Honorable Kathleen C. Hochul County Clerk Erie County 92 Franklin Street Buffalo, NY 14202 (716) 858-8865

DATE:12/21/2007 TIME:12:30:03 PM RECEIPT:460456

HISCOCK BARCLAY

ITEM -01 785U 12:30:03 PM CTRL #:2007273024 BK/PG:D11138/8562 DEED SEQ:TT2007010982 HYDRO-AIR COMPONENTS INC RECORDING FEE 70.00 TP584 10.00 MARKOFF FEE 0.50 Sub. Total 80.50

AMOUNT DUE: \$80.50 PAID CHECK: \$80.50

Check #:414862 \$80.50

TOTAL PAID: \$80.50

REC BY:ELAINED County Clerk Have a nice day!

ENVIRONMENTAL EASEMENT GRANTED PURSUANT TO ARTICLE 71, TITLE 36 OF THE NEW YORK STATE ENVIRONMENTAL CONSERVATION LAW

THIS INDENTURE made this ______day of December, 2007, between HYDRO-AIR COMPONENTS, INC. having an office at 100 Rittling Boulevard, Buffalo, New York 14220 (the "Grantor"), and The People of the State of New York (the "Grantee."), acting through their Commissioner of the Department of Environmental Conservation (the "Commissioner", or "NYSDEC" or "Department" as the context requires) with its headquarters located at 625 Broadway, Albany, New York 12233,

WHEREAS, the Legislature of the State of New York has declared that it is in the public interest to encourage the remediation of abandoned and likely contaminated properties ("sites") that threaten the health and vitality of the communities they burden while at the same time ensuring the protection of public health and the environment; and

WHEREAS, the Legislature of the State of New York has declared that it is in the public interest to establish within the Department a statutory environmental remediation program that includes the use of environmental easements as an enforceable means of ensuring the performance of operation, maintenance, and/or monitoring requirements and of ensuring the potential restriction of future uses of the land, when an environmental remediation project leaves residual contamination at levels that have been determined to be safe for a specific use, but not all uses, or which includes engineered structures that must be maintained or protected against damage to perform properly and be effective, or which requires groundwater use or soil management restrictions; and

WHEREAS, the Legislature of the State of New York has declared that environmental easement shall mean an interest in real property, created under and subject to the provisions of Article 71, Title 36 of the New York State Environmental Conservation Law ("ECL") which contains a use restriction and/or a prohibition on the use of land in a manner inconsistent with engineering controls which are intended to ensure the long term effectiveness of a site remedial program or eliminate potential exposure pathways to hazardous waste or petroleum; and;

WHEREAS, Grantor, is the owner of real property located at the address of 100 Rittling Boulevard, Buffalo, Erie County, New York 14220, known and designated as tax map number 132.12-1-9.121, being the same as that property conveyed to Grantor by deed recorded on August 4, 2006, in the Records of the Erie County Clerk at page 4659, liber 11117 of Deeds, comprised of approximately 30.91 acres, and hereinafter more fully described in Schedule A and Schedule B (survey map), both attached hereto and made a part hereof (the "Controlled Property"); and;

WHEREAS, the Commissioner does hereby acknowledge that the Department accepts this Environmental Easement in order to ensure the protection of human health and the environment and to achieve the requirements for remediation established at this Controlled Property until such time as this Environmental Easement is extinguished pursuant to ECL Article 71, Title 36; and

NOW THEREFORE, in consideration of the covenants and mutual promises contained herein and the terms and conditions of Brownfield Cleanup Agreement Number B9-0716-06-05, Grantor grants, conveys and releases to Grantee a permanent Environmental Easement pursuant to Article 71, Title 36 of the ECL in, on, over, under, and upon the Controlled Property as a second controlled Property

Environmental Easement/Page 1 of 7

DEC 21 2007

ERIE COUNTY CLERK'S OFFICE fully described herein ("Environmental Easement").

- 1. <u>Purposes</u>. Grantor and Grantee acknowledge that the Purposes of this Environmental Easement are: to convey to Grantee real property rights and interests that will run with the land in perpetuity in order to provide an effective and enforceable means of encouraging the reuse and redevelopment of this Controlled Property at a level that has been determined to be safe for a specific use while ensuring the performance of operation, maintenance, and/or monitoring requirements; and to ensure the potential restriction of future uses of the land that are inconsistent with the above-stated purpose.
- 2. <u>Institutional and Engineering Controls</u>. The following controls apply to the use of the Controlled Property, run with the land, are binding on the Grantor and the Grantor's successors and assigns, and are enforceable in law or equity against any owner of the Controlled Property, any lessees, and any person using the Controlled Property:

The Controlled Property may be used for restricted industrial use as long as the following long-term engineering controls are employed:

- (i) a soil cover system and vegetation in accordance with the Soil/Fill Management Plan in the NYSDEC-approved Site Management Plan shall be maintained over undeveloped portions of the Controlled Property;
- (ii) an active subslab depressurization system (ASD) to eliminate potential soil vapor intrusion shall be installed, operated and maintained in all new buildings and building additions in accordance with the standards and procedures specified in the NYSDEC-approved Site Management Plan, and the ASD already installed in the existing building shall continue to be operated and maintained in accordance with the NYSDEC-approved Site Management Plan, unless the Department determines that the ASD is not necessary based on the results of a Department approved evaluation of potential sub-slab vapor impacts;
- (iii) the groundwater beneath the Controlled Property cannot be used as a potable water source or for any other use without prior written permission of the Department;
- (iv) groundwater monitoring in accordance with the SMP shall continue until the Department determines that continued monitoring is unnecessary;
- (v) the in-situ treatment of residual contamination in native soils using oxygen release compounds (ORC) shall be maintained and monitored in accordance with the SMP until the Department determines that continued maintenance and monitoring of ORC is unnecessary; and
- (vi) in areas of the Controlled Property with known groundwater impacts, storm water injection (drywells) will be prohibited and storm water conveyance pipes will be required to have gasketed joints for water tightness to prevent the infiltration of impacted groundwater into the collection system.

The Grantor hereby acknowledges receipt of a copy of the NYSDEC-approved Site Management Plan, dated November 2007 ("SMP"). The SMP describes obligations that Grantor assumes on behalf of Grantor, its successors and assigns. The Grantor's assumption of the

obligations contained in the SMP which may include sampling, monitoring, and/or operating a treatment system on the Controlled Property, and providing certified reports to the NYSDEC, is and remains a fundamental element of the Department's determination that the Controlled Property is safe for a specific use, but not all uses. Upon notice of not less than 30 days the Department in exercise of its discretion and consistent with applicable law, may revise the SMP. The notice shall be a final agency determination. The Grantor and all successors and assigns, assume the burden of complying with the SMP and obtaining an up-to-date version of the SMP from:

Regional Remediation Engineer

Region 9 NYS DEC 270

Michigan Avenue

Buffalo, NY 14203

or:

Site Control Section

Division of Environmental Remediation

NYSDEC

625 Broadway Albany

New York 12233

- B. The Controlled Property may not be used for a higher level of use such as <u>unrestricted residential or commercial</u> use and the above-stated engineering controls may not be discontinued without an amendment or extinguishment of this Environmental Easement.
- C. Grantor covenants and agrees that until such time as the Environmental Easement is extinguished in accordance with the requirements of Article 71, Title 36 of the ECL, the property deed and all subsequent instruments of conveyance relating to the Controlled Property shall state in at least fifteen-point bold-faced type:

This property is subject to an environmental easement held by the New York State Department of Environmental

Conservation pursuant to Title 36 of Article 71 of the Environmental Conservation Law.

- D. Grantor covenants and agrees that this Environmental Easement shall be incorporated in full or by reference in any leases, licenses, or other instruments granting a right to use the Controlled Property.
 - E. Grantor covenants and agrees that it shall annually, or such time as NYSDEC may

allow, submit to NYSDEC a written statement by an expert the NYSDEC may find acceptable certifying under penalty of perjury that the controls employed at the Controlled Property are unchanged from the previous certification or that any changes to the controls employed at the Controlled Property were approved by the NYSDEC, and that nothing has occurred that would impair the ability of such control to protect the public health and environment or constitute a violation or failure to comply with any Site Management Plan for such controls and giving access to such Controlled Property to evaluate continued maintenance of such controls.

- 3. <u>Right to Enter and Inspect.</u> Grantee, its agents, employees, or other representatives of the State may enter and inspect the Controlled Property in a reasonable manner and at reasonable times to assure compliance with the above-stated restrictions.
- 4. <u>Reserved Grantor's Rights</u>. Grantor reserves for itself, its assigns, representatives, and successors in interest with respect to the Property, all rights as fee owner of the Controlled Property, including:
- 1. Use of the Controlled Property for all purposes not inconsistent with, or limited by the terms of this Environmental Easement;
- 2. The right to give, sell, assign, or otherwise transfer the underlying fee interest to the Controlled Property by operation of law, by deed, or by indenture, subject and subordinate to this Environmental Easement:

5. <u>Enforcement</u>

- A. This Environmental Easement is enforceable in law or equity in perpetuity by Grantor, Grantee, or any affected local government, as defined in ECL Section 71-3603, against the owner of the Property, any lessees, and any person using the land. Enforcement shall not be defeated because of any subsequent adverse possession, laches, estoppel, or waiver. It is not a defense in any action to enforce this Environmental Easement that: it is not appurtenant to an interest in real property; it is not of a character that has been recognized traditionally at common law; it imposes a negative burden; it imposes affirmative obligations upon the owner of any interest in the burdened property; the benefit does not touch or concern real property; there is no privity of estate or of contract; or it imposes an unreasonable restraint on alienation.
- B. If any person intentionally violates this Environmental Easement, the Grantee may revoke the Certificate of Completion provided under ECL Article 27, Title 14, or Article 56, Title 5 with respect to the Controlled Property.
- C. Grantee shall notify Grantor of a breach or suspected breach of any of the terms of this Environmental Easement. Such notice shall set forth how Grantor can cure such breach or suspected breach and give Grantor a reasonable amount of time from the date of receipt of notice in which to cure. At the expiration of such period of time to cure, or any extensions granted by Grantee, the Grantee shall notify Grantor of any failure to adequately cure the breach or suspected breach. Grantor shall then have a reasonable amount of time from receipt of such notice to cure. At the expiration of said second period, Grantee may commence any proceedings and take any other appropriate action reasonably necessary to remedy any breach of this Environmental Easement in accordance with applicable law to require compliance with the terms of this Environmental Easement.

- D. The failure of Grantee to enforce any of the terms contained herein shall not be deemed a waiver of any such term nor bar its enforcement rights in the event of a subsequent breach of or noncompliance with any of the terms of this Environmental Easement.
- 6. <u>Notice</u>. Whenever notice to the State (other than the annual certification) or approval from the State is required, the Party providing such notice or seeking such approval shall identify the Controlled Property by referencing the following information:

 County, NYSDEC Site Number, NYSDEC Contract or Order Number, and the County tax map number or the Liber and Page or computerized system identification number.

Parties shall address correspondence to:

Environmental Easement Attorney

Office of General Counsel

NYSDEC

625 Broadway

Albany New York 12233-5500

Such correspondence shall be delivered by hand, or by registered mail or by Certified mail and return receipt requested. The Parties may provide for other means of receiving and communicating notices and responses to requests for approval.

- 7. <u>Recordation</u>. Grantor shall record this instrument, within thirty (30) days of execution of this instrument by the Commissioner or her/his authorized representative in the office of the recording officer for the county or counties where the Property is situated in the manner prescribed by Article 9 of the Real Property Law.
- 8. <u>Amendment</u>. This Environmental Easement may be amended only by an amendment executed by the Commissioner of the New York State Department of Environmental Conservation and filed with the office of the recording officer for the county or counties where the Property is situated in the manner prescribed by Article 9 of the Real Property Law.
- 9. <u>Extinguishment</u>. This Environmental Easement may be extinguished only by a release by the Commissioner of the New York State Department of Environmental Conservation and filed with the office of the recording officer for the county or counties where the Property is situated in the manner prescribed by Article 9 of the Real Property Law.
- 10. <u>Joint Obligation</u>. If there are two or more parties identified as Grantor herein, the obligations imposed by this instrument upon them shall be joint and several.

County:	Erie	Site No:C915204	Contract/Order No: B9-0716-06-05				
IN WITNE	SS WHERE	OF, Grantor has caused this	instrument to be signed in its name.				
	Gı	rantor's Name: HYDRO-A	IR COMPONENTS, INC.				
	By Ti	KENDI hod	esias Repayonal affice/				
THIS ENV THE STAT Conservation	re of new	FAL EASEMENT IS HERI YORK, Acting By and Thro	EBY ACCEPTED BY THE PEOPLE OF bugh the Department of Environmental				
		Alexander B. Gı	rannis, Commissioner				
Grantor's Acknowledgment							
STATE OF	· pg))ss					
COUNTY	OF ERIP)					
depose and address) an officer or d	appeared to say that he/sh d that he/she/irector or atto A & C	ne/they reside at 150 me/they reside at 150 me/they is (are) the Chief Find rney in fact duly appointed o (full legal name	f the of corporation) the corporation described he/she/they signed his/her/their name(s)				

	Grant	or's Acknowledge	ement	
STATE OF)			
) ss:			
COUNTY OF)			
On the day personally appeared basis of satisfactory evidence instrument and acknowledge capacity(ies), and that by his person upon behalf of which	e to be the id to me that	, personally know individual(s) whose it he/she/they exect ignature(s) on the i	uted the same in his/ instrument, the indiv	n to me on the cribed to the within her/their
A CONTRACTOR OF THE PARTY OF TH				
Notary Public - State of				
	Grant	ee's Acknowledge	ement	
STATE OF NEW YORK)			
)ss			
COUNTY OF ALBANY)			
On the 26 day of Decappeared ALEXANDER B. satisfactory evidence to be the acknowledged to me that he of New York Department of instrument, the individual, of instrument.	GRANNIS ne individua /she/ execut Environme	, personally known all whose name is sted the same in his ental Conservation,	n to me or proved to ubscribed to the with capacity as Commis , and that by his sign	me on the basis of hin instrument and ssioner of the State nature on the
Notary Public - State of Nev	v York	المواقع فيستديد بدين	* 10°	
Scott Owens		SCOTT OWE	Maw York F New York	

Notary Public, State of New York No. 020W6108092 Qualified in Albany County Commission Expires April 12, 2008 Notary Public, State of New York
No. 020W6108092
No. 020W6108092
Qualified in Albany County
County
Commission Expires April 12, 2008
Expires 4-12-8 Environmental Easement/Page 7 of 7

SCHEDULE A

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Buffalo, County of Erie and State of New York, being part of the Ogden Gore Lot No. 17, and being more particularly described as follows:

BEGINNING at a point in the westerly line of Abby Street with the northerly line of Providence Street, which point is northerly 364.68 feet more or less measured along the westerly line of Abby Street from its intersection with the northerly line of Tifft Street and which point is also the southeasterly corner of Subdivision Lot No. 87 as shown on a map filed in the Erie County Clerk's Office under Cover No. 589; thence northerly along the westerly line of Abby Street, a distance of 879.14 feet more or less to the southeasterly corner of lands conveyed by Bethlehem Steel Corporation to Republic Steel Corporation under deed dated June 24, 1968 and recorded June 27, 1968 in the Erie County Clerk's Office in Liber 7482 of Deeds at page 400; thence westerly and along the southerly line of lands of aforesaid Republic Steel Corporation, 1635.95 feet more or less to the southeasterly corner of land conveyed by Krull to McClintic Marshall Construction Co. by deed recorded in the Erie County Clerk's Office in Liber 2070 of Deeds at page 130; thence continuing westerly along the south line of said land conveyed by Krull to McClintic Marshall Construction Co. to a point 77 feet easterly of the center line of the main track of the South Buffalo Railway as measured along said south line of land conveyed by Krull to McClintic Marshall Construction Co.; thence southerly along a line drawn parallel with and 77 feet easterly of the center line of the main track of the South buffalo Railway 1163 feet to the northerly line of Tifft Street; thence easterly along the northerly line of Tifft Street 156.84 feet to a point in the northerly line of Tifft Street, 1142 feet west of the intersection of the northerly line of Tifft Street with the westerly line of Abby Street, as measured along the northerly line of Tifft Street; thence northerly 137.85 feet along the west line of Subdivision Lot No. 39 as shown under map filed in the Erie County Clerk's Office under Cover No. 589; thence westerly along a line drawn parallel to the north line of Tifft Street 45.45 feet; thence northerly at right angles and along the west line of Subdivision Lot No. 46, as shown under Map Cover No. 589 as filed in the Erie County Clerk's Office, a distance of 170.85 to a point; thence easterly and parallel with the northerly line of Tifft Street 8.23 feet to the west line of Subdivision Lot No.130 as shown under map filed in the Erie County Clerk's Office under Cover No. 589, as extended southerly; thence northerly at right angles and along said west line of Subdivision Lot No. 130 extended southerly, 33.00 feet more or less to the southwest corner of said Subdivision Lot No. 130 and the northerly line of Providence Street; thence easterly along the northerly line of Providence Street which is also the southerly line of Subdivision Lots 87, and 91 through 130 inclusive as shown on a map filed in the Erie County Clerk's Office under Cover No. 589, a distance of 1307.43 feet to point in the westerly line of Abby Street at the point of beginning.

County:	Erie	Site No:C915204	Contract/Order No:B9-0716-06-05
			•

SCHEDULE B

Survey of Controlled Property

SUNKY OF LANDS CITY OF BUFFALD COUNTY OF ENE STATE OF NEW YORK CONVEYED TO
HYDRO-AIR
COMPONENTS, INC.
100 STIDE BOUDHOD
BETALLINE WORK THE CHAPE 17.1701 18.00 1.1701 1. L-11016 P--1585 AMEN M 1-11016 P-1565 ARCA # 1 -**⊙**⊹⊛ (\$)