are covered with gravel and dirt. No water bodies are located on the subject property or adjoining properties. Vehicular access to the subject property is gained via Purves Street along the west side of the subject property.

The subject building consists of concrete and steel construction with a slab-on-grade foundation. The gross area of the subject building will be approximately 269,715 square feet when complete. The subject building will contain 284 tenant spaces. The interior wall, floor and ceiling finishes have not been constructed as of the date of the property visit. According to construction plans provided by Zephyr Construction Management, the subject building will also contain a mail room, convenience store, laundry room, two recreation rooms, a movie theater, business center, wine room, fitness center, and mechanical room. The subject building will contain four traction passenger elevators. Currently, the subject building in progress is equipped with two temporary electrically powered hoists for moving people and supplies between stories. The subject building will be heated and cooled by natural gas.

The subject property was historically used for residential dwellings and a bakery as early as 1898. The bakery building was razed sometime between 1900 and 1915, and the resulting lot was used for parking, and later by a transportation company. The remaining portion of the subject property was utilized for various warehouses and manufacturing companies, including hardware and electrical manufacturing, auto repair, and private auto garages. The properties were vacant as of 2006, when they were demolished, and plans for the redevelopment of the subject property began in 2007. Construction of the subject building began in 2013.

We have performed a Phase I Environmental Assessment in conformance with the scope and limitations of ASTM Practice E 1527-13 of 44-51 Purves Street located at 44-35 to 44-51 Purves Street in Long Island City, Queens, New York 11101. Any exceptions to, or deletions from, this practice are described in Section 1.0 of this report. This assessment has revealed no evidence of

20142231

recognized environmental conditions in connection with the subject property, except for the following:

1. The westerly adjoining property located at 44-30 Purves Street was listed in the New York State Department of Environmental Conservation's (NYSDEC's) Environmental Site Remediation Database as an active Brownfields site with ongoing remediation. This property is located in a lateral to downgradient direction, approximately 50 feet from the subject property boundary, and is not listed in the environmental database report obtained from EDR. According to the Environmental Site Remediation Database, the site has been vacant since 2006, and formerly contained several buildings that operated most recently as an auto repair shop and carpet storage building. Previous operations included a chemical laboratory, filter cleaner company, hardware warehouse, paper embossing company, taxi repair facility, controller manufacturing company, pine chemical company, and a freight company.

Primary contaminants of concern at the site reportedly include volatile organic compounds (VOCs) associated with petroleum and chlorinated solvents, semi-volatile organic compounds (SVOCs), and metals. Several of the contaminants of concern are related to historic fill, which were identified on the site through subsurface investigation and characterization from approximately 2-11 feet below grade. Several metals associated with historic fill are present in soil at concentrations that exceed the NYSDEC unrestricted use soil cleanup objectives (UUSCOs) by greater than one order of magnitude. Among these are lead, which was detected as high as 7,380 parts per million (ppm) compared to the UUSCO of 63 ppm, and barium detected as high as 4,340 ppm compared to the UUSCO of 350 ppm. Trivalent chromium and mercury were also detected at levels above their respective UUSCO, but within one order of magnitude. Additionally, chlorinated solvents including tetrachloroethylene (PCE) and its breakdown products were detected in groundwater at levels exceeding the ambient water quality standards (AWQS) by several orders of magnitude. PCE was detected in groundwater in concentrations as high as 620 parts per billion (ppb), compared to the AWQS of 5 ppb. VOCs related to petroleum and chlorinated solvents were detected at elevated concentrations in on-site soil vapor, including PCE as high as 634 micrograms per cubic meter (ug/m³). The remedial investigation is currently ongoing, and a significant health threat assessment will reportedly be conducted once the investigation is complete.

Based on the above information, the adjoining Brownfields site is considered a recognized environmental condition. Property Solutions has submitted a request to review available files with the NYSDEC for the adjoining Brownfields site to assess the extent of contamination and risk, if any, to the subject property. Property Solutions recommends conducting a limited Phase II subsurface investigation to assess whether the contamination from the adjoining Brownfields site has impacted the groundwater beneath the subject property, including a soil vapor screening to determine the risk of vapor encroachment to the subject property.

20142231

2. The subject property is depicted with various manufacturing operations, auto repair, and auto garages in the Sanborn fire insurance maps and city directories. Additionally, a gas tank is depicted on the subject property in the 1936 Sanborn map. No further information is available in any historical or regulatory sources regarding this gas tank. The subject property is listed in the CBS AST and CBS databases for a 500-gallon steel AST containing PCE that was removed in July 2001; however that tank is listed for the 44-43 Purves Street subject property address, which is not the location of the gas tank depicted on the 1936 map. It is unclear if the two sources are referring to the same tank.

It is clear based on a review of the historical information that the area of Long Island City in which the subject property is situated has a long history of industrial use as well as auto repair usage. Based on this information, the lack of information regarding the gasoline tank depicted on the 1936 fire insurance map, and the historical use of PCE at the subject property, the historical use of the subject property is considered a recognized environmental condition. Property Solutions recommends conducting a limited Phase II subsurface investigation to assess whether the historical operations have impacted the soil and groundwater beneath the subject property.

Historical recognized environmental conditions are a past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls. The following historical recognized environmental condition was identified at the subject property based on the findings provided in this report:

3. The subject property, identified as S&M Automatic Precision Co. and located at 44-43 Purves Street, is listed in the NY SPILLS database under Spill No. 9713189. The spill was reported on February 26, 1998 when a broken hose on a tanker truck delivering the product to an on-site AST released approximately 100 gallons of Tetrachloroethylene (PCE) to the soil. Groundwater was not impacted. Corrective action was taken and the spill case was closed on May 14, 1998. Based on the nature of the spill, closed remediation status and current construction activities at the subject property, it is unlikely that any remaining impacted soil is present on the subject property. Property Solutions considers the closed spill case to be a historical recognized environmental condition. No further action is recommended.

1.0 INTRODUCTION

Property Solutions Incorporated (Property Solutions) conducted a Phase I Environmental Assessment of 44-51 Purves Street located at 44-35 to 44-51 Purves Street in Long Island City, Queens, New York 11101 (subject property) at the request of Berkadia Commercial Mortgage LLC and BBVA Compass. Berkadia Commercial Mortgage LLC is considered the User, as defined in ASTM E 1527-13 Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process. The subject property is identified as Block 267, Lot 9, according to the New York City Department of Finance.

A property location map is included in Appendix A.

This Phase I Environmental Assessment was conducted in accordance with Berkadia Commercial Mortgage LLC's Phase I Environmental Site Assessment Guidelines – Hospitality, dated October 13, 2006 and its amendment date 2007, as well as with industry-accepted practices and American Society for Testing and Materials (ASTM) Standard E 1527-13 Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process. The work was authorized by the signed proposal (P33970) dated May 29, 2014.

Per the ASTM practice and throughout this report, the Client will be considered the same as the User in the ASTM E 1527-13 practice.

1.1 Purpose

The purpose of a Phase I Environmental Assessment is to evaluate issues that may have an impact on the subject property. The purpose of the ASTM E 1527-13 practice is to define good commercial and customary practice in the United States of America for conducting an environmental site assessment of a parcel of commercial real estate with respect to the range of contaminants within the scope of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) (42 U.S.C. §9601) and petroleum products. As such, this practice is intended to permit a user to satisfy one of the requirements to qualify for the innocent landowner, contiguous property owner, or bona fide prospective purchaser limitations on CERCLA liability (hereinafter, the “landowner liability protections,” or “LLPs”); that is, the practice that constitutes all appropriate inquiries into the previous ownership and uses of the property consistent with good commercial and customary practice as defined at 42 U.S.C. §9601(35)(B). (See ASTM E 1527-13 Appendix X1 for an outline of CERCLA’s liability and defense provisions.) Controlled substances are not included within the scope of this standard. Persons conducting an environmental site assessment as part of an EPA Brownfields Assessment and Characterization Grant awarded under CERCLA 42 U.S.C. §9604(k)(2)(B) must include controlled substances as defined in the Controlled Substances Act (21 U.S.C. §802) within the scope of the assessment investigations to the extent directed in the terms and conditions of the specific grant or cooperative agreement. Additionally, an evaluation of business environmental risks associated with a parcel of commercial real estate may necessitate investigation beyond that identified in this practice (see ASTM E 1527-13 Sections 1.3 and 13).

The goal of the processes established by this practice is to identify recognized environmental conditions. The term recognized environmental conditions means the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: (1) due to any release to the environment; (2) under conditions indicative of a release to the environment; or (3) under conditions that pose a material threat of a future release to the environment. De minimis conditions are not recognized environmental conditions.

The purpose of this report is not intended to serve as a compliance assessment of the subject property or to identify health and safety issues or procedures. The ASTM E 1527-13 DOES NOT address whether requirements in addition to all appropriate inquiry have been met in order to qualify for the LLPs (for example, the duties specified in 42 U.S.C. §9601(b)(3)(a) and (b) and cited in Appendix X1 of the ASTM Standard, including the continuing obligation not to impede the integrity and effectiveness of activity and use limitations (AULs), or the duty to take reasonable steps to prevent releases, or the duty to comply with legally required release reporting obligations).

The ASTM E 1527-13 practice DOES NOT address requirements of any state or local laws or of any federal laws other than the all appropriate inquiry provision of the LLPs. Per the ASTM Standard, Users are cautioned that federal, state, and local laws may impose environmental assessment obligations that are beyond the scope of this practice. Users should also be aware that there are likely to be other legal obligations with regard to hazardous substances or petroleum products discovered on the property that are not addressed in the ASTM practice and that may pose risks of civil and/or criminal sanctions for non-compliance.

1.2 Scope of Work

This Phase I Environmental Assessment was conducted in accordance with the following Scope of Work:

1. Requested user to complete questionnaire and provide all user required information.
2. Researched and reviewed available information regarding past owners and occupants of the subject property to assess the potential for releases resulting from prior on-property activities. Aerial photographs, city directories, topographic maps, interviews and fire insurance maps were utilized, as available. Chain-of-title and environmental liens were reviewed if provided by the client/user.
3. Researched available information regarding immediately adjacent properties for evidence of releases that could impact the subject property.
4. Interviewed available persons familiar with current and former on-property activities for relevant information regarding potential environmental concerns as coordinated by the Client/User.

5. Reviewed federal and state regulatory agency database information for the subject property and neighboring properties to identify potential concerns that could adversely affect the environmental condition of the subject property. The database review included, but was not limited to, a review of the following lists: United States Environmental Protection Agency (USEPA) National Priorities List (NPL) Sites, Comprehensive Environmental Response, Compensation and Liability Information System (CERCLIS) Sites, State Hazardous Waste Sites, Resource Conservation and Recovery Act Information System (RCRIS) Corrective Action, Generator, and Treatment/Storage/Disposal (TSD) Sites, Leaking Registered Storage Tank (LRST) Sites, Registered Storage Tank (RST) Sites, landfills, and Emergency Response Notification System (ERNS) Sites. Contacted federal, state, and local regulatory agencies.
6. Performed a property visit to identify areas of potential environmental concern such as the bulk storage of regulated substances, underground/aboveground storage tanks, asbestos-containing materials, electrical transformers, and process-related wastes. To the extent possible, a review of immediately adjacent properties was also performed from the subject property and public thoroughfares. The property visit was performed using grid patterns across the property (as easily accessible) and through other systematic means. Findings and conditions were made only to the extent that they were visually and/or physically observed during the property visit.
7. Prepared a technical Phase I Environmental Assessment report to document the findings regarding the current environmental condition of the subject property. If warranted, the report contains recommendations for further action. In addition to ASTM scope items, the following ASTM non-scope items were discussed and included in the report based upon a limited review: asbestos containing materials, radon, lead-based paint, lead in drinking water, potential wetlands, air emissions, and mold/water intrusion.

1.3 Significant Assumptions

The following assumptions are made by Property Solutions in this report. Property Solutions relied on information derived from secondary sources including governmental agencies, the client (User), designated representatives of the client (User), property contact, property owner, property owner representatives, computer databases, and personal interviews. Except as set forth in this report, Property Solutions has made no independent investigation as to the accuracy and completeness of the information derived from secondary sources including government agencies, the client, designated representatives of the client, property contact, property owner, property owner representatives, computer databases, or personal interviews and has assumed that such information is accurate and complete. Property Solutions assumes information provided by or obtained from governmental agencies including information obtained from government websites is accurate and complete. Groundwater flow and depth to groundwater, unless otherwise specified by on-property well data, are assumed based on contours depicted on the United States Geological Survey topographic maps. Property Solutions assumes the property has been correctly and accurately identified by the client (User), designated representative of the client (User), property contact, property owner, and property owner's representatives. Property

Solutions assumes that the Client (User), Client representatives, Client Legal Counsel, designated representatives of the Client, Key Site Manager, property contact, property owner, property owner representatives, and property brokers, used good faith in answering questions and in obtaining information for the subject property as defined in 10.8 of the ASTM E 1527-13 practice. This would also include obtaining those helpful documents from previous owners, operators, tenants, brokers, financial institutions etc. Property Solutions also assumes the Client will designate appropriate and knowledgeable people for performance of the Phase I Environmental Assessment including Key Site Managers.

1.4 Limitations and Exceptions of the Assessment

The findings, observations, conclusions, and recommendations of this report are limited by the contract technical requirements and the methods used to perform the services outlined in the scope of work. These services have been performed in accordance with the described scope for Phase I Environmental Assessments. In order to perform a comprehensive environmental evaluation, subsurface investigation and testing would be required to definitively evaluate whether contamination has affected the subject property. Therefore, the findings, conclusions, and recommendations presented herein are based solely on the scope of work previously described and information gathered. Incomplete or outstanding information identified throughout the body of this report including data gaps is considered a limitation to the assessment. Limitations to the assessment also include weather conditions, vegetation cover, parked cars, trucks, dumpsters, and anything limiting visual observation of or physical access to the subject property and neighboring properties. This report and scope is not an environmental compliance audit.

No environmental assessment can wholly eliminate uncertainty regarding the potential for recognized environmental conditions in connection with a property. Performance of the ASTM practice is intended to reduce, but not eliminate, uncertainty regarding the potential for recognized environmental conditions in connection with a property, and the ASTM practice recognizes reasonable limits of time and cost.

Appropriate inquiry does not mean an exhaustive assessment of a clean property. There is a point at which the cost of information obtained or the time required to gather it outweighs the usefulness of the information and, in fact, may be a material detriment to the orderly completion of transactions. One of the purposes of this practice is to identify a balance between the competing goals of limiting the costs and time demands inherent in performing an environmental assessment and reducing uncertainty about unknown conditions resulting from additional information.

Subject to Section 4.8 of the ASTM E 1527-13 Standard, an environmental site assessment meeting or exceeding the practice and completed less than 180 days prior to the date of acquisition of the property or (for transactions not involving an acquisition) the date of the intended transaction is presumed to be valid. If within this period the assessment will be used by a user different than the user (client) for whom the assessment was originally prepared, the subsequent user (if authorized to rely on the report as identified in Section 1.6 Reliance of this

report) must also satisfy the User's Responsibilities in Section 6 of the ASTM E 1527-13 standard. If this assessment is over 180 days old it is not valid and a new assessment should be performed per the ASTM standard.

All findings, conclusions, and recommendations stated in this report are based upon facts, circumstances, and industry-accepted procedures for such services as they existed at the time this report was prepared (i.e., federal, state, and local laws, rules, regulations, market conditions, economic conditions, political climate, and other applicable matters). All findings, conclusions, and recommendations stated in this report are based on the data and information provided, and observations and conditions that existed on the date and time of the property visit. Responses received from interviewees, the user, local, state, or federal agencies or other secondary sources of information after the issuance of this report may change certain facts, findings, conclusions, or circumstances to the report. A change in any fact, circumstance, or industry-accepted procedure upon which this report was based may adversely affect the findings, conclusions, and recommendations expressed in this report.

No other person or entity, unless specifically identified in Section 1.6 of this report may rely on this report. Subsequent consultants and subsequent Users may not rely on this report or information included in this report. Property Solutions Inc. will not be held liable in any way for any and all unauthorized use of this report both currently and in the future. Consultants and subsequent Users must specifically and separately verify all information and not rely on the facts, findings, conclusions, opinions and recommendations of this report. Future use of this report by consultants or subsequent Users is strictly prohibited and not authorized to evaluate the appropriateness of using this information in environmental site assessments performed in the future by anyone other than Property Solutions Inc. Subsequent consultants and subsequent Users may not include this report or information included in this report (unless publicly available) without the written authorization of Property Solutions Inc.

1.5 Special Terms and Conditions

This Phase I Environmental Assessment was prepared in accordance with the stated and agreed upon Scope of Work. This report was specifically and only prepared for the identified specific client (user) and for their specific purpose; no other person or entity for any other purpose may use, or rely on this report or its contents unless specifically authorized in writing by Property Solutions Inc. No other special terms and conditions are applicable to this Phase I Environmental Assessment.

1.6 Reliance

This report is addressed to Berkadia Commercial Mortgage LLC ("Berkadia") and its affiliates, and BBVA Compass. Berkadia and its affiliates, their respective successors and assigns (including, without limitation, investors who purchase the mortgage loan or a participation interest in the mortgage loan and the trustee in a securitization that includes the mortgage loan), BBVA Compass, each servicer of the mortgage loan, and all rating agencies involved in any sale, securitization or syndication involving the mortgage loan may use and rely upon this Report,

including, without limitation, utilizing selected information from the Report in the offering materials (either in electronic or hard copy format) relating to any sale, securitization or syndication involving the mortgage loan. The Consultant agrees to cooperate in answering questions by any of the above parties in connection with the sale, securitization or syndication, as communicated by Berkadia personnel. In addition, this Report or a reference to this Report may be included or quoted in any offering circular, registration statement, prospectus or sales brochure (either in electronic or hard copy format) in connection with a sale, securitization or syndication, or transaction involving such debt and or debt securities.

1.7 Data Gaps

The following data gaps were identified during this Phase I Environmental Assessment:

- User provided information and responsibilities
- Environmental record search and governmental records

Specific information concerning data gaps are presented in each applicable section of this report.

None of the above data gaps are considered significant.

2.0 GENERAL PROPERTY INFORMATION

2.1 Property Location

| Property Location | |
|-----------------------------------|---|
| Property Name | 44-51 Purves Street |
| Property Address | 44-35 to 44-51 Purves Street |
| Property Town, County, State, Zip | Long Island City, Queens, New York 11101 |
| Property Tax Identification | Block 267, Lot 9 (New York City Department of Finance) Formerly Block 267 Lots 1 & 9 |
| Property Topographic Quadrangle | <u>Brooklyn, New York</u> |
| Nearest Intersection | Jackson Street and Purves Street |
| Area Description | Highly developed, urban, residential, commercial, industrial |

An excerpt from the USGS 7.5-minute series topographic quadrangle map of Brooklyn, New York, locating the subject property, is included in Appendix A.

2.2 Property Description

| Property Information | |
|---------------------------------------|---|
| Property Ownership Name | Purvis Holdings, LLC. (New York City Department of Finance) |
| Date of Acquisition | August 8, 2013 (New York City Department of Finance) |
| Legal Description | Block 267, Lot 9 (formerly Block 267 Lots 1 & 9) |
| Property Acreage | 0.34 acre (New York City Department of Finance) |
| Property Shape | Irregular |
| Property Use | Residential (under construction) |
| Number of Buildings | One |
| Number of Stories | 26 (when complete); 7 (as of property visit) |
| Construction Date | 2015 (User) |
| Building Square Footage | 269,715 square feet (User) |
| Basement/Slab-on-grade | Slab-on-grade |
| Number of Units | 284 |
| Ceiling Finishes | None completed |
| Floor Finishes | None completed |
| Wall Finishes | None completed |
| HVAC (Energy Source & Type of System) | Natural gas-fired central boiler |
| Renovation Date | Not applicable |
| Renovation Description | Not applicable |
| Vehicular Access | Via Purves Street along the western subject property boundary |

| Property Information | |
|----------------------|---|
| Other Improvements | None permanent; temporary construction trailer |
| Property Coverage | Footprint of the subject building and construction trailer, gravel and dirt construction yard |

| Unit Type | No. of Units |
|------------------------|--------------|
| Studio | 66 |
| 1 Bedroom, 1 Bathroom | 154 |
| 2 Bedrooms, 1 Bathroom | 48 |
| 3 Bedrooms, 1 Bathroom | 16 |

A property diagram of the subject property is included in Appendix B.

2.3 Property Operations

The subject property is currently under construction. When complete, Purvis Holdings, LLC. will utilize the subject property for residential apartments.

No industrial or manufacturing operations were observed at the subject property at the time of the property visit.

No environmental concerns were identified at the subject property based on the operations observed during the property visit.

2.4 Utilities

Property Solutions was informed by Mr. Joseph Aiello, Construction Manager of Zephyr Construction Management, that the following companies and municipality currently provide or will provide utility services to the subject property:

| Utility | Provider |
|---------------------|---|
| Electricity | Consolidated Edison |
| Natural Gas | Consolidated Edison |
| Sanitary Sewerage | New York City Department of Environmental Protection (NYCDEP) |
| Potable Water | NYCDEP |
| Solid Waste Removal | Guma Waste (construction debris) |
| Fuel Oil | Not provided to subject property |
| Steam | Not provided to subject property |

3.0 USER PROVIDED INFORMATION AND RESPONSIBILITIES

This section is to describe tasks to be performed by the User. The “All Appropriate Inquiries” (AAI) Final Rule (40 CFR Part 312) requires that these tasks be performed by or on behalf of a party seeking to qualify for an LLP to CERCLA liability. These tasks must also be completed by or on behalf of EPA Brownfield Assessment and Characterization grantees. While such information is not required to be provided to the environmental professional, the environmental professional shall request that the user provide the results of these tasks as such information can assist the environmental professional in identifying recognized environmental conditions.

Per the ASTM standard, the environmental professional shall note in the report whether or not the User has reported to the environmental professional information pursuant to Section 6 of the ASTM standard.

| User's Responsibilities | User Provided | Other Provided | Not provided |
|---|---------------|----------------|--------------|
| Optional User Questionnaire | | | X |
| Title and Judicial Records for Environmental Liens/Activity Use Limitations | | | X |
| Specialized Knowledge or Experience of the User | | X | |
| Actual Knowledge of the User | | X | |
| Reason for Significantly Lower Purchase Price (value reduction) | X | | |
| Commonly Known or Reasonably Ascertainable Information | | X | |
| Degree of Obviousness | X | | |
| Reason for Performing the Phase I other than to qualify for LLP to CERCLA Liability | X | | |
| Helpful Documents/Prior Reports | X | | |
| Proceedings Involving the Subject Property | | X | |
| User Identified Personnel | X | | |

No significant data gaps were identified based upon the information known by the User for this transaction.

User Questionnaire

In lieu of a User Questionnaire, a Key Site Manager Questionnaire was submitted to United Commercial Capital to be completed prior to the property visit.

| | |
|--------------------------|-------------------------------------|
| Client | United Commercial Capital |
| Contact Name | Lillian Fried |
| Contact Title | Not Provided |
| Phone/Fax/Email | 718-858-4150/lillian@ucgcapital.com |
| Contact Date | June 6, 2014 |
| Request Medium | Phone |
| Questionnaire completed? | No |
| Completed by? | Not applicable |
| Response Date | Not applicable |
| Form of Response | Not applicable |

| | |
|---|---------------------------|
| Client | United Commercial Capital |
| Contact Name | Lillian Fried |
| Contact Title | Not Provided |
| Was the questionnaire completed and returned prior to the property visit? | No |

The completed questionnaire was not returned to Property Solutions at the time of this report. An incomplete copy of the Key Site Manager Questionnaire is included in Appendix I - Correspondence.

Title and Judicial Records for Environmental Liens/Activity Use Limitations

Per ASTM E 1527-13 Section 6.2, the User is required to provide and/or report to the environmental professional any title and judicial records for environmental liens/activity use limitations (AULs) so identified for the subject property. The environmental professional per the ASTM practice is not responsible to undertake a review of recorded land title records and judicial records for environmental liens or activity and use limitations.

Title records and information was not provided to Property Solutions by the property owner, key site manager, or prospective purchaser.

The User did not request Property Solutions to coordinate with a title company or title professional to undertake a review of Recorded Land Title records and judicial records for environmental liens or AULs.

Knowledge of the User

Per the ASTM standard, the Users must take into account their specialized knowledge to identify conditions indicative of releases or threatened releases. If the user has any specialized knowledge or experience that is material to recognized environmental conditions in connection with the property, the user should communicate any information based on such specialized knowledge or experience to the environmental professional. The user should do so before the environmental professional conducts the property visit.

The User did not inform Property Solutions whether they have any specialized knowledge, actual knowledge, experience, or commonly known and reasonably ascertainable information within the local community concerning recognized environmental conditions at the subject property. The property visit was performed on June 23, 2014.

The key site manager had no specialized knowledge, actual knowledge, experience, or commonly known and reasonably ascertainable information within the local community concerning recognized environmental conditions at the subject property.

Valuation Reduction for Environmental Issues

Per the ASTM standard, in a transaction involving the purchase of a parcel of commercial real estate, the user shall consider the relationship of the purchase price of the property to the fair market value of the property if the property was not affected by hazardous substances or petroleum products. The User should try to identify an explanation for a significantly lower price which does not reasonably reflect fair market value if the property was not contaminated, and make a written record of such explanation. The ASTM standard does not require that a real estate appraisal be obtained in order to ascertain fair market value of the property.

The User did not inform Property Solutions that a significantly lower purchase price was noted for the subject property.

Reason for Performing the Phase I Environmental Assessment

Berkadia Commercial Mortgage LLC (User) is performing the Phase I Environmental Assessment for determining whether to make a loan evidenced by a note secured by the property and not for pre-purchase due diligence.

Helpful Documents Provided Prior to Property Visit

Per the ASTM standard, prior to the property visit, the property owner, key site manager (if any is identified), and User (if different from the property owner) shall be asked if they know whether any of the documents below exist and if so, whether copies can and will be provided within reasonable time and cost constraints including partial information. This information is to be provided prior to or at the beginning of the property visit.

| Documents | User | | Key Site Manager | | Property Owner | |
|--|-------|----------|------------------|----------|-----------------|----------|
| | Exist | Provided | Exist | Provided | Exist | Provided |
| ESA reports | Yes | Yes | Not aware | N/A | Not interviewed | N/A |
| Environmental compliance audit reports | No | No | Not aware | N/A | Not interviewed | N/A |
| Environmental permits | No | No | Not aware | N/A | Not interviewed | N/A |
| UST/AST registrations | No | No | Not aware | N/A | Not interviewed | N/A |
| Underground Injection permits | No | No | Not aware | N/A | Not interviewed | N/A |
| MSDSs | No | No | Not aware | N/A | Not interviewed | N/A |
| Community Right-to-Know plan | No | No | Not aware | N/A | Not interviewed | N/A |
| Safety plans | No | No | Not aware | N/A | Not interviewed | N/A |
| SPCC plans | No | No | Not aware | N/A | Not interviewed | N/A |

| Documents | User | | Key Site Manager | | Property Owner | |
|---|-------|----------|------------------|----------|-----------------|----------|
| | Exist | Provided | Exist | Provided | Exist | Provided |
| Emergency preparedness and prevention plans | No | No | Not aware | N/A | Not interviewed | N/A |
| Hydrogeologic reports | No | No | Not aware | N/A | Not interviewed | N/A |
| Government agency correspondence and violations | No | No | Not aware | N/A | Not interviewed | N/A |
| Hazardous waste generator notices or reports | No | No | Not aware | N/A | Not interviewed | N/A |
| Geotechnical studies | No | No | Not aware | N/A | Not interviewed | N/A |
| Risk assessments | No | No | Not aware | N/A | Not interviewed | N/A |
| Recorded AULs | No | No | Not aware | N/A | Not interviewed | N/A |
| Environmental liens | No | No | Not aware | N/A | Not interviewed | N/A |
| Design Plans | No | No | Yes | Yes | Not interviewed | N/A |

Proceedings Involving the Property

Per the ASTM standard, prior to the property visit, the property owner, key site manager (if any is identified), and user (if different from the property owner) shall be asked whether they know of: (1) any pending, threatened, or past litigation relevant to hazardous substances or petroleum products in, on, or from the property; (2) any pending, threatened, or past administrative proceedings relevant to hazardous substances or petroleum products in, on or from the property; and (3) any notices from any governmental entity regarding any possible violation of environmental laws or possible liability relating to hazardous substances or petroleum products.

The User did not indicate whether they have any knowledge of (1) any pending, threatened, or past litigation relevant to hazardous substances or petroleum products in, on, or from the property; (2) any pending, threatened, or past administrative proceedings relevant to hazardous substances or petroleum products in, on or from the property; and (3) any notices from any governmental entity regarding any possible violation of environmental laws or possible liability relating to hazardous substances or petroleum products.

The key site manager indicated based on a response dated June 23, 2014 via interview that they have no knowledge of (1) any pending, threatened, or past litigation relevant to hazardous substances or petroleum products in, on, or from the property; (2) any pending, threatened, or past administrative proceedings relevant to hazardous substances or petroleum products in, on or from the property; and (3) any notices from any governmental entity regarding any possible violation of environmental laws or possible liability relating to hazardous substances or petroleum products.

User Identified Personnel

The information and contacts below were identified and/or provided by the User/Client.

| Contact | Name | Company |
|----------------------|--|---|
| User | Mr. Chris Nuckols | Berkadia Commercial Mortgage, LLC. |
| Key Site Manager | Ms. Lillian Fried Mr. Joseph Aiello | United Commercial Capital Zephyr Construction Management |
| Construction Manager | Mr. Joseph Aiello | Zephyr Construction Management |

4.0 PHYSICAL SETTINGS

4.1 Topography/Regional Drainage

| | |
|------------------------------|--|
| Topographic Quadrangle Name | <u>Brooklyn, New York</u> |
| Property Elevation | 27 feet above mean sea level |
| Surface Gradient | Relatively flat |
| Property Drainage | Storm drains along Purves Street |
| Regional Drainage | Towards the East River, approximately 1 mile to the east |
| Closest Perennial Water body | Dutch Kill, approximately 1,000 feet south |

A copy of the USGS 7.5-minute series topographic quadrangle map of Brooklyn, New York, is included in Appendix A.

4.2 Soils

| USDA County Soil Survey | |
|--|--|
| Information Source | Soil Conservation Service's Soil Survey of Queens County, NY |
| Date of Information Source | November 26, 2013 accessed via the Internet on June 27, 2014 |
| Soil Name | Urban Land |
| Description: According to the United States Department of Agriculture, Soil Conservation Service, no soil survey is available for the area of the subject property. However, based on the urbanized location of the subject property, the soils of the subject property are expected to be classified as urban land. Urban land consists of areas that have been covered by buildings, paved roads, and parking lots. These areas require onsite investigation and evaluation for most land use decisions. | |
| Expected depth to bedrock | Not reported |

4.3 Underlying Formation

| | |
|---|---|
| Information Source | University of the State of New York |
| Title of Publication | Geologic Map of New York – Lower Hudson Sheet |
| Date of Publication | 1970 |
| Name of Unit | Harrison Gneiss (part of the Connecticut Valley Synclinorium) |
| Description of Unit: Harrison Gneiss is characterized by Ordovician-aged biotite-hornblende-quartz plagioclase gneiss with accessory garnet and sphene. Plagioclase commonly occurs as augen. | |

4.4 Groundwater

| | |
|----------------------|--|
| Information Source | United States Geological Survey |
| Title of Publication | Groundwater Atlas for the United States Segment 12 |
| Date of Publication | 1995 |

20142231

14

| | |
|---|---------------------------------|
| Information Source | United States Geological Survey |
| Underlying Aquifer | Crystalline Rock Aquifer |
| <p>Description: This type of aquifer covers most of the northeastern United States. In New York, the aquifer is made up of igneous and metamorphic rocks which have a very small porosity rate. Because the hydraulic conductivity of the crystalline rocks is very low, the water does not penetrate the spaces between the mineral crystals but travels through secondary fractures and joints in the bedrock. These aquifers receive recharge directly from outcrop areas or indirectly through overlying glacial deposits. The depth of this aquifer generally ranges anywhere between 25 and 400 feet and may even exceed 600 feet. The crystalline rock aquifer contains high concentrations of iron.</p> | |

| | |
|--|--|
| Expected Depth to Shallow Groundwater | 12-20 feet below ground surface (bgs) |
| Information Source | USGS NY Water Science Center Well Data, located approximately ¾ Mile northeast of the subject property |
| Expected Direction of Shallow Groundwater Flow | Southwest |
| Information Source | USGS Topographic Map of <u>Brooklyn, NY</u> |

5.0 NEIGHBORING PROPERTIES

Review of neighboring properties from the subject property and from public thoroughfares, and research of available information regarding the neighboring properties, were performed to identify evidence of environmental concerns that could adversely impact the subject property. The subject property is located in a residential, commercial, and industrial area of Long Island City, New York.

| Direction | Property | Address | Operations |
|-----------|-----------------------------------|--------------------------------|--------------------------------|
| North | Residential Building | 44-27 Purves Street | Multi-family residential |
| South | Thomson Avenue | Not applicable | Public thoroughfare |
| | LIRR Rail Yard | 49 Avenue | Transportation |
| East | Ed Koch Bridge Upper Roadway Ramp | Not applicable | Public thoroughfare |
| | NYCDOT lot | 26-46 Jackson Avenue | Transportation vehicle storage |
| West | Purves Street | Not applicable | Public thoroughfare |
| | Industrial building | 44-46 Purves Street | Vacant industrial building |
| | Vacant lot | 44-30 Purves Street | Vacant |
| | Mixed use building | 27-28 and 28-31 Thomson Avenue | Commercial and residential |

Based on a review of neighboring properties from the subject property and from public thoroughfares, the neighboring properties do not appear to be of the type likely to pose a significant threat to the environmental condition of the subject property. The neighboring properties were not listed in the environmental database reviewed or Envirofacts, with the exception of the westerly adjoining 28-31 Thomson Avenue, which was listed as a Manifest and EDR US Historical Auto Stations site and a RCRA non-generator of hazardous waste.

Additionally, the westerly adjoining property located at 44-30 Purves Street is listed in the New York State Department of Environmental Conservation's Environmental Site Remediation Database as an active Brownfields site with ongoing remediation.

Based upon a review of the environmental database report and the NYSDEC Environmental Site Remediation Database, the neighboring properties are not listed with documented releases, with the exception of the westerly adjoining property located at 44-30 Purves Street. These properties are further discussed in Section 8.

A property diagram including neighboring properties is included in Appendix B. Photographs including the neighboring properties are included in Appendix C.

6.0 HISTORICAL PROPERTY INFORMATION

The following is a summary of the historical use of the subject property based on a review of the standard historical source information that is further described below:

| Decade | Property Use | Standard Source/Source |
|--------|--|---|
| 1890 | Residential, bakery | Fire Insurance Maps, Topographic Maps |
| 1900 | No Major Changes | Topographic Map |
| 1910 | No Major Changes | Fire Insurance Map |
| 1920 | Residential, industrial, vacant lot | Topographic Maps, Aerial Photographs |
| 1930 | Residential, warehouse, vacant lot | Fire Insurance Maps, Aerial Photographs, City Directories |
| 1940 | Residential, junk yard, garage, warehouse, parking lot | Fire Insurance Maps, Aerial Photographs, City Directories |
| 1950 | Parking, warehouse, manufacturing | Fire Insurance Maps, Aerial Photographs, City Directories |
| 1960 | No Major Changes | No Major Changes |
| 1970 | No Major Changes | No Major Changes |
| 1980 | No Major Changes | No Major Changes |
| 1990 | Auto repair, warehouse, manufacturing, parking | Fire Insurance Maps, Aerial Photographs |
| 2000 | Contractor, warehouse, parking | Fire Insurance Maps, Aerial Photographs |
| 2005 | No Major Changes | No Major Changes |
| 2010 | No Major Changes | No Major Changes |

6.1 City Directories

| Source: Phase I Environmental Site Assessment Report, dated November 12, 2011 and prepared by MEI | | |
|---|--------------------------|---|
| City Directory Type: Queens Telephone Address Directory | | |
| Year | Address | Listing |
| 1935 | 44-35 Purves Street (SP) | Thompson Q Elec Mfg |
| | 44-27 Purves Street (NP) | Queens Co Distributing Co. Inc. Queens Co News Dultan Bros Newspaper Distributors |
| 1945 | 44-35 Purves Street (SP) | Thompson Q Inc. Elec Mfg |
| | 44-27 Purves Street (NP) | Gruenwald & Niemitz Engineers De Paul Chemical Co Inc. |
| | 44-30 Purves Street (NP) | Welsh Bros Contracting Co Trucking |
| 1955-1965 | 44-37 Purves Street (SP) | Residential |
| | 44-39 Purves Street (SP) | Liberty Archer Mfg Corp. |
| | 44-27 Purves Street (NP) | De Paul Chemical Co |
| | 44-30 Purves Street (NP) | Welsh Bros Contracting Co Inc. Trucking |
| 1975 | 44-39 Purves Street (SP) | Liberty Hardware Manufacturing Co. |
| | 44-43 Purves Street (SP) | S&M Automatic Precision Co. |
| | 44-27 Purves Street (NP) | De Paul Chemical Co. |
| | 44-30 Purves Street (NP) | Welsh Bros Contracting Co. Trucking |

| Source: Phase I Environmental Site Assessment Report, dated November 12, 2011 and prepared by MEI | | |
|--|--------------------------|---|
| City Directory Type: Queens Telephone Address Directory | | |
| 1985 | 44-35 Purves Street (SP) | Express Limousine Service Inc. Osomo Tours & Transportation Inc. |
| | 44-39 Purves Street (SP) | Fum Yang Shipping USA Inc. |
| | 44-27 Purves Street (NP) | Apexton Lamination Corp. Apexton Record Pressing Plant Corp. |
| | 44-30 Purves Street (NP) | LC Construction Welsh Bros Contracting Co. Trucking |

NP – Neighboring property

SP – Subject property

The subject property is listed as various manufacturing companies from 1935 to 1975, including electrical and hardware manufacturing. The subject property is also listed as residential in the 1955 and 1965 directories. S&M Automatic Precision Co. is listed at the subject property address 44-43 Purves Street in the 1975 directory. This company and address are listed as a CBS AST, CBS, and NY SPILLS site in the EDR database report, summarized in Section 8.2. In 1985, the subject property is listed as various transportation services.

The majority of the adjoining properties are listed as various manufacturing companies from 1935 to 1985. The westerly adjoining 44-30 Purves Street is listed as a trucking company from 1945 to 1985.

It is clear based on a review of the city directories and other historical sources that the area of Long Island City in which the subject property is situated has a long history of industrial use. Based on this information, the historical manufacturing use at the subject property is considered a recognized environmental condition. Property Solutions recommends conducting a limited subsurface evaluation to assess whether the historical manufacturing use has impacted the soil and groundwater beneath the subject property.

The westerly adjoining property located at 44-30 Purves Street is listed in the NYSDEC's Environmental Site Remediation Database as an active Brownfields site with ongoing remediation. According to the database, contaminants of concern including VOCs from petroleum and chlorinated solvents, SVOCs, and metals are present in soil at concentrations that exceed the applicable standards, and chlorinated solvents are present in groundwater and soil vapor at elevated concentrations exceeding the applicable standards by up to several orders of magnitude.

Based on the above information, the adjoining Brownfields site is considered a recognized environmental condition. Property Solutions has submitted a request to review available files with the NYSDEC for the adjoining Brownfields site to assess the extent of contamination and risk to the subject property. Property Solutions recommends conducting a limited Phase II subsurface investigation to assess whether the contamination from the adjoining Brownfields site has impacted the groundwater beneath the subject property, including a soil vapor screening to assess the risk of vapor encroachment to the subject property.

6.2 Aerial Photographs

| | |
|--|-------------|
| Year | 1924 |
| Information Source | EDR |
| Description of Subject Property: The northern portion of the subject property appears to be developed with several narrow, flat-roofed buildings. The southern portion of the subject property appears to be a vacant lot. | |
| Description of Northerly Adjoining Property: The northerly adjoining property appears to be developed with several long, narrow flat-roofed buildings. | |
| Description of Southerly Adjoining Property: The southerly adjoining property appears to be developed with railroad tracks. | |
| Description of Easterly Adjoining Property: The easterly adjoining properties appear to be developed with several small, narrow flat-roofed buildings, and a vacant lot to the southeast of the subject property. | |
| Description of Westerly Adjoining Property: Purves Street is visible immediately to the west of the subject property, followed by what appear to be several smaller, square-shaped buildings. | |

| | |
|---|-------------|
| Year | 1941 |
| Information Source | EDR |
| Description of Subject Property: The southern portion of the subject property appears to be used as a parking lot. | |
| Description of Northerly Adjoining Property: No major changes from the previous photograph are discernible. | |
| Description of Southerly Adjoining Property: No major changes from the previous photograph are discernible. | |
| Description of Easterly Adjoining Property: The southeastern property appears to be used as a parking lot. | |
| Description of Westerly Adjoining Property: A triangular-shaped building is visible to the southwest of the subject property. | |

| | |
|--|-------------|
| Year | 1954 |
| Information Source | EDR |
| Description of Subject Property: No major changes from the previous photograph are discernible. | |
| Description of Northerly Adjoining Property: No major changes from the previous photograph are discernible. | |
| Description of Southerly Adjoining Property: No major changes from the previous photograph are discernible. | |
| Description of Easterly Adjoining Property: No major changes from the previous photograph are discernible. | |
| Description of Westerly Adjoining Property: The small buildings north of the triangular building appear to have been replaced with several small buildings of a different configuration. | |

| | |
|--|---|
| Year | 1966, 1975, 1983, 1994, 1995, 2006 |
| Information Source | EDR |
| Description of Subject Property: The subject property buildings above the parking lot appear to have been replaced with several long, narrow flat-roofed buildings in a different configuration. | |
| Description of Northerly Adjoining Property: No major changes from the previous photograph are discernible. | |
| Description of Southerly Adjoining Property: No major changes from the previous photograph are discernible. | |
| Description of Easterly Adjoining Property: The easterly adjoining properties appear to have been razed, and replaced with one long parking lot. An elevated roadway is now visible above the lot. | |

| | |
|--|---|
| Year | 1966, 1975, 1983, 1994, 1995, 2006 |
| Description of Westerly Adjoining Property: A large, irregularly-shaped building is visible immediately to the north of the triangular building. They appear to be connected by a common wall. | |

| | |
|---|-------------------------|
| Year | 2009, 2011, 2012 |
| Information Source | EDR |
| Description of Subject Property: Several of the buildings on the northern portion of the subject property have been razed, and now appear as a vacant lot. | |
| Description of Northerly Adjoining Property: The buildings have been replaced by one large rectangular building with several stories, similar in size, shape, and orientation to what was observed during the property visit. | |
| Description of Southerly Adjoining Property: No major changes from the previous photograph are discernible. | |
| Description of Easterly Adjoining Property: No major changes from the previous photograph are discernible. | |
| Description of Westerly Adjoining Property: The irregularly-shaped building and all of the smaller buildings with the exception of the triangular building and the square-shaped storage building have been razed and replaced with a vacant lot. | |

Review of the aerial photographs revealed that the subject property was improved with several commercial or industrial buildings prior to the start of construction on the subject building.

No evidence of environmental concern on or adjacent to the subject property was revealed during a review of the aerial photographs.

Copies of the aerial photographs are included in Appendix E.

6.3 Fire Insurance Maps

| | |
|---|-------------|
| Year | 1898 |
| Information Source | EDR |
| Description of Subject Property: The subject property is depicted as developed with several one and two-story dwellings along Purves Street, and the H. Huer & Co. Bakery occupying the southwestern portion of the subject property. | |
| Addresses of Subject Property Listed on Fire/Insurance Map: 31-41 Purves Street | |
| Description of Northerly Adjoining Property: The northerly adjoining property is depicted as developed with a one-story dwelling with a vacant lot. | |
| Description of Southerly Adjoining Property: The southerly adjoining property is depicted as developed with the Long Island Railroad. | |
| Description of Easterly Adjoining Property: The easterly adjoining properties are depicted as developed with several one and two-story dwellings and some vacant lots. | |
| Description of Westerly Adjoining Property: Purves Street is depicted immediately adjacent to the subject property to the west, followed by a two-story triangular-shaped kennel building, several vacant lots, and a two-story dwelling. | |

| | |
|--|-------------|
| Year | 1915 |
| Information Source | EDR |
| Description of Subject Property: The bakery has expanded to the north and east, and is depicted as the Manhattan Steam Bakery, which now includes a gas engine on the southern portion of the bakery, and a cement floor stable on the northern portion of the building. | |
| Addresses of Subject Property Listed on Fire/Insurance Map: 31-41 Purves Street | |
| Description of Northerly Adjoining Property: No major changes from the previous map are discernible. | |
| Description of Southerly Adjoining Property: The LIRR has expanded to include more tracks. | |
| Description of Easterly Adjoining Property: The Manhattan Steam Bakery occupies the southernmost of the easterly adjoining properties, and an auto house with a cement floor is also depicted just north of the bakery building. | |
| Description of Westerly Adjoining Property: The kennel building is no longer depicted. Some of the vacant lots have been consolidated into one larger vacant lot. | |

| | |
|--|-------------|
| Year | 1936 |
| Information Source | EDR |
| Description of Subject Property: The Manhattan Steam Bakery building and attached stable have been razed, and are now depicted as a vacant lot. One of the one-story dwellings has been razed, and the lot is depicted as a junk yard. The two northernmost two-story dwellings have been razed and replaced with a one-story office and garage for the Welsh Bros Contractors. A gas tank is depicted in the Welsh Bros Contractors building. | |
| Addresses of Subject Property Listed on Fire/Insurance Map: 44-29 to 44-53 Purves Street | |
| Description of Northerly Adjoining Property: The northerly adjoining property is now depicted as the Anchor Cap Closure Corporation, a two-story carton and box storage building. | |
| Description of Southerly Adjoining Property: No major changes from the previous map are depicted. | |
| Description of Easterly Adjoining Property: The Manhattan Steam Bakery building and adjacent auto house have been razed, and are now depicted as a vacant lot. The northernmost dwellings have been razed and replaced with a one-story auto storage building and a one-story garage for the Welsh Bros. Contractors. | |
| Description of Westerly Adjoining Property: A triangular building is depicted on the southernmost corner of the westerly adjoining property. The building is used for chromium plating and bottler supply manufacturing. A two-story dwelling with a detached one-story stable is depicted on the northernmost westerly adjoining property. | |

| | |
|---|-------------------|
| Year | 1947, 1950 |
| Information Source | EDR |
| Description of Subject Property: The junk yard and vacant lot north of it are now depicted as a one-story firefighting equipment warehouse. The Welsh Bros. garage building is now depicted as a private garage and paper warehouse. | |
| Addresses of Subject Property Listed on Fire/Insurance Map: 44-29 to 44-53 Purves Street | |
| Description of Northerly Adjoining Property: The northerly adjoining property is now depicted as a two-story textile manufacturing and printing inks building. | |
| Description of Southerly Adjoining Property: No major changes from the previous map are discernible. | |
| Description of Easterly Adjoining Property: An auto service is now depicted next to one of the remaining dwellings along Dutch Kills Street, as well as a small, two-story church. The former garage on the northernmost easterly adjoining property is now depicted as a disinfectant warehouse. | |

| | |
|--|-------------------|
| Year | 1947, 1950 |
| Description of Westerly Adjoining Property: A private garage is now attached to the triangular chromium plating building. The remaining portion of the lot above the triangular building is now depicted as a contractor's yard, with two gasoline tanks. A small office and a larger, square-shaped storage building are also depicted. | |

| | |
|--|--|
| Year | 1970, 1977, 1979, 1980, 1985, 1986, 1988-1991 |
| Information Source | EDR |
| Description of Subject Property: The vacant portion of the subject property is now utilized for parking. The two-story dwelling has been razed and replaced with a long, narrow warehouse. The firefighting equipment warehouse is now labeled Harow Manufacturing. The dwelling north of that building has been razed and is now depicted as a vacant lot. The private garage and paper warehouse is now labeled the Harow warehouse. | |
| Addresses of Subject Property Listed on Fire/Insurance Map: 44-29 to 44-53 Purves Street | |
| Description of Northerly Adjoining Property: No major changes from the previous map are discernible. | |
| Description of Southerly Adjoining Property: No major changes from the previous map are discernible. | |
| Description of Easterly Adjoining Property: All of the easterly adjoining properties are now depicted as one long, vacant lot. A steel and concrete viaduct for access to the Queensboro Bridge is depicted above the lot. | |
| Description of Westerly Adjoining Property: The triangular building is now depicted as an auto body, with a large, irregular building connected to it that is used as a paper embossing operation. The contractor's yard is now depicted as storage. There is a small, one-story auto repair building where the square-shaped storage building was depicted. | |

| | |
|--|------------------|
| Year | 1992-1996 |
| Information Source | EDR |
| Description of Subject Property: The private garage and Harow warehouse building is now depicted as an auto repair shop. | |
| Addresses of Subject Property Listed on Fire/Insurance Map: 44-29 to 44-53 | |
| Description of Northerly Adjoining Property: No major changes from the previous map are discernible. | |
| Description of Southerly Adjoining Property: No major changes from the previous map are discernible. | |
| Description of Easterly Adjoining Property: No major changes from the previous map are discernible. | |
| Description of Westerly Adjoining Property: No major changes from the previous map are discernible. | |

| | |
|---|-------------|
| Year | 1999 |
| Information Source | EDR |
| Description of Subject Property: The Harow manufacturing building is now depicted as the Oil Burner Utility Co. | |
| Addresses of Subject Property Listed on Fire/Insurance Map: 44-29 to 44-53 Purves Street | |
| Description of Northerly Adjoining Property: No major changes from the previous map are discernible. | |
| Description of Southerly Adjoining Property: No major changes from the previous map are discernible. | |
| Description of Easterly Adjoining Property: No major changes from the previous map are discernible. | |
| Description of Westerly Adjoining Property: No major changes from the previous map are discernible. | |

| | |
|---|-----------|
| Year | 2001-2006 |
| Information Source | EDR |
| Description of Subject Property: The auto repair building is now depicted as an office for a contracting company. | |
| Addresses of Subject Property Listed on Fire/Insurance Map: 44-29 to 44-53 Purves Street | |
| Description of Northerly Adjoining Property: No major changes from the previous map are discernible. | |
| Description of Southerly Adjoining Property: No major changes from the previous map are discernible. | |
| Description of Easterly Adjoining Property: No major changes from the previous map are discernible. | |
| Description of Westerly Adjoining Property: No major changes from the previous map are discernible. | |

Review of the fire insurance maps revealed that the subject property was improved with several buildings from as early as 1898, including dwellings, a bakery, and several manufacturing companies, warehouses, and an auto repair facility. A gas tank is depicted on the subject property in the 1936 map. No further information is available in any historical or regulatory sources regarding this gas tank. The subject property is listed in the CBS AST and CBS databases for a 500-gallon steel AST containing PCE that was removed in July 2001; however that tank is listed for the 44-43 Purves Street subject property address, which is not the location of the gas tank depicted on the 1936 map. It is unclear if the two sources are referring to the same tank.

It is clear based on a review of the fire insurance maps and other historical sources that the area of Long Island City in which the subject property is situated has a long history of industrial use as well as auto repair usage. Based on this information, the lack of information regarding the gasoline tank depicted on the 1936 fire insurance map, and the historical use of PCE at the subject property, the historical use of the subject property is considered a recognized environmental condition. Property Solutions recommends conducting a limited Phase II subsurface investigation to assess whether the historical operations have impacted the soil and groundwater beneath the subject property.

Copies of the fire insurance maps are included in Appendix F.

6.4 Topographic Quadrangle Map

| | |
|--|---------------------------|
| Topographic Quadrangle Map Name | <u>Brooklyn, New York</u> |
| Year published | 1995 |
| Aerial photograph year map based on | 1995 |
| Year photorevised | Not applicable |
| Aerial photograph year photorevision based on | Not applicable |
| Color of photorevisions | Not applicable |
| Description of Subject Property: The subject property falls within a red-shaded area, where only landmark buildings are depicted. | |
| Description of Northerly Adjoining Property: The northerly adjoining properties fall within a red-shaded area, where only landmark buildings are depicted. | |

| | |
|--|---------------------------|
| Topographic Quadrangle Map Name | <u>Brooklyn, New York</u> |
| Description of Southerly Adjoining Property: The Long Island Railroad is depicted in black against a white background immediately south of the subject property. | |
| Description of Easterly Adjoining Property: The easterly adjoining property falls within a red-shaded area, where only landmark buildings are depicted. | |
| Description of Westerly Adjoining Property: The westerly adjoining properties fall within a red-shaded area, where only landmark buildings are depicted. | |

No environmental concerns were identified based upon a review of the Brooklyn, New York topographic quadrangle map.

A portion of the USGS 7.5-minute series topographic quadrangle map of Brooklyn, New York, which includes the subject property, is included in Appendix A.

6.5 Prior Use Interviews

| | |
|--|--------------------------------|
| Property Contact Name | Mr. Joseph Aiello |
| Property Contact Title | Construction Manager |
| Property Contact Company | Zephyr Construction Management |
| Association with Property | Key Site Manager |
| Years Associated with Subject Property | 2013 – 2014 |

Property History:

According to Mr. Aiello, the subject property was previously a parking lot.

Other Information:

No environmental concerns were identified during the interview with Mr. Aiello.

6.6 Previous Reports and Plans

| | |
|--|---|
| Complete Report Name | Phase I Environmental Site Assessment Report |
| Report Date | November 12, 2011 |
| Report Project Number | 11-785 |
| Report Property Name | 44-49/53 Purves Street |
| Report Property Address | 44-49 to 44-53 Purves Street |
| Prepared by | Middleton Environmental, Inc. (MEI) |
| Consultant City & State Location | Babylon, New York |
| Prepared for | Banco Popular North America |
| Party City & State Location | New York, New York |
| Report Provided by | Ms. Lillian Fried, United Commercial Capital |
| The entire report including appendices was provided. | |

| | |
|--|---|
| Complete Report Name | Phase I Environmental Site Assessment Report |
| The boundaries discussed in this report are different than those of the subject property identified by Property Solutions. | |
| Report and Subject Property Variations: The subject property boundaries in the report include only the southern portion (lot 1) of the current subject property boundaries. Lots 1 and 9 of Block 267 were merged in January of this year to create the current subject property boundaries, which are not reflected in this report. | |
| Information/Portions of Report not Included with Report: None | |

Scope of Services Performed Per Report: MEI conducted a Phase I Environmental Site Assessment in accordance with ASTM 1526E-05.

Findings/Conclusions as Reported by Report Preparer: MEI reported no recognized environmental conditions as a result of their assessment. Additionally, MEI reported no concerns in regards to non-scope items including asbestos-containing materials, lead-based paint, lead in drinking water, radon, mold, and wetlands.

Recommendations as Reported by Report Preparer: No further action was recommended by MEI for the subject property as a result of their assessment.

Report Historical Information and Findings: According to the report, the subject property historically contained a bakery on the southern portion of the subject property from approximately 1898 to 1915. The bakery building was removed and the resulting vacant lot was used for parking. The subject property also historically contained various manufacturing and warehousing operations.

Property Solutions Review: Property Solutions concurs with the findings and conclusions stated in the report.

Property Solutions Findings and Conclusions: No environmental concerns were identified based on a review of the report.

| | |
|--|---|
| Complete Report Name | Phase I Environmental Site Assessment Report |
| Report Date | August 29, 2007 |
| Report Project Number | Not provided |
| Report Property Name | 44-53 Purves Street |
| Report Property Address | 44-53 Purves Street |
| Prepared by | MEI |
| Consultant City & State Location | Babylon, New York |
| Prepared for | LIC Luxury Lofts |
| Party City & State Location | Not provided |
| Report Provided by | Ms. Lillian Fried, United Commercial Capital |
| The entire report including appendices was not provided. The following was missing: appendices | |
| The boundaries discussed in this report are different than those of the subject property identified by Property Solutions. | |
| Report and Subject Property Variations: The subject property boundaries in the report include only the southern portion (lot 1) of the current subject property boundaries. Lots 1 and 9 of Block 267 were merged in January of this year to create the current subject property boundaries, which are not reflected in this report. | |
| Information/Portions of Report not Included with Report: Appendices | |

Scope of Services Performed Per Report: MEI conducted a Phase I Environmental Site Assessment in accordance with ASTM 1526E-05.

Findings/Conclusions as Reported by Report Preparer: MEI reported no recognized environmental conditions as a result of their assessment. Additionally, MEI reported no concerns in regards to non-scope items including asbestos-containing materials, lead-based paint, lead in drinking water, radon, mold, and wetlands.

Recommendations as Reported by Report Preparer: No further action was recommended by MEI for the subject property as a result of their assessment.

Report Historical Information and Findings: According to the report, the subject property historically contained a bakery on the southern portion of the subject property from approximately 1898 to 1915. The bakery building was removed and the resulting vacant lot was used for parking. The subject property also historically contained various manufacturing and warehousing operations.

Property Solutions Review: Property Solutions concurs with the findings and conclusions stated in the report.

Property Solutions Findings and Conclusions: No environmental concerns were identified based on a review of the report.

| | |
|---|---|
| Plan Complete Name | 44-51 Purves Street Floor Plans |
| Plan Property Address | 44-51 Purves Street |
| Plan Original Date | June 16, 2014 |
| Revision Date | None |
| Prepared by | Durukan Design |
| Consultant City & State Location | New York, New York |
| Scale | 1/8" = 1' |
| Plan Provided by | Mr. Joseph Aiello, Zephyr Construction Management |
| Information/Portions of Plan not Provided: None | |

Property Solutions Review: The floor plans show the design of the subject building once completed, and include ground level parking areas and common recreational amenities including a mail room, convenience store, laundry room, two recreation rooms, a movie theater, business center, wine room, fitness center, and mechanical room. The subject building will contain four traction passenger elevators. The plans also show the layout of each of the four unit types; studio, one, two, and three bedroom.

Property Solutions Findings and Conclusions:

No environmental concerns were identified during the review of the previous reports and plans.

Copies of the previous reports and plans are included in Appendix G.

6.7 Chain of Title Information

A chain of title search for the subject property was not provided for review.

6.8 Activity and Use Limitations/Environmental Liens

Activity and Use Limitations (AULs) include both legal (institutional) and physical (engineering) controls. Agencies, organizations, and jurisdictions may define or utilize these terms differently.

The User did not request Property Solutions to coordinate with a title company or title professional to undertake a review of Recorded Land Title records and judicial records for environmental liens or AULs.

Therefore, no title records were searched and no information was provided for environmental liens and AULs which is the responsibility of the User. Per the ASTM standard this is considered a data gap.

6.9 Other Historical Sources

As per the Berkadia Scope of Work dated October 13, 2006 and its amendment date 2007, an additional historical source was obtained for review dating back to at least 1940 or when the subject property was developed. Historical topographic maps were obtained from the United States Geological Survey, and are summarized below.

| | |
|---|-------------------------|
| Year | 1898, 1900, 1924 |
| Information Source | USGS |
| Description of Subject Property: The subject property is depicted as developed by use of black shading against a white background, indicating a developed area. | |
| Description of Northerly Adjoining Property: The northerly adjoining property is depicted as developed by use of black shading against a white background, indicating a developed area. | |
| Description of Southerly Adjoining Property: The southerly adjoining property is depicted as developed with railroad tracks. | |
| Description of Easterly Adjoining Property: The easterly adjoining property is depicted as developed by use of black shading against a white background, indicating a developed area. | |
| Description of Westerly Adjoining Property: Purves Street is depicted in black, followed by a black shaded area against a white background indicating development. | |

| | |
|---|-------------|
| Year | 1956 |
| Information Source | USGS |
| Description of Subject Property: The subject property location lies within a red-shaded area, indicating urban development where only landmark buildings are depicted. | |
| Description of Northerly Adjoining Property: The northerly adjoining property location lies within a red-shaded area, indicating urban development where only landmark buildings are depicted. | |
| Description of Southerly Adjoining Property: The southerly adjoining property is depicted as developed with black railroad tracks against a white background. | |
| Description of Easterly Adjoining Property: The northerly adjoining property location lies within a red-shaded area, indicating urban development where only landmark buildings are depicted. | |
| Description of Westerly Adjoining Property: Purves Street is depicted in black immediately adjacent to the subject property, followed by a red-shaded area indicating urban development where only landmark buildings are depicted. | |

| | |
|---|------|
| Year | 1967 |
| Information Source | USGS |
| Description of Subject Property: No major changes from the previous map are discernible. | |
| Description of Northerly Adjoining Property: No major changes from the previous map are discernible. | |
| Description of Southerly Adjoining Property: No major changes from the previous map are discernible. | |
| Description of Easterly Adjoining Property: The viaduct providing access to the Queensboro Bridge is depicted in black. No other changes are discernible. | |
| Description of Westerly Adjoining Property: No major changes from the previous map are discernible. | |

Review of the topographic maps revealed that the subject property was developed as early as 1898.

No evidence of environmental concern on or adjacent to the subject property was revealed during a review of the topographic maps.

Copies of the topographic maps are included in Appendix F.

6.10 Historical Use Data Failure

Per ASTM E 1527-13, “8.3.2 Uses of the Property—All obvious uses of the property shall be identified from the present, back to the property’s first developed use, or back to 1940, whichever is earlier. This task requires reviewing only as many of the standard historical sources in 8.3.4.1 through 8.3.4.8 as are necessary and both reasonably ascertainable and likely to be useful (as described under Data Failure in 8.3.2.3). . . . Such confirmation may come from one or more of the standard historical sources specified in 8.3.4.1 through 8.3.4.8, or it may come from other historical sources (such as someone with personal knowledge of the property; see 8.3.4.9). However, checking other historical sources (see 8.3.4.9) is not required. For purposes of 8.3.2, the term “developed use” includes agricultural uses and placement of fill dirt. The report shall describe all identified uses, justify the earliest date identified (for example, records showed no development of the property prior to the specific date), and explain the reason for any gaps in the history of use (for example, data failure).”

Per ASTM E 1527-13, “8.3.2.3 Data Failure—the historical research is complete when either: (1) the objectives in 8.3.1 through 8.3.2.2 are achieved; or (2) data failure is encountered. Data Failure occurs when all of the standard historical sources that are reasonably ascertainable and likely to be useful have been reviewed and yet the objectives have not been met. Data failure is not uncommon in trying to identify the use of the property at five year intervals back to first use or 1940 (whichever is earlier). Notwithstanding a data failure, standard historical sources may be excluded if: (1) the source is not reasonably ascertainable, or (2) if past experience indicates that the source is not likely to be sufficiently useful, accurate, or complete in terms of satisfying the objectives. Other historical sources specified in 8.3.4.9 may be used to satisfy the objectives, but are not required to comply with this practice. If data failure is encountered, the report shall document the failure and, if any of the standard historical sources were excluded, give the

reasons for their exclusion. If the data failure represents a significant data gap, the report shall comment on the impact of the data gap on the ability of the environmental professional to identify recognized environmental conditions.”

Historical Sources Searched

| Historical Source | Source Checked? | Organization | Earliest Date Obtained | Additional Information | Data Failure |
|---|-----------------|--------------------------------|------------------------|------------------------|--------------|
| Aerial Photos | Yes | EDR | 1924 | None | No |
| Fire Insurance Maps | Yes | EDR | 1898 | None | No |
| Property Tax File | Yes | New York City Dept. of Finance | 1986 | None | No |
| Recorded Land Title Records | No | N/A | N/A | N/A | N/A |
| USGS 7.5 Minute Topo Maps | Yes | USGS | 1898 | None | No |
| Local Street Directories (city directories) | Yes | MEI ESA dated 11/12/2011 | 1935 | None | No |
| Building Department Records | Yes | NYC Dept. of Buildings | Current | None | No |
| Zoning/Land Use Records | Yes | NYC Dept. of City Planning | Current | None | No |
| Other Historical Sources | No | N/A | N/A | N/A | N/A |
| Miscellaneous Maps/Plans | Yes | Zephyr Construction Management | Current | None | No |
| Newspapers | No | N/A | N/A | N/A | N/A |
| Records | No | N/A | N/A | N/A | N/A |
| Other Directories/ Phone books | No | N/A | N/A | N/A | N/A |

Based on the above information and sources searched above, per ASTM E 1527-13 historical use information is deemed sufficient to comply with ASTM E 1527-13 concerning data failure. No significant historical use information data gaps were identified.

7.0 INTERVIEWS

The objective of interviews is to obtain information indicating Recognized Environmental Conditions in connection with the subject property as well as AULs. Property Solutions interviewed or made good faith efforts to interview the following:

| Represents | Interviewed | Name and title | Comments |
|--|-------------|--|---|
| Current Property Owner | No | Not applicable | User did not provide name or contact information nor did they coordinate or facilitate the interview. |
| Previous Property Owner | No | Not applicable | User did not provide name or contact information nor did they coordinate or facilitate the interview. |
| Current Property Owner Representative | No | Not applicable | User did not provide name or contact information nor did they coordinate or facilitate the interview. |
| Previous Property Owner Representative | No | Not applicable | User did not provide name or contact information nor did they coordinate or facilitate the interview. |
| Key Site Manager | Yes | Ms. Lillian Fried, United Commercial Capital and Mr. Joseph Aiello, Zephyr Construction Management | No concerns identified during the interviews. |
| Previous Key Site Manager | No | Not applicable | User did not provide name or contact information nor did they coordinate or facilitate the interview. |
| Current Property Occupants | No | Not applicable | User did not provide name or contact information nor did they coordinate or facilitate the interview. |
| Previous Property Occupants | No | Not applicable | User did not provide name or contact information nor did they coordinate or facilitate the interview. |
| Current Property Major Occupant | No | Not applicable | User did not provide name or contact information nor did they coordinate or facilitate the interview. |
| Previous Property Major Occupant | No | Not applicable | User did not provide name or contact information nor did they coordinate or facilitate the interview. |
| Current Property Operator | No | Not applicable | User did not provide name or contact information nor did they coordinate or facilitate the interview. |
| Previous Property Operator | No | Not applicable | User did not provide name or contact information nor did they coordinate or facilitate the interview. |

| Represents | Interviewed | Name and title | Comments |
|--------------------------------|--------------------|-----------------------|---|
| Neighboring Property Owner | No | Not applicable | Subject property is not considered an abandoned property where there is evidence of potential unauthorized uses of the abandoned property or evidence of uncontrolled access to the abandoned property, therefore no interview with the neighboring property owners was performed. |
| Neighboring Property Occupants | No | Not applicable | Subject property is not considered an abandoned property where there is evidence of potential unauthorized uses of the abandoned property or evidence of uncontrolled access to the abandoned property, therefore no interview with the neighboring property occupants was performed. |

8.0 ENVIRONMENTAL RECORD SEARCH

8.1 Property-Specific Records

During the course of the assessment of the subject property, Property Solutions contacted the following local, county, and state agencies and companies via phone, letter, or in person.

8.1.1 Department of Health

| | |
|------------------|---------------------------------------|
| Agency name | City of New York Department of Health |
| Contact name | Patricia Caruso |
| Contact title | Records Access Officer |
| City | Long Island City |
| State | New York |
| Contact date | June 2, 2014 |
| Request medium | Email recordsaccess@health.nyc.gov |
| Response date | June 13, 2014 |
| Form of response | Fax |

Response:

According to a fax dated June 13, 2014, no responsive records for the subject property were on file with the New York City Department of Health.

8.1.2 Fire Department

| | |
|------------------|--|
| Agency name | Fire Department City of New York Public Records Unit Tanks Section |
| Contact name | Not provided |
| Contact title | Freedom of Information Officer |
| City | Brooklyn |
| State | New York |
| Contact date | June 2, 2014 |
| Request medium | Fax 718-999-2441 |
| Response date | June 19, 2014 |
| Form of response | Fax |

Response:

According to a fax dated June 19, 2014, no responsive records for the subject property were on file with the Fire Department of the City of New York.

8.1.3 Planning/Zoning Department

| | |
|---------------|---|
| Agency name | New York City Department of City Planning |
| Contact name | Online |
| Contact title | Online |
| City | New York |

| | |
|------------------|--|
| State | New York |
| Contact date | June 2, 2014 |
| Request medium | Online at www.oasisnyc.net/map |
| Response date | June 2, 2014 |
| Form of response | Online search results |

Response:

Property Solutions reviewed the zoning designation from the New York City Department of City Planning as available on the searchable New York City OASIS Map. According to OASIS, the zoning designation for the subject property is M1-5/R9 for the Special Long Island City Mixed Use District. No concerns were identified based on a review of publicly available information from the New York City Department of City Planning.

8.1.4 Building Department/Inspection Department

| | |
|------------------|---------------------------------------|
| Agency name | New York City Department of Buildings |
| Contact name | Not provided |
| Contact title | Freedom of Information Officer |
| City | New York |
| State | New York |
| Contact date | June 2, 2014 |
| Request medium | Letter |
| Response date | No response to date |
| Form of response | Not applicable |

Response:

A response has not been received at the time of this report. Property Solutions reviewed available information on the New York City Department of Buildings Building Information Systems database at <http://a810-bisweb.nyc.gov/bisweb/bispi00.jsp>. According to the BIS database, one environmental control board violation is listed as closed. The violation was for failure to have a designated site safety manager or coordinator present. Based on the nature of the violation and closed status, this violation is not expected to represent an environmental concern to the subject property. No certificates of occupancy or elevator records were on file with the Department of Buildings.

8.1.5 Tax Assessor/Tax Department

| | |
|----------------|---|
| Agency name | New York City Department of Finance |
| Contact name | Online |
| Contact title | Online |
| City | New York |
| State | New York |
| Contact date | June 27, 2014 |
| Request medium | Online at http://nycprop.nyc.gov/nycproperty/nynav/jsp/stmtassesslst.jsp |
| Response date | June 27, 2014 |

| | |
|------------------|-----------------------|
| Form of response | Online search results |
|------------------|-----------------------|

Response:

Property Solutions visited the New York City Department of Finance webpage, <http://nycprop.nyc.gov/nycproperty/nynav/jsp/stmtassesslst.jsp>, on June 27, 2014. The New York City Department of Finance webpage provided Property Solutions with a copy of a tax map for the subject property and the surrounding area and a copy of the tax information card for the subject property.

Based on Property Solutions review of the tax map and tax information cards: the subject property is identified as Block 267, Lot 9; the subject property consists of an irregularly-shaped, 0.34-acre parcel of land improved with zero buildings. The subject property was acquired by the subject property owner Purvis Holdings, LLC on August 8, 2013. Previous owners included 44-35 Purvis Street LLC from February 1, 2012 to August 8, 2013 and JPP Coleman, LLC, JPP Realty Corp. and James Coleman from November 12, 1985 to February 13, 2008.

A copy of the tax map is included in Appendix A.

8.1.6 Electric Utility

| | |
|------------------|---------------------|
| Agency name | Consolidated Edison |
| Contact name | Not contacted |
| Contact title | Not contacted |
| City | New York |
| State | New York |
| Contact date | Not contacted |
| Request medium | Not applicable |
| Response date | Not applicable |
| Form of response | Not applicable |

Response:

Consolidated Edison has indicated in the past that it would not respond to Freedom of Information Law (FOIL) requests, as it is not a government agency and not subject to FOIL. Therefore, Consolidated Edison was not contacted.

8.1.7 Sewer Department/Provider

| | |
|----------------|--|
| Agency name | New York City Department of Environmental Protection |
| Contact name | Not provided |
| Contact title | Records Access Officer |
| City | Flushing |
| State | New York |
| Contact date | June 2, 2014 |
| Request medium | Fax 718-595-6543 |
| Response date | No response to date |

20142231

34

| | |
|------------------|----------------|
| Form of response | Not applicable |
|------------------|----------------|

Response:

A response has not been received at the time of this report.

8.1.8 Water Department/Supplier

| | |
|------------------|--|
| Agency name | New York City Department of Environmental Protection |
| Contact name | Not provided |
| Contact title | Records Access Officer |
| City | Flushing |
| State | New York |
| Contact date | June 2, 2014 |
| Request medium | Fax 718-595-6543 |
| Response date | No response to date |
| Form of response | Not applicable |

Response:

A response has not been received at the time of this report.

8.1.9 Others

| | |
|------------------|---|
| Agency name | New York City Searchable Environmental E-Database (SPEED) Map |
| Contact name | Online |
| Contact title | Online |
| City | New York |
| State | New York |
| Contact date | June 30, 2014 |
| Request medium | Online |
| Response date | June 30, 2014 |
| Form of response | Online search results |

Property Solutions searched the SPEED map for the subject property address. According to the SPEED map, the subject property is listed in the Chemical Bulk Storage Database as S&M Automatic Precision Co. under the address 44-43 Purves Street. CBS No. 2-000087 is associated with this listing for a 500-gallon steel aboveground storage tank containing PCE and listed as removed as of July 7, 2001. This listing is further discussed in Section 8.1.11 below.

8.1.10 State Environmental Agency

| | |
|---------------|--|
| Agency name | New York State Department of Environmental Conservation (NYSDEC) |
| Contact name | Not provided |
| Contact title | Freedom of Information Officer |
| City | Long Island City |
| State | New York |
| Contact date | June 2, 2014 |

20142231

| | |
|------------------|---------------------------------|
| Request medium | Email r2foil@gw.dec.state.ny.us |
| Response date | June 26, 2014 |
| Form of response | Email |

Response:

According to an email received on June 26, 2014 from the NYSDEC, no responsive records for the subject property were on file with the NYSDEC.

8.1.11 State Online Database Information/GIS

| | |
|------------------|-----------------------|
| Agency name | NYSDEC |
| Contact name | Online |
| Contact title | Online |
| City | Long Island City |
| State | New York |
| Contact date | June 27, 2014 |
| Request medium | Online |
| Response date | June 27, 2014 |
| Form of response | Online search results |

Response:

Property Solutions performed an online search for the subject property address in the NYSDEC Environmental Remediation Databases, including the Spill Incidents Database, Environmental Site Remediation Database, and the Bulk Storage Database.

The subject property was listed in the Spill Incidents Database under the address 44-43 Purves Street for Spill Number 9713189. The spill was recorded on February 26, 1998, when approximately 100 gallons of PCE was released to the soil due to equipment failure on a commercial vehicle. The spill was remediated and closed on May 14, 1998.

The subject property, identified as S&M Automatic Precision Co. under address 44-43 Purves Street was listed in the Bulk Storage Database with Chemical Bulk Storage (CBS) No. 2-000087 for a 500-gallon steel aboveground storage tank listed as removed as of July 7, 2001.

Based on the nature of the recorded spill incident at the subject property, closed remediation status, and ongoing construction at the subject property, the closed spill case and related chemical AST listing are not expected to represent a significant environmental concern. No further action is recommended.

The subject property was not listed in the Environmental Site Remediation Database; however, the easterly adjoining property located at 44-30 Purves Street was listed as an active Brownfields site with ongoing remediation. This property is located in a lateral to downgradient direction approximately 50 feet from the subject property boundary, and is not listed in the environmental database report obtained from EDR. According to the database, the site has been vacant since

2006, and formerly contained several buildings that operated most recently as an auto repair shop and carpet storage building. Previous operations included a chemical laboratory, filter cleaner company, hardware warehouse, paper embossing company, taxi repair facility, controller manufacturing company, pine chemical company, and a freight company.

Primary contaminants of concern at the site reportedly include volatile organic compounds (VOCs) associated with petroleum and chlorinated solvents, semi-volatile organic compounds (SVOCs), and metals. Several of the contaminants of concern are related to historic fill, which was identified on the site through subsurface investigation and characterization from approximately 2-11 feet below grade. Several metals associated with historic fill are present in soil at concentrations that exceed the unrestricted use soil cleanup objective (UUSCO) by greater than one order of magnitude. Among these are lead, which was detected as high as 7,380 parts per million (ppm) compared to the UUSCO of 63 ppm, and barium detected as high as 4,340 ppm compared to the UUSCO of 350 ppm. Trivalent chromium and mercury were also detected at levels above their respective UUSCO, but within one order of magnitude. Additionally, chlorinated solvents including tetrachloroethylene (PCE) and its breakdown products were detected in groundwater at levels exceeding the ambient water quality standards (AWQS) by several orders of magnitude. PCE was detected in groundwater in concentrations as high as 620 parts per billion (ppb), compared to the AWQS of 5 ppb. VOCs related to petroleum and chlorinated solvents were detected at elevated concentrations in on-site soil vapor, including PCE as high as 634 micrograms per cubic meter ($\mu\text{g}/\text{m}^3$). The remedial investigation is currently ongoing, and a significant health threat assessment will reportedly be conducted once the investigation is complete.

Based on the above information, the adjoining Brownfields site is considered a recognized environmental condition. Property Solutions has submitted a request to review available files with the NYSDEC for the adjoining Brownfields site to assess the extent of contamination and risk to the subject property. A limited Phase II subsurface investigation is recommended to assess whether the contamination from the adjoining Brownfields site has impacted the groundwater beneath the subject property, including a soil vapor screening to determine the risk of vapor encroachment to the subject property.

At the time this report was prepared, some of the above local, county, and state agencies and companies had not responded to our information request as indicated.

According to ASTM E 1527-13, Section 8.1.5, information that has been requested must be reasonably ascertainable as part of performing the Phase I Environmental Assessment. Information that is reasonably ascertainable per ASTM means that information will be provided by the source within 20 calendar days of receiving a written, telephone, or in-person request.

Copies of the letters and records of communication are included in Appendix I.

8.1.12 USEPA Envirofacts

Property Solutions contacted the United States Environmental Protection Agency (USEPA) through an on-line search via the Internet to obtain information concerning the subject property. Property Solutions performed a search of Envirofacts, a USEPA-generated website that integrates data extracted from five major USEPA program systems: Aerometric Information Retrieval System (AIRS)/AIRS Facility Subsystem (AFS), Comprehensive Environmental Response, Compensation and Liability Information System (CERCLIS), Permit Compliance System (PCS), Resource Conservation and Recovery Information System (RCRIS) and Toxic Chemical Release Inventory System (TRIS), using two integrating databases: Facility Index System (FINDS) and Envirofacts Master Chemical Integrator (EMCI).

Property Solutions generated a printout of all facilities under the programs identified above that are located within the subject property's zip code (11101). The subject property and adjoining properties were listed among the sites identified during the query search. The query was executed on June 2, 2014. The following tables summarize the listings for the subject property and adjoining property.

Permitted Discharges to Water

| Listing Type | Facility Name | Address | NPDES No. | Permit Exp. Date | Violations | Chemicals Discharged |
|------------------|-------------------------------|---------------------|-----------|------------------|------------|----------------------|
| Subject Property | AAA Oil Pollution Specialists | 44-39 Purves Street | NY0200409 | 12/1/1991 | No | Not specified |

Hazardous Waste Handler

| Listing Type | Facility Name | Address | USEPA ID No. | Handler/Facility Classification |
|--------------------|------------------------------|----------------------|--------------|---|
| Adjoining Property | Glen A-1 Auto Collision Inc. | 28-31 Thomson Avenue | NYD986884872 | No classification in the current RCRIS database |

A copy of the search results is included in Appendix I.

8.2 Environmental Database Information

As part of the Phase I Environmental Assessment, Property Solutions utilized Environmental Data Resources, Inc. (EDR) of Milford, Connecticut, as an information source for regulatory agency environmental database records. The environmental database was dated June 2, 2014.

Data supplied by EDR is included in Appendix J. This database also includes the required documentation of sources checked as per Section 8.1.8 of the ASTM standard.

The following summary of the database information is divided into two columns. The first column lists sites as identified and located by EDR within the specified distance of the subject property. The second column lists orphan sites, which could not be located by EDR due to

incomplete and/or inaccurate address information included in the United States Environmental Protection Agency (USEPA)/state databases, which Property Solutions identified as potentially lying within the search distance.

Although the exact locations of the orphan sites are frequently unknown, Property Solutions attempts to evaluate the potential adverse environmental impact that these sites may have on the subject property. This evaluation consists of reviewing street names in an effort to learn whether the street on which the site is located lies within the search distance of the subject property, a drive-by view of surrounding properties during the site visit, and evaluating the site type and information provided by government agencies. The orphan sites included in the following table are those Property Solutions identified as potentially located within the identified search distance. A complete list of sites is included in Appendix J.

Environmental Database Summary

| Database | Search Distance | Plottable | Orphan |
|---|---|-----------|--------|
| National Priorities List | 1 Mile | 0 | 0 |
| State/Tribal Hazardous Waste Sites | 1 Mile | 14 | 0 |
| RCRA Corrective Action Treatment/Storage/Disposal (TSD) Facilities (CORRACTS) | 1 Mile | 3 | 0 |
| Delisted National Priorities List | ½ Mile | 0 | 0 |
| CERCLIS Sites | ½ Mile | 0 | 0 |
| CERCLIS No Further Remedial Action Planned (NFRAP) Sites | ½ Mile | 0 | 0 |
| RCRA Non-Corrective Action TSD Facilities | ½ Mile | 0 | 0 |
| State/Tribal Voluntary Cleanup Sites | ½ mile | 3 | 0 |
| State/Tribal Brownfield Sites/CERCLIS Equivalent | ½ mile | 3 | 0 |
| State/Tribal Leaking Registered Storage Tank Sites | ½ Mile | 48 | 0 |
| State/Tribal Solid Waste Landfill Sites/Facilities | ½ Mile | 2 | 0 |
| Historic Landfills | ½ Mile | 0 | 0 |
| Federal/State/Tribal Engineering Controls Registries | ½ Mile | 1 | 0 |
| Federal/State/Tribal Institutional Controls Registries | ½ Mile | 1 | 0 |
| RCRA Large Quantity Generators | Subject Property and Adjoining Properties | 0 | 0 |
| RCRA Small Quantity Generators | Subject Property and Adjoining Properties | 0 | 0 |
| State/Tribal Registered Storage Tank Sites | Subject Property and Adjoining Properties | 2 | 0 |
| Manifest | Subject Property and Adjoining Properties | 1 | 0 |
| Spill/Release Sites | Subject Property | 1 | 0 |

| Database | Search Distance | Plottable | Orphan |
|--|------------------|-----------|--------|
| Facility Index System (FINDS) | Subject Property | 0 | 0 |
| Emergency Response Notification System | Subject Property | 0 | 0 |
| NY Drycleaners | 1/8 Mile | 1 | 0 |
| NY E-Designation | 1/4 Mile | 8 | 0 |

Database Summary

A complete copy of the database report is attached as an appendix to this report. Those sites noted within the search distance with a closed status from regulators, or not listed with known, documented, or suspected release sites will not be discussed below but can be referred to in the database report. The above sites are not expected to significantly impact the subject property based on the regulatory status listed. In addition, those remaining sites which are expected to be hydraulically downgradient, at a sufficient distance from the subject property, or due to the urban setting and density of the area, will not be discussed below but can be referred to in the database report. These above sites are not expected to significantly impact the subject property based on the above factors and as per ASTM E 1527-13.

The following is a discussion of the database findings:

Subject and Adjoining Properties

The subject property, identified as S&M Automatic Precision Co. and located at 44-43 Purves Street was listed as a CBS AST, CBS, and NY Spills site. The adjoining property identified as A-1 Auto Collision Inc. and located at 28-31 Thomson Avenue was listed as a NY Manifest site and a RCRA Non-Generator of hazardous waste.

Per ASTM 1527-13, if the property or any of the adjoining properties is identified on one or more of the standard environmental record sources in 8.2.1, pertinent regulatory files and/or records associated with the listing should be reviewed in accordance with 8.1.1 through 8.1.8. The purpose of the regulatory file review is to obtain sufficient information to assist the environmental professional in determining if a recognized environmental condition, historical recognized environmental condition, controlled recognized environmental condition, or a de minimis condition exists at the property in connection with the listing. If, in the environmental professional's opinion, such a review is not warranted, the environmental professional must explain within the report the justification for not conducting the regulatory file review. As an alternative, the environmental professional may review files/records from an alternative source(s).

Record information that is not publically available, obtainable within reasonable cost and time constraints, or practically reviewable is considered as being not reasonably ascertainable and is beyond the scope of the Phase I Environmental Assessment. Record information that costs greater than \$125 to obtain or requires more than two hours of environmental scientist time to obtain and review is beyond the scope of the Phase I Environmental Assessment.

Based on a review of the reasonably ascertainable information identified for the documented release at 44-43 Purves Street, no additional record information is needed to further evaluate whether a recognized environmental condition is present or not.

Further information regarding these listings is provided below.

Resource Conservation and Recovery Act Non-Generator

1. Site Name: A-1 Auto Collision Inc.
Address: 28-31 Thomson Avenue
Long Island City, New York
Facility ID No.: NYD986884872
Distance: Adjoining
Direction: Southwest
Gradient: Downgradient
Reported Waste Codes: F003 – Spent Non-Halogenated Solvents
Violations: None recorded

State/Tribal Registered Storage Tanks

1. Site Name: S&M Automatic Precision Co.
Address: 44-43 Purves Street
Long Island City, New York
Facility ID No.: 2-000087
Distance: Subject Property
Direction: Not applicable
Gradient: Not applicable
No. of Tanks: One 500-gallon asphalt-coated steel AST with secondary containment
Contents: PCE
Tank Status: Removed, as of July 2001
Note: This tank is cross listed in the NY CBS AST and NY CBS databases. There is one closed spill associated with this tank. See below.

Manifest

1. Site Name: A-1 Auto Collision Inc.
Address: 28-31 Thomson Avenue
Long Island City, New York
Facility ID No.: NYD986884872
Reported Waste Codes: F003 – Spent Non-Halogenated Solvents

Spill/Release Sites

1. Site Name: S&M Automatic Precision Co.
 Address: 44-43 Purves Street
 Long Island City, New York
 Facility ID No./Case No.: 9713189
 Type of Release: Equipment Failure
 Type of Product: Approximately 100 gallons PCE
 Media Impacted: Soil
 Status: Closed as of 5/14/1998
 Potential for Impact: Low, due to lack of groundwater impact and closed
 remediation status

 Note: The spill was caused when a broken hose on the tanker
 truck delivering the product released approximately 100
 gallons of chlorinated solvent to the soil. Based on the
 nature of the spill, closed remediation status and current
 construction activities at the subject property, it is unlikely
 that any remaining impacted soil is present on the subject
 property. Property Solutions considers the closed spill
 case to be a historical recognized environmental condition.
 No further action is recommended.

8.3 Local Lists

The below local types of records were researched or requested from third parties, the Key Site Manager or local regulatory agencies:

- Local Brownfield Lists
- Local Lists of Landfill/Solid Waste Disposal Sites
- Local Lists of Hazardous Waste/Contaminated Sites
- Local Lists of Registered Storage Tanks
- Local Land Records (For AULs)
- Records of Emergency Release Reports
- Records of Contaminated Public Wells

The above information is discussed in 8.1 and within 8.2 and was duplicative of those sections.

8.4 Database Proprietary Lists

The subject property and adjoining property located at 28-31 Thomson Avenue were listed as EDR Historical Auto Station sites. Further information regarding these listings is provided below.

The subject property addresses of 44-35 and 44-43 Purves Street are listed as EDR Historical Auto Stations. The address 44-35 Purves Street is listed as Purvis Auto Repair in 1999 and 20142231

2000. The address 44-43 Purves Street is listed as Purvis Auto Repair from 2007 to 2012.

The westerly adjoining property located at 28-31 Thomson Avenue is listed as Khans Auto Repair & Collision in 2011 and 2012.

8.5 Vapor Migration

ASTM E1527-13 indicates that migration refers to the movement of hazardous substances or petroleum products in any form, including, for example, solid and liquid at the surface or subsurface, and vapor in the subsurface. Vapor migration in the subsurface is described in ASTM E2600 – 10 Standard Guide for Vapor Encroachment Screening on Property Involved in Real Estate Transactions (ASTM E2600-10); however, nothing in ASTM E1527-13 should be construed to require application of the ASTM E2600-10 standard to achieve compliance with all appropriate inquiries (AAI). According to ASTM E2600-10, “the presence or likely presence of chemicals of concern vapors in the subsurface of the target property caused by the release of vapors from contaminated soil and/or groundwater either on or near the target property represent a risk from vapor encroachment”. According to ASTM E2600-10, off-site sources of petroleum in groundwater one-tenth of a mile from the target property, and off-site sources of non-petroleum hydrocarbons (i.e. chlorinated volatile organic compounds (CVOCs)) in groundwater within one-third of a mile of the target property present risks of vapor encroachment. On-property releases of chemicals of concern not directly located under buildings also present risk of vapor encroachment. A Vapor Encroachment Screen in accordance with ASTM E2600-10 is beyond the scope of this Phase I Environmental Assessment.

No activity and use limitations indicating soil vapor migration was identified during this assessment.

Based on standard sources reviewed and observations made during the property visit, no significant releases of chemicals of concern have occurred on the subject property. However, significant releases of chemicals of concern have occurred on the westerly adjacent property located at 44-30 Purves Street.

The westerly adjoining property located at 44-30 Purves Street was listed in the New York State Department of Environmental Conservation’s Environmental Site Remediation Database as an active Brownfields site with ongoing remediation. This property is located in a lateral to downgradient direction, approximately 50 feet from the subject property boundary, and is not listed in the environmental database report obtained from EDR. According to the Environmental Site Remediation Database, the site has been vacant since 2006, and formerly contained several buildings that operated most recently as an auto repair shop and carpet storage building. Previous operations included a chemical laboratory, filter cleaner company, hardware warehouse, paper embossing company, taxi repair facility, controller manufacturing company, pine chemical company, and a freight company.

Primary contaminants of concern at the site reportedly include volatile organic compounds (VOCs) associated with petroleum and chlorinated solvents, semi-volatile organic compounds

(SVOCs), and metals. Several of the contaminants of concern are related to historic fill, which was identified on the site through subsurface investigation and characterization from approximately 2-11 feet below grade. Several metals associated with historic fill are present in soil at concentrations that exceed the unrestricted use soil cleanup objective (UUSCO) by greater than one order of magnitude. Among these are lead, which was detected as high as 7,380 parts per million (ppm) compared to the UUSCO of 63 ppm, and barium detected as high as 4,340 ppm compared to the UUSCO of 350 ppm. Trivalent chromium and mercury were also detected at levels above their respective UUSCO, but within one order of magnitude. Additionally, chlorinated solvents including tetrachloroethylene (PCE) and its breakdown products were detected in groundwater at levels exceeding the ambient water quality standards (AWQS) by several orders of magnitude. PCE was detected in groundwater in concentrations as high as 620 parts per billion (ppb), compared to the AWQS of 5 ppb. VOCs related to petroleum and chlorinated solvents were detected at elevated concentrations in on-site soil vapor, including PCE as high as 634 micrograms per cubic meter (ug/m³). The remedial investigation is currently ongoing, and a significant health threat assessment will reportedly be conducted once the investigation is complete.

Property Solutions has submitted a request to review available files for the adjoining Brownfields property with the New York State Department of Environmental Conservation to further assess the vapor migration potential at the subject property. Pending review of the information, additional investigation such as a Limited Phase II Vapor Intrusion Survey may be warranted.

8.6 Transfer Act

New York is not a Super Lien state.

9.0 PROPERTY VISIT

| | |
|---|---------------------------------------|
| Property Visit Date | June 23, 2014 |
| Property Solutions Personnel and Title | Danielle C. Salerno, Project Manager |
| Property Escort Name | Joseph Aiello |
| Property Escort Title | Construction Manager |
| Property Escort Company | Zephyr Construction Management |
| Property Escort Affiliation | Key Site Manager |
| Property Escort Years of Association with Subject Property: 2013-2014 | |
| No presurvey questionnaire (PQ) was completed. | |
| Person Completing PQ Name | Not applicable |
| Person Completing PQ Company | Not applicable |
| Person Completing PQ Affiliation | Not applicable |
| Inaccessible Areas and Reason: None | |
| Weather Conditions: Sunny and clear | Approximate Temperature: 70 degrees F |
| No weather conditions limiting observations were noted. | |
| Describe Limiting Conditions Present: None | |

Property Solutions observed the following areas during the property visit:

- The exterior of the subject building in progress
- The first through fourth floors of the subject building in progress, including an office on the first floor
- One of two electrical hoists
- Construction trailer
- Exterior grounds including the periphery of the subject property and subject building
- Adjoining properties from public rights-of-way

Photographs taken during the property visit are included in Appendix C.

9.1 ASTM Scope Considerations

9.1.1 Underground Storage Tanks

No evidence of underground storage tanks (USTs) was observed on the subject property during the property visit. Mr. Joseph Aiello, Construction Manager, Zephyr Construction Management was not aware of USTs on the subject property.

Based upon the above information, no further action is recommended.

9.1.2 Aboveground Storage Tanks

No aboveground storage tanks (ASTs) were observed on the subject property during the property visit. Mr. Aiello was not aware of ASTs on the subject property.

The subject property, identified as S&M Automatic Precision Co. and located at 44-43 Purves Street, is listed in the NY CBS AST and NY CBS databases under CBS No. 2-000087. One 500-gallon asphalt-coated steel AST with secondary containment containing PCE was formerly located on the subject property, and was listed as removed as of July 2001. One spill case (Spill No. 9713189) is associated with this AST, when a broken hose on a tanker truck delivering product to the tank released approximately 100 gallons of solvent to the soil in February 1998. Groundwater was reportedly not affected. Corrective action was taken, and the spill case was closed on May 14, 1998. The spill case is further discussed in Section 8.2.

Based upon the above information, no further action is recommended.

9.1.3 Polychlorinated Biphenyl-Containing Electrical Equipment

A visual review was conducted for the presence of electrical equipment that could contain polychlorinated biphenyls (PCBs), an environmentally regulated material used in dielectric fluid in some electrical equipment. Consolidated Edison provides electrical service to the subject property.

No transformers, capacitors, or large switch gear equipment were observed on the subject property during the property visit.

Based upon the above information, no further action is recommended.

9.1.4 Hydraulic Equipment

No evidence of hydraulic equipment was observed on the subject property during the property visit. Mr. Aiello was not aware of hydraulic equipment on the subject property.

Elevators located on the subject property are electrical hoist units.

Based upon the above information, no further action is recommended.

9.1.5 Chemical, Hazardous Materials, and Raw Materials Storage and Usage

Chemicals stored on the subject property are minimal quantities of domestic cleaning chemicals and paints. Based on observations made during the property visit, they are not expected to be an environmental concern at this time.

Gasoline to power the construction equipment is delivered on an as-needed basis by United Fuel Service, and is not currently stored on the subject property. Two empty 55-gallon drums were

observed on the southeast corner of the subject property. According to Mr. Aiello, the drums previously contained gasoline, but gasoline is no longer stored on the subject property now that United Fuel makes regular deliveries. No evidence of leaking or staining was observed on or near the drums, and no odors indicative of a release were noted.

Based upon the above information, no further action is recommended at this time.

9.1.6 Waste Generation, Storage, and Disposal

Solid waste generated at the subject property consisted of domestic municipal waste, construction debris and recyclable materials. Solid waste at the subject property is stored in two 30-yard roll-off containers located on the subject property. Municipal solid waste generated at the subject property is removed by Guma Corp. No sanitary waste system is currently installed at the subject property. One port-a-john was observed on the subject property, and is expected to be serviced by the company providing the unit.

No evidence of hazardous waste generation, storage, or disposal was observed during the property visit. Mr. Aiello was not aware of hazardous waste generation on the subject property.

Based upon the above information, no further action is recommended.

9.1.7 Wells, Sumps, Pits, and Floor Drains

No wells, sumps, pits, or floor drains were observed on the property during the property visit. Mr. Aiello was not aware of wells, sumps, pits, or floor drains on the subject property.

Based upon the above information, no further action is recommended.

9.1.8 Stormwater Runoff and Surface Water

The subject property is partially improved with the footprint of the subject building. The remainder of the subject property consists of dirt and gravel. Stormwater runoff is expected to exit the subject property via overland flow and enter the New York City stormwater collection system via storm drains located along local roadways and discharge to the New York City Department of Environmental Protection combined sewer system. Stormwater is also expected to percolate through the unpaved areas.

The 1972 Amendments to the Federal Water Pollution Control Act (commonly known as the Clean Water Act [CWA]) prohibit the discharge of any pollutant to waters of the United States from a point source unless the discharge is authorized by a National Pollutant Discharge Elimination System (NPDES) permit. In 1987, the CWA was again amended by Congress to require implementation of a comprehensive national program for addressing problematic non-agricultural, non-point sources of stormwater discharge. The rules and regulations of the NPDES program are included in 40 CFR 122.26.

Stormwater permitting for a property is based on the property's Standard Industrial Classification (SIC) Code (category of industrial activity). However, the NPDES program includes a "no exposure" exemption for facilities within an applicable category of industrial activity. Based on 40 CFR 122.26 B(14), the subject property must obtain an NPDES Stormwater Discharge Permit only if material handling equipment or activities, raw materials, intermediate products, final products, waste materials, by-products, or industrial machinery is exposed to stormwater. As materials and activities described above are not associated with the subject property, stormwater permitting is not expected to be applicable at this time.

No surface water bodies (i.e., springs or swamps) were observed on the subject property.

Based upon the above information, stormwater runoff and surface water are not expected to be environmental concerns at this time. No further action is recommended at this time.

9.1.9 Lagoons, Ponds, Septic Systems, and Separators

No evidence of lagoons, ponds septic systems, or separators was observed on the subject property during the property visit.

Based upon the above information, no further action is recommended.

9.1.10 Stressed Vegetation, Staining, and Odors

No evidence of stressed vegetation, staining, or odors was noted on the subject property during the property visit.

Based upon the above information, no further action is recommended.

9.1.11 Surficial Disturbance

As the subject property is an active construction site, significant surficial disturbances were observed on the subject property during the property visit. However, none of the disturbed areas appeared to be indicative of any dumping, environmentally related excavations, or similar.

Based upon the above information, surficial disturbances are not expected to be an environmental concern at this time. No further action is recommended at this time.

9.1.12 On-Property Dry Cleaners

No dry cleaning operations were observed at the subject property at the time of the property visit. Mr. Aiello was not aware of dry cleaning operations at the subject property.

No dry cleaners were identified during the historical review of the subject property. Mr. Aiello was unaware of historical dry cleaning operations at the subject property.

9.2 ASTM Non-Scope Considerations

9.2.1 Asbestos-Containing Materials

Based on the date of construction (2015), review of available building information, and observations made during the property visit, ACMs are not expected to have been used during construction of the subject building.

Based upon the above information, no further action is recommended at this time.

9.2.2 Radon

The subject property is located in Zone 3 (Low Potential) per the USEPA's Map of Radon Zones. According to the 2013 Federal Area Radon Information for Queens, New York, 81 canisters were placed at locations in living areas and basements throughout Queens County. The mean value was 0.620 picoCuries per Liter (pCi/L) for living areas and 0.970 pCi/L for basements. The USEPA action level is 4.0 pCi/L.

Based on the slab-on-grade construction and low regional radon potential of the subject building, no further action regarding radon is recommended at this time.

9.2.3 Lead-Based Paint

Based on the date of construction of the subject building (2015), it is unlikely that lead-based paints (LBPs) were used during building construction. There were no painted surfaces within the subject building at the time of the property visit.

Based upon the above information, LBP is not expected to be an environmental concern at this time. No further action is recommended.

9.2.4 Lead in Drinking Water

Drinking water for the subject property is provided by NYCDEP. The NYCDEP was required to perform system-wide lead screening of their water system starting in 1992, under the USEPA "Lead and Copper Regulations" (Federal Register Volume 56, No. 26460). These regulations, promulgated in June 1991, require public water systems to perform screening and provide for public notification and corrective action to reduce the lead hazards present in the water system.

According to the NYCDEP's 2013 Drinking Water Source and Quality Report, the NYCDEP public water supply has met the 90th percentile for the lead action level of 15 parts per billion (ppb), and is currently in compliance with the USEPA's Lead and Copper Regulations.

Based upon the above information, no further action regarding lead in drinking water is required at this time.

9.2.5 Potential Wetlands

No evidence of wetland areas was observed on the subject property during the property visit. Review of the United States Department of the Interior, National Wetland Inventory map of Brooklyn, New York, revealed that no delineated wetlands are located on the subject property.

Based upon the above information, wetland areas are not expected to be an environmental concern at this time. No further action is recommended.

9.2.6 Air Emissions

No major air emissions sources were identified at the subject property during the property visit.

Based on the above information, air emission sources are not expected to be an environmental concern at this time. No further action is recommended at this time.

No indoor air quality complaints were reported during the investigation by the User, Key Site Manager or occupants interviewed.

9.2.7 Mold/Water Intrusion

During the course of the Phase I Environmental Assessment property visit, Property Solutions performed limited observations for obvious signs of moisture, water intrusion, and potential mold at the subject property. This was performed for overview purposes only and is not a mold assessment or inspection for regulatory submittal purposes. Additional areas may exist in areas not observed or in concealed locations (behind walls and above ceiling tiles, etc.). This was a limited visual review during a Phase I Environmental Assessment property visit of easily accessible areas for obvious signs of water intrusion and potential mold. An engineering assessment and property maintenance personnel should be consulted to verify water intrusion due to engineering concerns and deficiencies and addressed as appropriate.

Molds produce tiny spores to reproduce, which waft through the indoor and outdoor air continually. When mold spores land on a damp spot indoors, they may begin growing and digesting whatever they are growing on in order to survive. There are molds that can grow on wood, paper, carpet, and foods. When excessive moisture or water accumulates indoors, mold growth will often occur, particularly if the moisture problem remains undiscovered or un-addressed. There is no practical way to eliminate all molds and mold spores in the indoor environment; the way to control indoor mold growth is to control moisture. In addition, mold growth may be a problem after flooding.

Standards or Threshold Limit Values (TLVs) for airborne concentrations of mold, or mold spores, have not been set. Currently, there are no USEPA regulations or standards for airborne mold contaminants. Currently there are no New York State or New York City regulations for evaluating potential health effects of fungal contamination and remediation.

Mr. Aiello was unaware of past water damage and/or historic leaks.

No obvious visual evidence of mold, water intrusion, water damage, or standing water was observed in the interior portions of the subject building accessed by Property Solutions during the property visit. No musty odors indicative of a moisture problem or porous materials such as carpets and insulation in damp niches were observed during the property visit.

At the time of the property visit, the subject building was under construction. It is unknown whether the building materials being utilized to construct the subject building have been exposed to water. If damp building materials are being used during construction or stormwater has penetrated the building's envelope, then the potential for mold growth is present. The potential for water intrusion should be reviewed during engineering construction monitoring and the Property Condition Assessment.

Based on the above information, no further investigation is recommended at this time regarding moisture and mold.

9.3 Floodplain

Based on a review of the National Flood Insurance Program's Flood Insurance Rate Map (Community-Panel Number 3604970202F, dated September 5, 2007) for Long Island City, Queens, New York, the subject property is located in Flood Zone X, which is not located within the 100 or 500-year flood zones.

A copy of the flood map is included in Appendix A.

9.4 High Voltage Power Lines

No overhead high voltage transmission lines or electrical substations were observed on or adjacent to the subject property.

Therefore, electromagnetic fields are not considered to be an environmental concern to the subject property.

9.5 Urea Formaldehyde

Based on the date of construction of the subject building (2015) and the building materials observed to have been used in construction of the subject building at the time of the property visit, urea formaldehyde is not expected to be present in environmentally significant levels at the subject property.

Therefore, urea formaldehyde is not considered to be an environmental concern to the subject property.

10.0 CONCLUSIONS AND RECOMMENDATIONS

We have performed a Phase I Environmental Assessment in conformance with the scope and limitations of ASTM Practice E 1527-13 of 44-35 to 44-51 Purves Street located at 44-35 to 44-51 Purves Street in Long Island City, Queens, New York 11101. Any exceptions to, or deletions from, this practice are described in Section 1.0 of this report. This assessment has revealed no evidence of recognized environmental conditions in connection with the subject property, except for the following:

1. The westerly adjoining property located at 44-30 Purves Street was listed in the New York State Department of Environmental Conservation's (NYSDEC's) Environmental Site Remediation Database as an active Brownfields site with ongoing remediation. This property is located in a lateral to downgradient direction, approximately 50 feet from the subject property boundary, and is not listed in the environmental database report obtained from EDR. According to the Environmental Site Remediation Database, the site has been vacant since 2006, and formerly contained several buildings that operated most recently as an auto repair shop and carpet storage building. Previous operations included a chemical laboratory, filter cleaner company, hardware warehouse, paper embossing company, taxi repair facility, controller manufacturing company, pine chemical company, and a freight company.

Primary contaminants of concern at the site reportedly include volatile organic compounds (VOCs) associated with petroleum and chlorinated solvents, semi-volatile organic compounds (SVOCs), and metals. Several of the contaminants of concern are related to historic fill, which were identified on the site through subsurface investigation and characterization from approximately 2-11 feet below grade. Several metals associated with historic fill are present in soil at concentrations that exceed the NYSDEC unrestricted use soil cleanup objectives (UUSCOs) by greater than one order of magnitude. Among these are lead, which was detected as high as 7,380 parts per million (ppm) compared to the UUSCO of 63 ppm, and barium detected as high as 4,340 ppm compared to the UUSCO of 350 ppm. Trivalent chromium and mercury were also detected at levels above their respective UUSCO, but within one order of magnitude. Additionally, chlorinated solvents including tetrachloroethylene (PCE) and its breakdown products were detected in groundwater at levels exceeding the ambient water quality standards (AWQS) by several orders of magnitude. PCE was detected in groundwater in concentrations as high as 620 parts per billion (ppb), compared to the AWQS of 5 ppb. VOCs related to petroleum and chlorinated solvents were detected at elevated concentrations in on-site soil vapor, including PCE as high as 634 micrograms per cubic meter (ug/m3). The remedial investigation is currently ongoing, and a significant health threat assessment will reportedly be conducted once the investigation is complete.

Based on the above information, the adjoining Brownfields site is considered a recognized environmental condition. Property Solutions has submitted a request to review available files with the NYSDEC for the adjoining Brownfields site to assess the

extent of contamination and risk, if any, to the subject property. Property Solutions recommends conducting a limited Phase II subsurface investigation to assess whether the contamination from the adjoining Brownfields site has impacted the groundwater beneath the subject property, including a soil vapor screening to determine the risk of vapor encroachment to the subject property.

2. The subject property is depicted with various manufacturing operations, auto repair, and auto garages in the Sanborn fire insurance maps and city directories. Additionally, a gas tank is depicted on the subject property in the 1936 Sanborn map. No further information is available in any historical or regulatory sources regarding this gas tank. The subject property is listed in the CBS AST and CBS databases for a 500-gallon steel AST containing PCE that was removed in July 2001; however that tank is listed for the 44-43 Purves Street subject property address, which is not the location of the gas tank depicted on the 1936 map. It is unclear if the two sources are referring to the same tank.

It is clear based on a review of the historical information that the area of Long Island City in which the subject property is situated has a long history of industrial use as well as auto repair usage. Based on this information, the lack of information regarding the gasoline tank depicted on the 1936 fire insurance map, and the historical use of PCE at the subject property, the historical use of the subject property is considered a recognized environmental condition. Property Solutions recommends conducting a limited Phase II subsurface investigation to assess whether the historical operations have impacted the soil and groundwater beneath the subject property.

Historical recognized environmental condition are a past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls. The following historical recognized environmental condition was identified at the subject property based on the findings provided in this report:

3. The subject property, identified as S&M Automatic Precision Co. and located at 44-43 Purves Street, is listed in the NY SPILLS database under Spill No. 9713189. The spill was reported on February 26, 1998 when a broken hose on the tanker truck delivering the product to an on-site AST released approximately 100 gallons of chlorinated solvent to the soil. Groundwater was not impacted. Based on the nature of the spill, closed remediation status and current construction activities at the subject property, it is unlikely that any remaining impacted soil is present on the subject property. Property Solutions considers the closed spill case to be a historical recognized environmental condition. No further action is recommended.

11.0 REFERENCES

11.1 Information Sources

1. United States Geological Survey's 7.5-minute topographic quadrangle map of Brooklyn, New York.
2. United States Department of Agriculture, Soil Conservation Services' Soil Survey of Queens, New York.
3. Geologic Map of New York – Lower Hudson Sheet produced by the New York Geological Survey.
4. Ground Water Atlas of the United States – Segment 12 dated 1995 produced by the United States Geological Survey.
5. Federal Area Radon Information for Queens County, New York by the United States Environmental Protection Agency.
6. United States Department of the Interior, National Wetland Inventory Map for Brooklyn, New York.
7. National Water Summary 1986 – Hydrologic Events and Groundwater Quality, dated 1988, produced by the United States Geological Survey.
8. NYCDEP's 2013 Drinking Water Supply and Quality Report.
9. USEPA's Map of Radon Zones produced by the USEPA.
10. Aerial photographs provided by Environmental Data Resources, Inc.
11. Aerial photographs provided by TerraServer.
12. Queen's Telephone Address City Directories.
13. Fire insurance maps, provided by Environmental Data Resources, Inc.
14. The EDR Radius Map with GeoCheck, produced by Environmental Data Resources, Inc.
15. Envirofacts Data Warehouse, produced by USEPA.
16. Phase I Environmental Site Assessment Report, prepared by Middleton Environmental, Inc. and dated November 12, 2011.
17. Phase I Environmental Site Assessment Report, prepared by Middleton Environmental, Inc. and dated August 29, 2007.
18. 44-51 Purves Street Floor Plans, prepared by Durukan Design and dated June 16, 2014.

11.2 Definitions

Abandoned property – property that can be presumed to be deserted, or an intent to relinquish possession or control can be inferred from the general disrepair or lack of activity thereon such that a reasonable person could believe that there was an intent on the part of the current owner to surrender rights to the property.

Activity and use limitations – legal or physical restrictions or limitations on the use of, or access to, a site or facility: (1) to reduce or eliminate potential exposure to hazardous substances or petroleum products in the soil, soil vapor, groundwater, and/or surface water on the property, or (2) to prevent activities that could interfere with the effectiveness of a response action, in order to ensure maintenance of a condition of no significant risk to public health or the environment. These legal or physical restrictions, which may include institutional and/or engineering controls,

are intended to prevent adverse impacts to individuals or populations that may be exposed to hazardous substances and petroleum products in the soil, soil vapor, groundwater, and/or surface water on the property. See Note 1.

NOTE 1—The term *AUL* is taken from Guide E2091 to include both legal (that is, institutional) and physical (that is, engineering) controls within its scope. Other agencies, organizations, and jurisdictions may define or utilize these terms differently (for example, EPA and California do not include physical controls within their definitions of “*institutional controls*.” Department of Defense and International County/City Management Association use “Land Use Controls.” The term “land use restrictions” is used but not defined in the *Brownfields Amendments*).

Actual knowledge – the knowledge actually possessed by an individual who is a real person, rather than an entity. Actual knowledge is to be distinguished from constructive knowledge that is knowledge imputed to an individual or entity.

Actual Knowledge Exception – If the user or environmental professional(s) conducting an environmental site assessment has actual knowledge that the information being used from a prior environmental site assessment is not accurate or if it is obvious, based on other information obtained by means of the environmental site assessment or known to the person conducting the environmental site assessment, that the information being used is not accurate, such information from a prior environmental site assessment may not be used.

Adjoining properties – any real property or properties the border of which is contiguous or partially contiguous with that of the property, or that would be contiguous or partially contiguous with that of the property but for a street, road, or other public thoroughfare separating them.

All appropriate inquiries – that inquiry constituting all appropriate inquiries into the previous ownership and uses of the property consistent with good commercial and customary practice as defined in CERCLA, 42 U.S.C §9601(35)(B), that will qualify a party to a commercial real estate transaction for one of the threshold criteria for satisfying the LLPs to CERCLA liability (42 U.S.C §9601(35)(A) & (B), §9607(b)(3), §9607(q); and §9607(r)), assuming compliance with other elements of the defense. See ASTM 1527-13 Appendix X1.

Approximate minimum search distance – the area for which records must be obtained and reviewed pursuant to Section 8 subject to the limitations provided in that section. This may include areas outside the property and shall be measured from the nearest property boundary. This term is used in lieu of radius to include irregularly shaped properties.

Bona fide prospective purchaser liability protection – (42 U.S.C. §9607(r))—a person may qualify as a bona fide prospective purchaser if, among other requirements, such person made “all appropriate inquiries into the previous ownership and uses of the facility in accordance with generally accepted good commercial and customary standards and practices.” Knowledge of contamination resulting from all appropriate inquiries would not generally preclude this liability protection. A person must make all appropriate inquiries on or before the date of purchase. The facility must have been purchased after January 11, 2002. See ASTM E 1527-13, Appendix X1 for the other necessary requirements that are beyond the scope of this practice.

Business environmental risk – a risk which can have a material environmental or environmentally-driven impact on the business associated with the current or planned use of a parcel of commercial real estate, not necessarily limited to those environmental issues required to be investigated in this practice. Consideration of business environmental risk issues may involve addressing one or more non-scope considerations, some of which are identified in ASTM E 1527-13, Section 13.

Comparison with Subsequent Inquiry – It should not be concluded or assumed that an inquiry was not all appropriate inquiries merely because the inquiry did not identify recognized environmental conditions in connection with a property. Environmental site assessments must be evaluated based on the reasonableness of judgments made at the time and under the circumstances in which they were made. Subsequent environmental site assessments should not be considered valid standards to judge the appropriateness of any prior assessment based on hindsight, new information, use of developing technology or analytical techniques, or other factors.

Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) – the list of sites compiled by EPA that EPA has investigated or is currently investigating for potential hazardous substance contamination for possible inclusion on the National Priorities List.

Controlled recognized environmental condition – a recognized environmental condition resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority (for example, as evidenced by the issuance of a no further action letter or equivalent, or meeting risk-based criteria established by regulatory authority), with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls (for example, property use restrictions, activity and use limitations, institutional controls, or engineering controls). (See Note 2.) A condition considered by the environmental professional to be a controlled recognized environmental condition shall be listed in the findings section of the Phase I Environmental Site Assessment report, and as a recognized environmental condition in the conclusions section of the Phase I Environmental Site Assessment report. (See Note 3.)

Note 2-For example, if a leaking underground storage tank has been cleaned up to a commercial use standard, but does not meet unrestricted residential cleanup criteria, this would be considered a controlled recognized environmental condition. The “control” is represented by the restriction that the property use remain commercial.

Note 3-A condition identified as a controlled recognized environmental condition does not imply that the environmental professional has evaluated or confirmed the adequacy, implementation, or continued effectiveness of the required control that has been, or intended to be, implemented.

Construction debris – concrete, brick, asphalt, and other such building materials discarded in the construction of a building or other improvement to property.

Contiguous property owner liability protection – (42 U.S.C. §9607(q))—a person may qualify for the contiguous property owner liability protection if, among other requirements, such person owns real property that is contiguous to, and that is or may be contaminated by hazardous

substances from other real property that is not owned by that person. Furthermore, such person conducted all appropriate inquiries at the time of acquisition of the property and did not know or have reason to know that the property was or could be contaminated by a release or threatened release from the contiguous property. The all appropriate inquiries must not result in knowledge of contamination. If it does, then such person did “know” or “had reason to know” of contamination and would not be eligible for the contiguous property owner liability protection. See ASTM E 1527-13, Appendix X1 for the other necessary requirements that are beyond the scope of this practice.

Continued Viability of Environmental Site Assessment – Subject to ASTM E 1527-13, Section 4.8, an environmental site assessment meeting or exceeding this practice and completed less than 180 days prior to the date of acquisition⁵ of the property or (for transactions not involving an acquisition) the date of the intended transaction is presumed to be valid.⁶ If within this period the assessment will be used by a user different than the user for whom the assessment was originally prepared, the subsequent user must also satisfy the User’s Responsibilities in ASTM E 1527-13, Section 6. Subject to Section 4.8 and the User’s Responsibilities set forth in ASTM E 1527-13, Section 6, an environmental site assessment meeting or exceeding this practice and for which the information was collected or updated within one year prior to the date of acquisition of the property or (for transactions not involving an acquisition) the date of the intended transaction may be used provided that the following components of the inquiries were conducted or updated within 180 days of the date of purchase or the date of the intended transaction: (i) interviews with owners, operators, and occupants; (ii) searches for recorded environmental cleanup liens; (iii) reviews of federal, tribal, state, and local government records; (iv) visual inspections of the property and of adjoining properties; and (v) the declaration by the environmental professional responsible for the assessment or update.

⁵ Under “*All Appropriate Inquiries*” 40 C.F.R. Part 312, EPA defines date of acquisition as the date on which a person acquires title to the *property*.

⁶ Subject to meeting the other requirements set forth in this section, for purpose of the *LLPs*, information collected in an assessment conducted prior to the effective date of the federal regulations for *All Appropriate Inquiries* or this practice can be used if the information was generated as a result of procedures that meet or exceed the requirements of the E 1527-97 or -00 standards.

Contractual Issues Regarding Prior Assessment Usage – The contractual and legal obligations between prior and subsequent users of environmental site assessments or between environmental professionals who conducted prior environmental site assessments and those who would like to use such prior environmental site assessments are beyond the scope of this practice.

Data failure – a failure to achieve the historical research objectives in ASTM E 1527-13, §8.3.1 through 8.3.2.2 even after reviewing the standard historical sources in §8.3.4.1 through 8.3.4.8 that are reasonably ascertainable and likely to be useful. Data failure is one type of data gap. See ASTM E 1527-13, 8.3.2.3.

Data gap – a lack of or inability to obtain information required by this practice despite good faith efforts by the environmental professional to gather such information. Data gaps may result from incompleteness in any of the activities required by this practice, including, but not limited to site reconnaissance (for example, an inability to conduct the site visit), and interviews (for example, an inability to interview the key site manager, regulatory officials, etc.). See ASTM E 1527-13

12.7.

De minimis Condition - a condition that generally does not present a threat to human health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies. Conditions determined to be de minimis conditions are not recognized environmental conditions nor controlled recognized environmental conditions.

Demolition debris – concrete, brick, asphalt, and other such building materials discarded in the demolition of a building or other improvement to property.

Engineering controls (EC) – physical modifications to a site or facility (for example, capping, slurry walls, or point of use water treatment) to reduce or eliminate the potential for exposure to hazardous substances or petroleum products in the soil or groundwater on the property. Engineering controls are a type of activity and use limitation (AUL).

Environmental lien – a charge, security, or encumbrance upon title to a property to secure the payment of a cost, damage, debt, obligation, or duty arising out of response actions, cleanup, or other remediation of hazardous substances or petroleum products upon a property, including (but not limited to) liens imposed pursuant to CERCLA 42 U.S.C. §§9607(1) & 9607(r) and similar state or local laws.

Environmental professional – a person meeting the education, training, and experience requirements as set forth in 40 CFR §312.10(b). See ASTM E 1527-13 Appendix X2. The person may be an independent contractor or an employee of the user.

Fill dirt – dirt, soil, sand, or other earth, that is obtained off-site, that is used to fill holes or depressions, create mounds, or otherwise artificially change the grade or elevation of real property. It does not include material that is used in limited quantities for normal landscaping activities.

Good faith – the absence of any intention to seek an unfair advantage or to defraud another party; an honest and sincere intention to fulfill one's obligations in the conduct or transaction concerned.

Hazardous substance – a substance defined as a hazardous substance pursuant to CERCLA 42 U.S.C. §9601(14), as interpreted by EPA regulations and the courts:“ (A) any substance designated pursuant to section 1321(b)(2)(A) of Title 33, (B) any element, compound, mixture, solution, or substance designated pursuant to section 9602 of this title, (C) any hazardous waste having the characteristics identified under or listed pursuant to section 3001 of the Resource Conservation and Recovery Act of 1976 (RCRA), as amended, (42 U.S.C. §6921) (but not including any waste the regulation of which under RCRA (42 U.S.C. §§6901 et seq.) has been suspended by Act of Congress), (D) any toxic pollutant listed under section 1317(a) of Title 33, (E) any hazardous air pollutant listed under section 112 of the Clean Air Act (42 U.S.C. §7412), and (F) any imminently hazardous chemical substance or mixture with respect to which the

Administrator (of EPA) has taken action pursuant to section 2606 of Title 15. The term does not include petroleum, including crude oil or any fraction thereof which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of this paragraph, and the term does not include natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas).” (See ASTM E 1527-13, Appendix X1.)

Hazardous waste – any hazardous waste having the characteristics identified under or listed pursuant to section 3001 of RCRA, as amended, (42 U.S.C. §6921) (but not including any waste the regulation of which under RCRA (42 U.S.C. §§6901-6992k) has been suspended by Act of Congress). RCRA is sometimes also identified as the Solid Waste Disposal Act. RCRA defines a hazardous waste, at 42 U.S.C. §6903, as: “a solid waste, or combination of solid wastes, which because of its quantity, concentration, or physical, chemical, or infectious characteristics may— (A) cause, or significantly contribute to an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness; or (B) pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported, or disposed of, or otherwise managed.”

Hazardous waste/contaminated sites – sites on which a release has occurred, or is suspected to have occurred, of any hazardous substance, hazardous waste, or petroleum products, and that release or suspected release has been reported to a government entity.

Historical recognized environmental condition – a past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls (for example, property use restrictions, activity and use limitations, institutional controls, or engineering controls). Before calling the past release a historical recognized environmental condition, the environmental professional must determine whether the past release is a recognized environmental condition at the time the Phase I Environmental Site Assessment is conducted (for example, if there has been a change in the regulatory criteria). If the EP considers the past release to be a recognized environmental condition at the time the Phase I ESA is conducted, the condition shall be included in the conclusions section of the report as a recognized environmental condition.

IC/EC registries – databases of institutional controls or engineering controls that may be maintained by a federal, state or local environmental agency for purposes of tracking sites that may contain residual contamination and AULs. The names for these may vary from program to program and state to state, and include terms such as Declaration of Environmental Use Restriction database (Arizona), list of “deed restrictions” (California), environmental real covenants list (Colorado), brownfields site list (Indiana, Missouri) and the Pennsylvania Activity and Use Limitation (PA AUL) Registry.

Innocent landowner defense – (42 U.S.C. §§9601(35) & 9607(b)(3)) – a person may qualify as one of three types of innocent landowners: (i) a person who “did not know and had no reason to

know” that contamination existed on the property at the time the purchaser acquired the property; (ii) a government entity which acquired the property by escheat, or through any other involuntary transfer or acquisition, or through the exercise of eminent domain authority by purchase or condemnation; and (iii) a person who “acquired the facility by inheritance or bequest.” To qualify for the innocent landowner defense, such person must have made all appropriate inquiries on or before the date of purchase. Furthermore, the all appropriate inquiries must not have resulted in knowledge of the contamination. If it does, then such person did “know” or “had reason to know” of contamination and would not be eligible for the innocent landowner defense. See ASTM E 1527-13, Appendix X1 for the other necessary requirements that are beyond the scope of this practice.

Institutional controls (IC) – a legal or administrative restriction (for example, “deed restrictions,” restrictive covenants, easements, or zoning) on the use of, or access to, a site or facility to (1) reduce or eliminate potential exposure to hazardous substances or petroleum products in the soil or groundwater on the property, or (2) to prevent activities that could interfere with the effectiveness of a response action, in order to ensure maintenance of a condition of no significant risk to public health or the environment. An institutional control is a type of Activity and Use Limitation (AUL).

Interviews – those portions of ASTM E 1527-13 practice that are contained in Section 10 and 11 thereof and address questions to be asked of past and present owners, operators, and occupants of the property and questions to be asked of local government officials.

Key site manager – the person identified by the owner or operator of a property as having good knowledge of the uses and physical characteristics of the property. See ASTM E 1527-13, 10.5.1.

Landowner Liability Protections (LLPs) – landowner liability protections under CERCLA; these protections include the bona fide prospective purchaser liability protection, contiguous property owner liability protection, and innocent landowner defense from CERCLA liability. See 42 U.S.C. §§9601(35)(A), 9601(40), 9607(b), 9607(q), 9607(r).

Level of Inquiry is Variable – Not every property will warrant the same level of assessment. Consistent with good commercial and customary practice, the appropriate level of environmental site assessment will be guided by the type of property subject to assessment, the expertise and risk tolerance of the user, and the information developed in the course of the inquiry.

Major occupants – those tenants, subtenants, or other persons or entities each of which uses at least 40 % of the leasable area of the property or any anchor tenant when the property is a shopping center.

Material threat – a physically observable or obvious threat which is reasonably likely to lead to a release that, in the opinion of the environmental professional, is threatening and might result in impact to public health or the environment. An example might include an aboveground storage tank system that contains a hazardous substance and which shows evidence of damage. The

damage would represent a material threat if it is deemed serious enough that it may cause or contribute to tank integrity failure with a release of contents to the environment.

Migrate/migration – for the purposes of this practice, “migrate” and “migration” refers to the movement of hazardous substances or petroleum products in any form, including, for example, solid and liquid at the surface or subsurface, and vapor in the subsurface. See Note 4.

Note 4-Vapor migration in the subsurface is described in Guide E2600; however, nothing in this practice should be construed to require application of the Guide E2600 standard to achieve compliance with all appropriate inquiries.

Not Exhaustive – All appropriate inquiries does not mean an exhaustive assessment of a property. There is a point at which the cost of information obtained or the time required to gather it outweighs the usefulness of the information and, in fact, may be a material detriment to the orderly completion of transactions. One of the purposes of this practice is to identify a balance between the competing goals of limiting the costs and time demands inherent in performing an environmental site assessment and the reduction of uncertainty about unknown conditions resulting from additional information.

Obvious – that which is plain or evident; a condition or fact that could not be ignored or overlooked by a reasonable observer while visually or physically observing the property.

Occupants – those tenants, subtenants, or other persons or entities using the property or a portion of the property.

Operator – the person responsible for the overall operation of a facility.

Owner – generally the fee owner of record of the property.

Petroleum exclusion – the exclusion from CERCLA liability provided in 42 U.S.C. §9601(14), as interpreted by the courts and EPA: “The term (hazardous substance) does not include petroleum, including crude oil or any fraction thereof which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of this paragraph, and the term does not include natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas).”

Petroleum products – those substances included within the meaning of the petroleum exclusion to CERCLA, 42 U.S.C. §9601(14), as interpreted by the courts and EPA, that is: petroleum, including crude oil or any fraction thereof which is not otherwise specifically listed or designated as a hazardous substance under Subparagraphs (A) through (F) of 42 U.S.C. §9601(14), natural gas, natural gas liquids, liquefied natural gas, and synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas). (The word fraction refers to certain distillates of crude oil, including gasoline, kerosene, diesel oil, jet fuels, and fuel oil, pursuant to Standard Definitions of Petroleum Statistics.⁴)

⁴ *Standard Definitions of Petroleum Statistics*, American Petroleum Institute, Fifth Edition, 1995.

Practically reviewable – information that is practically reviewable means that the information is

provided by the source in a manner and in a form that, upon examination, yields information relevant to the property without the need for extraordinary analysis of irrelevant data. The form of the information shall be such that the user can review the records for a limited geographic area. Records that cannot be feasibly retrieved by reference to the location of the property or a geographic area in which the property is located are not generally practically reviewable. Most databases of public records are practically reviewable if they can be obtained from the source agency by the county, city, zip code, or other geographic area of the facilities listed in the record system. Records that are sorted, filed, organized, or maintained by the source agency only chronologically are not generally practically reviewable. Listings in publicly available records which do not have adequate address information to be located geographically are not generally considered practically reviewable. For large databases with numerous records (such as RCRA hazardous waste generators and registered underground storage tanks), the records are not practically reviewable unless they can be obtained from the source agency in the smaller geographic area of zip codes. Even when information is provided by zip code for some large databases, it is common for an unmanageable number of sites to be identified within a given zip code. In these cases, it is not necessary to review the impact of all of the sites that are likely to be listed in any given zip code because that information would not be practically reviewable. In other words, when so much data is generated that it cannot be feasibly reviewed for its impact on the property, it is not practically reviewable.

Prior Assessment Usage – The ASTM E 1527-13 practice recognizes that environmental site assessments performed in accordance with this practice will include information that subsequent users may want to use to avoid undertaking duplicative assessment procedures. Therefore, this practice describes procedures to be followed to assist users in determining the appropriateness of using information in environmental site assessments performed more than one year prior to the date of acquisition of the property or (for transactions not involving an acquisition) the date of the intended transaction. The system of prior assessment usage is based on the following principles that should be adhered to in addition to the specific procedures set forth elsewhere in the ASTM E 1527-13 practice.

Property – the real property that is the subject of the environmental site assessment described in the ASTM E 1527-13 practice. Real property includes buildings and other fixtures and improvements located on the property and affixed to the land.

Publicly available – information that is publicly available means that the source of the information allows access to the information by anyone upon request.

Reasonably Ascertainable – information that is (1) publicly available, (2) obtainable from its source within reasonable time and cost constraints, and (3) practically reviewable.

Reasonable time and cost – information that is obtainable within reasonable time and cost constraints means that the information will be provided by the source within 20 calendar days of receiving a written, telephone, or in-person request at no more than a nominal cost intended to cover the source's cost of retrieving and duplicating the information. Information that can only

be reviewed by a visit to the source is reasonably ascertainable if the visit is permitted by the source within 20 days of request.

Recognized environmental conditions – the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: (1) due to release to the environment; (2) under conditions indicative of a release to the environment; or (3) under conditions that pose a material threat of a future release to the environment. De minimis conditions are not recognized environmental conditions.

Recorded land title records – records of historical fee ownership, which may include leases, land contracts, and AULs on or of the property recorded in the place where land title records are, by law or custom, recorded for the local jurisdiction in which the property is located. (Often such records are kept by a municipal or county recorder or clerk.) Such records may be obtained from title companies or directly from the local government agency. Information about the title to the property that is recorded in a U.S. district court or any place other than where land title records are, by law or custom, recorded for the local jurisdiction in which the property is located, are not considered part of recorded land title records. See ASTM E 1527-13 8.3.4.4.

Release – a release of any hazardous substance or petroleum product shall have the same meaning as the definition of “release” in CERCLA 42 U.S.C. § 9601(22)). For additional background information, see Legal Appendix (Appendix X1) to X1.1.1 “Releases and Threatened Release.”

Relevant experience (as used in the definition of environmental professional) – participation in the performance of all appropriate inquiries investigations, environmental site assessments, or other site investigations that may include environmental analyses, investigations, and remediation which involve the understanding of surface and subsurface environmental conditions and the processes used to evaluate these conditions and for which professional judgment was used to develop opinions regarding conditions indicative of releases or threatened releases (see §312.1(c)) to the subject property.

Rules of Engagement – The contractual and legal obligations between an environmental professional and a user (and other parties, if any) are outside the scope of this practice. No specific legal relationship between the environmental professional and the user is necessary for the user to meet the requirements of this practice.

Uncertainty Not Eliminated – No environmental site assessment can wholly eliminate uncertainty regarding the potential for recognized environmental conditions in connection with a property. Performance of this practice is intended to reduce, but not eliminate, uncertainty regarding the potential for recognized environmental conditions in connection with a property, and this practice recognizes reasonable limits of time and cost.

Use of Prior Information – Subject to the requirements set forth in ASTM E 1527-13, Section 4.6, users and environmental professionals may use information in prior environmental site assessments provided such information was generated as a result of procedures that meet or

exceed the requirements of this practice. However, such information shall not be used without current investigation of conditions likely to affect recognized environmental conditions in connection with the property. Additional tasks may be necessary to document conditions that may have changed materially since the prior environmental site assessment was conducted.

User – the party seeking to use Practice E 1527 to complete an environmental site assessment of the property. A user may include, without limitation, a potential purchaser of property, a potential tenant of property, an owner of property, a lender, or a property manager. The user has specific obligations for completing a successful application of this practice as outlined in ASTM E 1527-13, Section 6.

Visually and/or physically observed – during a site visit pursuant to this practice, this term means observations made by vision while walking through a property and the structures located on it and observations made by the sense of smell, particularly observations of noxious or foul odors. The term “walking through” is not meant to imply that disabled persons who cannot physically walk may not conduct a site visit; they may do so by the means at their disposal for moving through the property and the structures located on it.

11.3 Acronyms

ACM – asbestos-containing material

AST – aboveground storage tank

ASTM – American Society for Testing and Materials

AUL – Activity and Use Limitations

bgs – below ground surface

CERCLA – Comprehensive Environmental Response, Compensation and Liability Act of 1980 (as amended, 42 USC § 9601 et seq.)

CERCLIS – Comprehensive Environmental Response, Compensation and Liability Information System (maintained by EPA)

CFR – Code of Federal Regulations

CORRACTS – Facilities subject to Corrective Action under RCRA

CREC – Controlled recognized environmental condition

EA – Environmental assessment

ECRA – Environmental Cleanup Responsibility Act

EDR – Environmental Data Resources, Inc.

EPA – United States Environmental Protection Agency

EPCRA – Emergency Planning and Community Right to Know Act ((also known as SARA Title III), 42 USC § 11001 et seq.)

ERNS – Emergency Response Notification System

ESA – Environmental Site Assessment (different than an *environmental compliance audit*, 3.2.27)

FOIA – U.S. Freedom of Information Act (5 U.S.C. §552 as amended by Public Law No. 104-231, 110 Stat.)

FR – Federal Register

HREC – Historical recognized environmental condition

ICs – Institutional Controls
ISRA – Industrial Site Recovery Act
LBP – Lead-based paint
LLP – Landowner Liability Protections under the *Brownfields Amendments*
LRST – Leaking registered storage tank
LUST – Leaking underground storage tank
MSDS – Material safety data sheet
NCP – National Contingency Plan
NFRAP – former CERCLIS sites where no further remedial action is planned under CERCLA
NPDES – National Pollutant Discharge Elimination System
NPL – National Priorities List
NVLAP – National Voluntary Laboratory Accreditation Program
OSHA – Occupational Safety and Health Administration
PACM – Presumed asbestos-containing material
PCBs – Polychlorinated biphenyls
PLM – Polarized light microscopy
PRP – Potentially responsible party (pursuant to CERCLA 42 USC § 9607(a))
RCRA – Resource Conservation and Recovery Act (as amended, 42 USC § 6901 et seq.)
RCRIS – Resource Conservation and Recovery Act Information System
REC – Recognized environmental condition
ROC – Record of communication
RST – Registered storage tank
SACM – Suspect asbestos-containing material
SARA – Superfund Amendments and Reauthorization Act of 1986 (amendment to CERCLA)
SIC – Standard Industrial Classification
TEM – Transmission electron microscopy
TSDF – Hazardous waste treatment, storage or disposal facility
USC – United States Code
USEPA – United States Environmental Protection Agency
USGS – United States Geological Survey
UST – Underground storage tank