
**PHASE I ENVIRONMENTAL
SITE ASSESSMENT REPORT**

**Vacant Land
3500 Park Avenue
Bronx, NY 10456**

**Date Issued: June 22, 2006
LAC Project Number 06-38210.1**

Prepared By

LANDAMERICA ASSESSMENT CORPORATION
1320 Harbor Bay Parkway #260 Alameda, California 94502
Telephone: 510.337.2855 Facsimile: 510.337.2865



TABLE OF CONTENTS

EXECUTIVE SUMMARY	III
1.0 INTRODUCTION.....	1
1.1 Purpose.....	1
1.2 Scope of Services.....	1
1.3 Assumptions.....	1
1.4 Limitations and Exceptions.....	2
1.5 Special Terms and Conditions	2
1.6 Use Reliance	2
2.0 SITE DESCRIPTION	3
2.1 User Provided Information	3
2.2 Location and Legal Description.....	3
2.3 Site and Vicinity General Characteristics	4
2.4 Current Use of the Property	4
2.5 Description of Site Improvements	4
2.6 Current Use of Adjoining Properties	4
3.0 RECORDS REVIEW.....	6
3.1 Standard Environmental Record Sources	6
3.1.1 State and Federal Regulatory Review.....	6
3.1.2 Local Regulatory Review	10
3.2 Physical Setting Sources	11
3.2.1 Topography.....	11
3.2.2 Soils/Geology	11
3.2.3 Hydrology.....	11
3.2.4 Flood Zone Information.....	12
3.2.5 Oil and Gas Exploration	12
3.3 Historical Use Information.....	12
3.3.1 Aerial Photographs	12
3.3.2 Fire Insurance Maps	12
3.3.3 City Directories.....	14
3.3.4 Chain of Title.....	15
3.3.5 Additional Environmental Record Sources	15
3.3.6 Historical Use Information on Adjoining Properties.....	15
4.0 SITE RECONNAISSANCE	16
4.1 General Site Characteristics	16
4.1.1 Solid Waste Disposal.....	16
4.1.2 Surface Water Drainage.....	16
4.1.3 Wells and Cisterns	16
4.1.4 Wastewater	16
4.1.5 Additional Site Observations.....	16
4.2 Potential Environmental Conditions	16
4.2.1 Hazardous Materials and Petroleum Products Used or Stored at the Site	16
4.2.2 Evidence of Releases	17
4.2.3 Polychlorinated Biphenyls (PCBs)	17
4.2.4 Landfills.....	17
4.2.5 Pits, Ponds, Lagoons, Sumps, and Catch Basins	17
4.2.6 On-Site ASTs and USTs.....	17

4.2.7	Radiological Hazards.....	17
4.2.8	Drinking Water.....	18
4.2.9	Additional Hazard Observations.....	18
4.2.10	Asbestos-Containing Materials (ACM).....	18
4.2.11	Radon.....	18
4.2.12	Lead-Based Paint.....	18
5.0	INTERVIEWS.....	19
6.0	FINDINGS AND CONCLUSIONS.....	20
6.1	Findings.....	20
6.1.1	On-Site Environmental Conditions.....	20
6.1.2	Off-Site Environmental Conditions.....	20
6.1.3	Previously Resolved Environmental Conditions.....	20
6.1.4	De Minimis Environmental Conditions.....	20
6.2	Opinion.....	20
6.3	Conclusions.....	20
6.4	Recommendations.....	20
6.5	Deviations.....	20
7.0	REFERENCES.....	21

FIGURES

Figure 1	Site Location Map
Figure 2	Site Plan
Figure 3	Topographic Map

APPENDIX

Appendix A	Site Photographs
Appendix B	Historical Research Documentation
Exhibit B-1	Aerial Photographs
Exhibit B-2	Fire Insurance Maps
Exhibit B-3	City Directories
Exhibit B-4	Title Search Records
Appendix C	Regulatory Records Documentation
Exhibit C-1	Mapped Database Report
Exhibit C-2	General Public Records
Appendix D	Interview Records
Appendix E	Client-Provided Documentation
Appendix F	Laboratory Reports
Appendix G	Other Supporting Documentation
Appendix H	Qualifications Of Environmental Professionals

EXECUTIVE SUMMARY

LandAmerica Assessment Corporation (LAC) has performed a Phase I Environmental Site Assessment (ESA) in general accordance with the scope of work and limitations set forth by JPMorgan Chase (JPMorgan) for the Vacant Land located at 3500 Park Avenue, Bronx, NY 10456 (the "Property").

The Phase I Environmental Site Assessment is designed to provide JPMorgan with an assessment concerning environmental conditions (limited to those issues identified in the report) as they exist at the property. This assessment was conducted utilizing generally accepted ESA industry standards in accordance with ASTM E 1527-00, Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process and JPMorgan's scope of work for Phase I Environmental Site Assessments.

The Property is currently used as an asphalt paved fence enclosed parking lot. A wood shed used by the parking lot personnel is located along the southern border of the Property. Access to the parking lot is provided from Park Avenue located along the west side of the Property.

The site is situated within an urban area of Bronx, New York. The parking lot is bound to the north by East 168th Street followed by NYC Public School; to the east by three story residential buildings with miscellaneous street level retail stores; to the south by single story warehouse structure that appears to be used for food storage; and to the west by Park Avenue followed by the Metro-North Railroad tracks, a parking lot and commercial/residential buildings. Based upon topographic map interpretation and site observations, groundwater flow beneath the site is inferred to be in a westerly direction toward Harlem River.

Review of historical information indicated that the Property was previously occupied by a single story industrial facility from at least the mid 1940s to the mid 1990s. The Sanborn Maps review indicated that the industrial building was used for manufacturing advertising displays and wood working. The building contained a spray booth on the eastern portion of the Property. The building was demolished in the mid 1990s and the Property was converted to a commercial licensed parking lot in 1995. No other information pertaining to the historic manufacturing activities was available. However, no specific operation, event or activity was noted that would be considered a REC nor are there any existing regulatory mandates which would require further environmental investigation of the Property at this time. Therefore, the former use of the Property as manufacturing does not represent an environmental concern to the subject Property.

LAC obtained and reviewed a database report from Environmental Data Resources (EDR) for the Property and the surrounding area. Based on the database report, no upgradient sites were identified as potential concerns to the Property. LAC did identify eight RCRA waste generators, fifty-five LUST and thirteen UST sites located within the prescribed search radii. All of the sites identified were either cross or downgradient of the Property and therefore not considered to be a Recognized Environmental Conditions (REC).

Conclusions

LAC has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527-00 of 3500 Park Avenue, Bronx, NY 10456, the Property. Any exceptions to or deletions from this practice are described in Section 1.4 of this report. This assessment has revealed no evidence of recognized environmental conditions in connection with the Property.

Recommendations

Based on the findings of this ESA, LAC does not recommend further investigation of the Property at this time.

The following table summarizes the findings of the significant elements of this investigation.

ASSESSMENT COMPONENT	ACCEPTABLE	ROUTINE SOLUTION	PHASE II	ESTIMATED COST	REFERENCE SECTION
Historical Review	X				3.3
On-site Operations	X				4.3
Hazardous Materials	X				4.3.1
Waste Generation	X				4.2.1, 4.3.1
PCBs	X				4.3.3
Asbestos	X				4.3.10
Lead in Drinking Water	X				4.3.8
Storage Tanks	X				4.3.6
Surface Areas	X				4.3.2
Regulatory Database Review	X				3.1
Adjoining Properties	X				2.6, 3.4
Other					NA

1.0 INTRODUCTION

LandAmerica Assessment Corporation (LAC) was retained by JPMorgan Chase (JPMorgan) to conduct a Phase I Environmental Site Assessment (ESA) of the Vacant Land located at 3500 Park Avenue, Bronx, NY 10456 (the Property). The protocol used for this assessment is in general conformance with ASTM E 1527-00, Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process and JPMorgan's scope of work for Phase I Environmental Site Assessments.

On June 15, 2006, Ramesh Challapalli, a representative of LAC, conducted a site reconnaissance to assess the possible presence of petroleum products and hazardous materials at the Property. LAC's investigation included review of aerial photos, reconnaissance of adjacent properties, background research, and review of available local, state, and federal regulatory records regarding the presence of petroleum products and/or hazardous materials at the Property.

LAC contracted Environmental Data Resources of Milford, CT, to perform a computer database search for local, state, and Federal regulatory records pertaining to environmental concerns for the Property and properties in the vicinity of the Property (see Section 3.0).

1.1 Purpose

The purpose of this Phase I Environmental Site Assessment (ESA) was to identify existing or potential Recognized Environmental Conditions (as defined by ASTM Standard E-1527-00) in connection with the Property. LAC understands that the findings of this study will be used by JPMorgan to evaluate a pending financial transaction in connection with the Property.

1.2 Scope of Services

The scope of work for this ESA is in accordance with JPMorgan Phase I Environmental Site Assessment protocol and is in general accordance with the requirements of ASTM Standard E 1527-00. LAC warrants that the findings and conclusions contained herein were accomplished in accordance with the methodologies set forth in the Scope of Work. These methodologies are described as representing good commercial and customary practice for conducting an Environmental Site Assessment of a property for the purpose of identifying recognized environmental conditions.

No other warranties are implied or expressed.

1.3 Assumptions

There is a possibility that even with the proper application of these methodologies there may exist on the Property conditions that could not be identified within the scope of the assessment or which were not reasonably identifiable from the available information. LAC believes that the information obtained from the record review and the interviews concerning the site is reliable. However, LAC cannot and does not warrant or guarantee that the information provided by these other sources is accurate or complete. The methodologies of this assessment are not intended to produce all inclusive or comprehensive results, but rather to provide JPMorgan with information relating to the Property.

1.4 Limitations and Exceptions

The findings and conclusions contain all of the limitations inherent in these methodologies that are referred to in ASTM 1527-00. Specific limitations and exceptions to this ESA are more specifically set forth below:

- LAC was not able to access the interior areas of the Property parking lot at the time of the site visit. The inspection of the Property was conducted based on observations made from the sidewalks along the Property.

1.5 Special Terms and Conditions

The conclusions and findings set forth in this report are strictly limited in time and scope to the date of the evaluations. The conclusions presented in the report are based solely on the services described therein, and not on scientific tasks or procedures beyond the scope of agreed-upon services or the time and budgeting restraints imposed by the client. No subsurface exploratory drilling or sampling was done under the scope of this work. Unless specifically stated otherwise in the report, no chemical analyses have been performed during the course of this ESA.

Some of the information provided in this report is based upon personal interviews, and research of available documents, records, and maps held by the appropriate government and private agencies. This is subject to the limitations of historical documentation, availability, and accuracy of pertinent records, and the personal recollections of those persons contacted.

1.6 Use Reliance

JPMorgan, in evaluating a request for an extension of credit (the "Mortgage Loan") to be secured by the property may rely upon this report. This information also may be used by any actual or prospective purchaser, transferee, assignee, or servicer of the Mortgage Loan, any actual or prospective investor (including agent or advisor) in any securities evidencing a beneficial interest in or backed by the Mortgage Loan, any rating agency actually or prospectively rating any such securities, any indenture trustee, and any institutional provider(s) from time to time of any liquidity facility or credit support for such financing. In addition, this report or a reference to this report, may be included or quoted in any offering circular, registration statement, or prospectus in connection with a securitization or transaction involving the Mortgage Loan and/or such securities. This report has no other purpose and should not be relied upon by any other person or entity.

2.0 SITE DESCRIPTION

2.1 User Provided Information

Pursuant to ASTM E 1527-00, LAC requested the following site information from JPMorgan (User of this report) and from the site contact.

ITEM	PROVIDED BY USER	NOT PROVIDED BY USER	DISCUSSED BELOW	DOES NOT APPLY
2.1.1 Environmental Pre-survey Questionnaire		X		
2.1.2 Title Records		X		
2.1.3 Environmental Liens or Activity and Use Limitation		X		
2.1.4 Specialized Knowledge		X		
2.1.5 Valuation Reduction for Environmental Issues		X		
2.1.6 Identification of Key Site Manager		X		
2.1.7 Reason for Performing Phase 1 ESA	YES, SEE SECTION 1.1			
2.1.8 Prior Environmental Reports		X		
2.1.9 Other				X

2.2 Location and Legal Description

The address of the Property is 3500 Park Avenue, Bronx, NY. The Property is located in a mixed commercial/residential area of Bronx County. According to the New York City Department of Finance, the assessor's parcel number of the Property is Block 2389 and Lot 20. The legal description is reproduced below:

The Property is located on the southeast corner of the intersection of East 168th Street and Park Avenue and identified by the New York City Finance Department as Block 2389 and Lot 20. A detailed legal description for the Property is provided in Reel1263 and page 1193 with the Department of Finance. A copy of the legal description for the Property is included as Appendix c-2 of this report.

According to the New York City Department of Finance, the Property is currently owned by 3500 Park Inc., of 259 Bruckner Boulevard, Bronx, New York, who has owned the Property since 1994.

2.3 Site and Vicinity General Characteristics

The Property is located in a mixed commercial and residential area. The New York City Public School is located to the adjoining north side of the Property. The Property is zoned M1-1 – manufacturing by the City of New York.

The Property consists of a rectangular shaped parcel approximately 0.35 acres in size. The Property is designed and used as an automobile parking lot. Currently, the Property is vacant and used as an automobile parking lot. A small wooded shed located on the southern portion of the Property appears to house to the parking lot attendant.

Access to the asphalt-surfaced Property parking lot is provided from Park Avenue along the west side. Storm water drains located along street curbs collect surface run off and discharge to the municipal storm water drains. Due to the urban nature of the Property no landscaping is observed within the Property. No other structures or significant surface features were noted on the Property at the time of the reconnaissance.

2.4 Current Use of the Property

The Property is currently used as a fenced enclosed asphalt paved parking lot.

According to New York City the Property is zoned M1-1. The entire Property appears to be currently used as a commercial parking lot.

2.5 Description of Site Improvements

The Property is currently vacant and with the exception of a small wooden shed located on the southern portion is used as an asphalt paved parking lot.

The New York City water system supplies drinking water to the Property area from the municipal distribution system. Sanitary discharges on the subject site are discharged into the municipal sanitary sewer system. The subject site area is serviced by the New York City Wastewater Treatment facility.

Electricity and gas is provided to the Property area by Con Edison.

2.6 Current Use of Adjoining Properties

During the vicinity reconnaissance, LAC observed the following land use on properties in the immediate vicinity of the Property.

- North:** The north side of the Property is bound by East 168th Street followed by New York City Public School.
- South:** The south side of the Property is bound by a single story warehouse building.
- East:** The east side of the Property is bound by a three story residential apartment buildings with a miscellaneous street level retail store and a church along Washington Avenue.
- West:** The west side of the Property is bound by Park Avenue followed by the Metro-North Rail road tracks, parking lot and commercial buildings.

3.0 RECORDS REVIEW

3.1 Standard Environmental Record Sources

3.1.1 State and Federal Regulatory Review

Information from standard Federal and state environmental record sources was provided through Environmental Data Resources (EDR). Data from governmental agency lists are updated and integrated into one database, which is updated as these data are released. This integrated database also contains postal service data in order to enhance address matching. Records from one government source are compared to records from another to clarify any address ambiguities. The demographic and geographic information available provides assistance in identifying and managing risk. The accuracy of the geocoded locations is approximately +/-300 feet.

In some cases, location information supplied by the regulatory agencies is insufficient to allow the database companies to geocode facility locations. These facilities are listed under the unmappables section within the EDR report. A review of the unmappable facilities indicated that none of these facilities are within the ASTM minimum search distance from the Property.

Regulatory information from the following database sources regarding possible recognized environmental conditions, within the ASTM minimum search distance from the Property, was reviewed. Specific facilities are discussed below if determined likely that a potential recognized environmental condition has resulted at the Property from the listed facilities. Please refer to Appendix C-1 for a complete listing.

Federal NPL

The National Priorities List (NPL) is the Environmental Protection Agency (EPA) database of uncontrolled or abandoned hazardous waste sites identified for priority remedial actions under the Superfund Program.

The Property is not listed as a NPL facility. No NPL sites are located within one mile of the Property.

Federal CERCLIS List

The Comprehensive Environmental Response, Compensation and Liability Information System (CERCLIS) list is a compilation of sites that the EPA has investigated or is currently investigating for a release or threatened release of hazardous substances.

The Property is not listed as a CERCLIS facility. No CERCLIS sites are listed within one-half mile of the Property.

Federal CERCLIS NFRAP Sites List

The CERCLIS No Further Remedial Action Planned (NFRAP) List is a compilation of sites that the EPA has investigated, and has determined that the facility does not pose a threat to human health or the environment, under the CERCLA framework. .

The Property is not listed as a CERCLIS-NFRAP facility. No CERCLIS-NFRAP sites are listed on or adjoining the Property.

Federal Resource Conservation and Recovery Act (RCRA) CORRACTS TSD Facilities List

The EPA Resource Conservation and Recovery Act (RCRA) Program identifies and tracks hazardous waste from the point of generation to the point of disposal. The RCRA Treatment, Storage and Disposal (TSD) database is a compilation by the EPA of reporting facilities that treat, store or dispose of hazardous waste. The CORRACTS database is the EPA's list of treatment storage or disposal facilities subject to corrective action under RCRA.

The Property is not listed as a RCRA CORRACTS TSD facility. No RCRA CORRACTS TSD facilities are listed within one mile of the Property.

Federal Resource Conservation and Recovery Act (RCRA) Non-CORRACTS TSD Facilities List

The RCRA TSD database is a compilation by the EPA of reporting facilities that treat, store or dispose of hazardous waste.

The Property is not listed as a RCRA-TSD facility. No RCRA TSD sites are listed within one-half mile of the Property.

Federal RCRA Generator List

The RCRA program identifies and tracks hazardous waste from the point of generation to the point of disposal. The RCRA Generators database is a compilation by the EPA of reporting facilities that generate hazardous waste.

The Property is not listed as a RCRA facility. The following one RCRA Generator facility is listed on the adjacent properties:

- **NYC Board of Education 1245 Washington Avenue** is located to the adjoining north side of the Property. Review of the database indicated that no reported RCRA violations are listed at this facility. Based on the absence of any violations, this facility is not expected to pose an environmental concern to the subject Property.

Federal Emergency Response Notification System (ERNS)

The Emergency Response Notification System (ERNS) is a national database used to collect information or reported release of oil or hazardous substances.

No ERNS sites were listed on the Property or on the adjacent properties.

State Priority List

The New York State Department of Environmental Conservation (NYSDEC) maintains a State Priority List, known as State Hazardous Waste Sites (SHWS) of sites considered to be actually or potentially contaminated and presenting a possible threat to human health and the environment.

The Property is not listed as a SHWS facility. No SHWS sites are listed within one mile of the Property.

State CERCLIS-Equivalent List

The NYSDEC maintains a State CERCLIS-equivalent list (SCL) of sites under investigation that could be actually or potentially contaminated and presenting a possible threat to human health and the environment.

The Property is not listed as a State CERCLIS facility. No SCL sites are listed within one-half mile of the Property.

Solid Waste/Landfill Facilities (SWLF)

A database of SWLF is prepared by NYSDEC.

The Property is not listed as a SWLF facility. No SWLF facilities are listed within one-half mile of the Property.

State Leaking Underground Storage Tank List (LUST)

The NYSDEC compiles lists of all leaks of hazardous substances from underground storage tanks.

The Property is not listed as a LUST facility. A total of fifty-five (55) LUST sites are listed within one-half mile of the Property. Review of the database indicated that thirty-five of these facilities are located at least one-quarter mile at a lower or cross hydraulic gradient relative to the Property and represent a low potential environmental concern to the Property. According to the database sixteen (14) of the twenty LUST sites within one-quarter mile of the Property have been resolved and considered closed by the NYSDEC and do not represent a potential environmental concern to the Property. The remaining six open LUST sites are discussed as follows:

- **1201 Webster Avenue** is located approximately 474 feet to the west northwest of the Property. A gasoline spill due to tank failure was reported at this facility. The facility is currently undergoing remedial investigation under the NYSDEC oversight.
- **Mobil Service Station 1210 Webster Avenue** is located approximately 475 feet to the west northwest of the Property. A gasoline spill due to tank failure was reported at this facility.

- **HPD Site 391 East 168th Street** is located approximately 548 feet to the northwest of the Property. A tank test was reported at this facility.
- **Claremont Houses 1162-1176 Washington Avenue** is located approximately 626 feet to the south southeast of the Property. A tank test failure was reported at this facility.
- **Amoco Service Station, 1303 Webster Avenue** is located approximately 1,006 feet to the north of the Property. A tank test failure was reported at this facility.
- **557 East 169th Street** is located approximately 1,226 feet to the east northeast of the Property. A tank test failure was reported at this facility.

Review of the database indicated that the six open LUST sites are located at least 474 feet at a lower or cross hydraulic gradient relative to the Property. Based on the distance and the ongoing remedial activities at the listed facilities, these facilities represent a low potential for environmental concern to the Property.

State Underground Storage Tank List (UST)

The NYSDEC compiles a list of UST locations.

The Property is not listed as an UST facility. The following three registered UST facilities are listed adjacent to the Property:

- **3494 Park Avenue** is located to the adjoining south side of the Property. Review of the database indicated that one 1,500 gallon UST was administratively closed at the facility in 1995. The database review indicated that no reported leaks or spills are listed at this facility. Based on the absence of any releases, this facility is not expected to pose an environmental concern to the subject Property.
- **PS 132** is located to the adjoining north side of the Property. Review of the database indicated that one (1) 10,000 gallon AST is located at this facility. The database review indicated that no reported leaks or spills are listed at this facility. Based on the absence of any spills or releases, this facility is not expected to pose an environmental concern to the subject Property.
- **Evangelical Church of God 1205 Washington Avenue** is located to the adjoining east side of the Property. Review of the database indicated that one (1) 2,000 gallon AST is registered at this facility. The database review also indicated that #2 heating oil was spilled at the facility in October 1994 due to human error. The Spill was reportedly contained on the pavement and cleaned up and issued a no further action required by the NYSDEC in October 1994. Based on the closed status of this listing, it does not represent an environmental concern to the subject Property.

State Spills List (Spills)

The NYSDEC compiles a list of Spill locations.

The Property is not listed as Spills location. The following reported Spills site is listed adjacent to the Property:

- **Manhole 63, Park Avenue/168th Street** is located to the adjoining northwest of the Property. Review of the database indicated that a spill was reported due to Con Edison equipment failure on September 1999. The database also indicated that the spill was cleaned and issued a no further action required by the NYSDEC. Based on the closed status of this listing, it is not considered a recognized environmental concern to the Property.
- **Evangelical Church of God 1205 Washington Avenue** is located to the adjoining east side of the Property. Review of the database indicated that #2 heating oil was spilled at the facility in October 1994 due to human error. The Spill was reportedly contained on the pavement and cleaned up and issued a no further action required by the NYSDEC in October 1994. Based on the no further action designation, this listing does not represent an environmental concern to the subject Property.

3.1.2 Local Regulatory Review

3.1.2.1 County Recorder/ Assessor

According to the New York City Department of Finance, the assessor's parcel number of the Property is Block 2389 and Lot 20. A detailed legal description for the Property is provided in Reel1263 and page 1193 with the Department of Finance. According to the New York City Department of Finance, the Property is currently owned by 3500 Park Inc., of 259 Bruckner Boulevard, Bronx, New York, who has owned the Property since 1994. A copy of the legal description for the Property is included as Appendix c-2 of this report.

3.1.2.2 Fire Officials

The NYCFD maintains information pertaining to petroleum bulk storage tanks. A formal request has been forwarded to the NYCFD to obtain information concerning the Site. At the time of report completion, a reply has not been received. Should environmentally significant issues arise once this information is obtained, an addendum to this report will be prepared and forwarded under separate cover.

3.1.2.3 Building Department

LAC reviewed the New York City Department of Buildings (NYCDOB) printout for historical information pertaining to the Property. Review of the information indicated that no open Environmental Control Board (ECB) existed at the Property. Review of the building department records also indicated that a single story manufacturing building was constructed at the Property in 1954. The review also indicated that in 1995 the Property was converted to a licensed commercial parking lot. All documents obtained from the online files are included as Appendix C-2 of this report.

3.1.2.4 Other Agencies

The New York City Department of Health (NYCDOH), Bureau of Environmental Investigations (BEI) maintains files of health related environmental incidents in the City of New York. These incidents may include spills of hazardous chemicals, citizen's complaints regarding asbestos issues, or reports of chemical odors or fumes. NYCDOH information concerning the Site was requested in a formal letter. At the time of report completion, a reply has not been received. Should environmentally significant issues arise once this information is obtained, an addendum to this report will be prepared and forwarded under separate cover.

3.2 Physical Setting Sources

3.2.1 Topography

The United States Geological Survey (USGS), Central Park, NY Quadrangle 7.5-minute series topographic map was reviewed for this ESA. This map was published by the USGS in 1966 and was photorevised in 1995. According to the contour lines on the topographic map, the Property is located at approximately 46 feet above mean sea level (MSL). The contour lines in the area of the Property indicate the area is sloping gently to the west. No surface waters are depicted as present on or adjacent to the Property, nor are production wells or other significant surface features depicted on the USGS map. No surface waters are depicted as present on or adjacent to the Property, nor are production wells or other significant surface features depicted on the USGS map.

3.2.2 Soils/Geology

The United States Department of Agriculture (USDA) Soil Conservation Service classifies the surficial soils (upper 5 feet) in the vicinity of the property as Urban Land. Urban Land refers to soils that have been altered by urban development such as buildings and streets, where at least eighty-five (85) percent of the surface is covered with asphalt, concrete, or other impervious building material. Typically, these soils have been mixed with other materials, such as brick and concrete, and characteristics can only be determined by on-site investigation.

According to a Geologic map prepared by the New York State Geologic Survey (Lower Hudson Sheet – 1970), the Property is underlain by a layer of glacial till consisting of unconsolidated silts, sands, gravels, cobbles and boulders. Bedrock in the area is identified as the Manhattan Schist formation. This formation consists of a foliated, coarse-grained crystalline rock unit consisting of feldspar, quartz, pyroxene and hornblende, which has undergone a high degree of metamorphism and deformation.

3.2.3 Hydrology

No site-specific data is available regarding groundwater flow direction, depth to water or hydraulic connectivity at the property. Glacial till and outwash deposit sediments overlie the Manhattan Schist, the uppermost bedrock unit within the region. The surface elevation of bedrock decreases to the southwest of the region. It is generally inferred that the depth to the uppermost aquifer is greater than 50 feet at the surface of the bedrock/sediment interface.

However, estimated groundwater levels and/or flow direction(s) may vary due to seasonal fluctuations in precipitation, local usage demands, soil and bedrock geology, production wells, underground structures, dewatering operations, and other factors beyond the scope of this study.

The nearest surface water in the vicinity of the Property is the Harlem River located over one mile to the west of the Property. No settling ponds, lagoons, surface impoundments, wetlands or natural catchbasins were observed at the Property during this investigation.

3.2.4 Flood Zone Information

A review of the Flood Insurance Rate Maps, published by the Federal Emergency Management Agency, was performed. According to Panel Number 360497 0015B dated November 16, 1983, the Property is located in Flood Zone C. Flood Zone C regions consist of areas of minimal flooding. The distance to the nearest 100-year flood plain is approximately one-half mile to the west of the Property.

3.2.5 Oil and Gas Exploration

No oil and gas exploration activities were identified on or in the vicinity of the Property.

3.3 Historical Use Information

Development history of the Property was obtained from the review of historical Sanborn Maps, City Directories and local regulatory records. Review of the historical Sanborn Maps indicated that western portion of the Property was vacant and undeveloped from at least 1891 to 1909. Review of the regulatory documents indicated that a single story manufacturing facility was constructed at the Property in 1945. The historical Sanborn Maps and City Directories review indicated that the Property was occupied by a manufacturing facility (Biltrite Fixt Company) since the 1950s to at least the mid 1990s. The building at the Property was demolished in the mid 1990s and the Property was converted to a commercial licensed parking lot in 1995. No other information pertaining to the historic manufacturing activities was available.

3.3.1 Aerial Photographs

No aerial photographs were reviewed as part of this study as development history of the Property was obtained from other standard historical resources.

3.3.2 Fire Insurance Maps

Sanborn Fire Insurance maps dated 1891, 1909, 1951, 1978, 1979, 1980, 1981, 1984, 1986, 1989, 1991, 1992, 1993, 1995 and 1996 were available for review, and were provided by EDR/Sanborn. The Sanborn Maps provide no coverage of properties located to the adjoining north of East 168th Street. Copies of the maps are included in Appendix B-2.

- Date:** 1891
Description: The Property is depicted as a vacant undeveloped lot. Scattered residential dwellings are observed in the general vicinity of the Property. A church building is observed to the adjoining east side along Washington Avenue. Park Avenue followed by Railroad tracks are located to the adjoining west side of the Property.
- Date:** 1909
Description: This Sanborn Fire Insurance map shows the Property is similar to that observed in previous map. The majority of the surrounding properties are occupied by residential dwellings. Park Avenue followed by Railroad tracks are located to the adjoining west side of the Property.
- Date:** 1951
Description: This map shows the Property is occupied by a single story manufacturing building that appears to be used for manufacturing advertising displays and wood working. A metal spray booth is depicted on the eastern portion of the Property building. The NY City Department of Water Supply garage is located to the adjoining south side of the Property. Residential dwellings with street level retail stores are located to the adjoining east side of the Property.
- Date:** 1978 and 1979
Description: The Property and its surrounding area appear similar to that observed in the previous map.
- Date:** 1980, 1981 and 1984
Description: The Property and its surrounding area appear similar to that observed in the previous map.
- Date:** 1986 and 1989
Description: The Property and majority of its surrounding appear similar to that observed in the previous map. The adjoining property to the south is occupied by a warehouse building as observed at the time of the site visit.
- Date:** 1980, 1981, 1984 and 1989
Description: The Property and its surrounding appear similar to that observed in the previous map.
- Date:** 1991, 1992 and 1993
Description: The Property and its surrounding appear similar to that observed in the previous map.
- Date:** 1995 and 1996
Description: The Property is vacant and undeveloped as observed at the time of the site visit. The majority of the surrounding area is similar to that observed at the time of the site visit.

3.3.3 City Directories

Historical City directories published by Cole's Directory were reviewed at the New York City Public Library for past names and business that were listed for the Property and adjoining properties. The findings are presented in the following table:

YEAR	ON-SITE	ADJOINING PROPERTIES
1971	BiltRite Fixt. Company; Servite Refrigeration Company	North-NYC Board of Education South-Residential West-No listing East-Robbie's Beauty Parlor; residential listing
1977	BiltRite Fixt. Company;	North-NYC Board of Education South-Residential; Apollo Woodworking West-No listing East-Society For Auboc
1982-83	BiltRite Fixt. Company;	North-NYC Board of Education South-NYC S Bronx Sanitation West-No listing East-Lillian's Beauty Saloon; residential listing
1988-1989	BiltRite Fixt. Company;	North-NYC Board of Education South-No listing West-No listing East-Lillian's Beauty Saloon; residential listing
1992-1993	No listing	North-NYC Board of Education South-No listing West-No listing East-Residential listing
1999/2000	Jimenez Parking lot	North-NYC Board of Education South-No listing West-No listing East-Helen & Sons Movers

Review of historical City Directories indicated that the Property was occupied by a manufacturing operation from at least 1971 to at least 1988-89. The 1999/2000 listing for the Property indicated that it was used for parking purposes. The majority of the surrounding area has historically been used for residential and miscellaneous retail purposes. The NYC Board of Education Public School Building is located to the adjoining north since at least 1971.

Review of historical information indicated that the Property was previously occupied by a single story industrial facility from at least the mid 1940s to the mid 1990s. The Sanborn Maps review indicated that the industrial building was used for manufacturing advertising displays and wood working. The building contained a spray booth on the eastern portion of the Property.

The building was demolished in the mid 1990s and the Property was converted to a commercial licensed parking lot in 1995. No other information pertaining to the historic manufacturing activities was available. However, no specific operation, event or activity was noted that would be considered a REC nor are there any existing regulatory mandates which would require further environmental investigation of the Property at this time. Therefore, the former use of the Property as manufacturing does not represent an environmental concern to the subject Property.

3.3.4 Chain of Title

A 50-year chain-of-title was not requested for this study. Historical use of the Property was researched using other standard historical sources.

3.3.5 Additional Environmental Record Sources

No previous environmental reports were provided for review as part of this study.

3.3.6 Historical Use Information on Adjoining Properties

By review of the standard historical sources referenced above, the historical uses of the adjoining properties are summarized below:

- North:** The adjoining parcel to the north is occupied by the New York City Board of Education Public School since at least 1971.
- South:** A warehouse building that was constructed in the 1920s occupies the adjoining parcel to the south. This structure was previously occupied by the NYC Department of Water from at least 1951 to 1984.
- East:** The east side of the Property was developed with residential buildings since at least the late 1800s.
- West:** The west side of the Property has been historically bound by Park Avenue followed by Metro-North Railroad tracks and residential buildings.

4.0 SITE RECONNAISSANCE

The Property was inspected by Ramesh Challapalli on June 15, 2006. The weather at the time of the site visit was sunny and temperature 75 F. No site contact information was provided to LAC. LAC conducted the site visit unaccompanied. The site inspection was conducted from the streets curbs along the Property.

4.1 General Site Characteristics

The Property consists of a rectangular shaped parcel approximately 0.35 acres in size. The Property is designed and used as an automobile parking lot. Currently, the Property is vacant and used as an automobile parking lot. A small wooded shed located on the southern portion of the Property appears to house to the parking lot attendant. Access to the asphalt-surfaced Property parking lot is provided from Park Avenue along the west side. Storm water drains located along street curbs collect surface run off and discharge to the municipal storm water drains. Due to the urban nature of the Property no landscaping is observed within the Property. A tree line is observed on the sidewalk along East 168th Street. No other structures or significant surface features were noted on the Property at the time of the reconnaissance.

4.1.1 Solid Waste Disposal

Solid waste on the Property is collected in one dumpster situated on the southwest corner of the Property. The dumpster was noted to contain miscellaneous cardboard at the time of the Property reconnaissance and no indication of potentially hazardous material disposal was noted during LAC's reconnaissance.

4.1.2 Surface Water Drainage

Storm water drains located along street curbs collect surface runoff from the Property and vicinity and discharge to the municipal storm water drainage system.

4.1.3 Wells and Cisterns

No aboveground evidence of wells or cisterns was observed during the site reconnaissance.

4.1.4 Wastewater

No indications of industrial wastewater disposal or treatment facilities were observed during the onsite reconnaissance.

4.1.5 Additional Site Observations

No additional relevant general Site characteristics were observed.

4.2 Potential Environmental Conditions

4.2.1 Hazardous Materials and Petroleum Products Used or Stored at the Site

No evidence of the use of hazardous materials or wastes was observed on the Property.

4.2.1.1 Unlabeled Containers and Drums

No Unlabeled containers or drums were observed during the Site reconnaissance.

4.2.1.2 Disposal Locations of Regulated/ Hazardous Waste

No obvious indications of hazardous waste generation, storage or disposal were observed on the Property or were indicated during interviews.

4.2.2 Evidence of Releases

No obvious indications of hazardous material or petroleum product releases, such as stained areas or stressed vegetation, was observed during the site reconnaissance or reported during interviews.

4.2.3 Polychlorinated Biphenyls (PCBs)

Older transformers and other electrical equipment could contain polychlorinated biphenyls (PCBs) at a level that subjects them to regulation by the U.S. EPA. PCBs in electrical equipment are controlled by United States Environmental Protection Agency regulations 40 CFR, Part 761. Under the regulations, there are three categories into which electrical equipment can be classified:

- Less than 50 parts per million (PPM) of PCBs – *“Non-PCB” transformer*
- 50 ppm-500 ppm – *“PCB-Contaminated” electrical equipment*
- Greater than 500 ppm – *“PCB” transformer*

No electrical equipment suspected of containing PCB oils was observed within the Property.

4.2.4 Landfills

No evidence of on-site landfilling was observed or reported during the site reconnaissance.

4.2.5 Pits, Ponds, Lagoons, Sumps, and Catch Basins

No evidence of on-site pits, ponds, or lagoons was observed or reported during the site reconnaissance. No evidence of sumps or catch basins, other than used for stormwater removal, was observed or reported during the site reconnaissance.

4.2.6 On-Site ASTs and USTs

No evidence of aboveground or underground storage tanks was observed during the Site reconnaissance or reported during interviews.

4.2.7 Radiological Hazards

No radiological substances or equipment was observed or reported stored on the subject site.

4.2.8 Drinking Water

The Property area is connected to the city water supply provided by New York City Water Supply System. According to information provided the New York City Department of Environmental Protection, the drinking water supplied to the site is within state and federal standards, including lead. Water sampling was not conducted at the site to verify water quality.

4.2.9 Additional Hazard Observations

No additional hazards were observed on the Site.

4.2.10 Asbestos-Containing Materials (ACM)

The Property is currently vacant, as such; an asbestos evaluation was not required by the scope of services.

4.2.11 Radon

The US EPA has prepared a map to assist National, State, and local organizations to target their resources and to implement radon-resistant building codes. The map divides the country into three Radon Zones, Zone 1 being those areas with the average predicted indoor radon concentration in residential dwellings exceeding the EPA Action limit of 4.0 picoCuries per Liter (pCi/L). It is important to note that the EPA has found homes with elevated levels of radon in all three zones, and the EPA recommends site specific testing in order to determine radon levels at a specific location. However, the map does give a valuable indication of the propensity of radon gas accumulation in structures. Review of the EPA Map of Radon Zones places the Property in Zone 3, where average predicted radon levels are less than 2.0 pCi/L.

4.2.12 Lead-Based Paint

Due to the lack of any structure at the Property, the Client did not request lead-based paint screening.

5.0 INTERVIEWS

Interviews were conducted with the following individuals. Findings from these interviews are discussed in the appropriate sections in this report.

SURROUNDING AREA

- New York City Public Library.

REGULATORY OFFICIALS

- New York City Fire Department, Metrotech Complex, Brooklyn, NY
- New York City Building Department-Online information
- New York City Department of Planning.
- New York City Finance Department-Online Information

6.0 FINDINGS AND CONCLUSIONS

6.1 Findings

6.1.1 On-Site Environmental Conditions

No on site environmental conditions were identified that were considered likely to impact the Property.

6.1.2 Off-Site Environmental Conditions

No offsite environmental conditions were identified that were considered likely to impact the Property.

6.1.3 Previously Resolved Environmental Conditions

No historical recognized environmental conditions were identified in connection with the Property during the course of this assessment.

6.1.4 De Minimis Environmental Conditions

No *de minimis* environmental conditions were identified in connection with the Property during the course of this assessment.

6.2 Opinion

No off-site, on-site or historical recognized environmental conditions were identified that were considered likely to impact the Property.

6.3 Conclusions

LAC has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527-00 of 3500 Park Avenue, Bronx, NY 10456, the Property. Any exceptions to or deletions from this practice are described in Section 1.4 of this report. This assessment has revealed no evidence of recognized environmental conditions in connection with the Property.

6.4 Recommendations

Based on the findings of this ESA, LAC does not recommend further investigation of the Property at this time.

6.5 Deviations

This Phase I ESA substantially complies with the scope of services and ASTM 1527-00, as amended, except for exceptions and/or limiting conditions as discussed in Section 1.4.

7.0 REFERENCES

Reports, Plans, and Other Documents Reviewed:

Radius database report (Vacant Lot, 3500 Park Avenue, Bronx, NY 10456; Dated June 15, 2006, Inquiry Number 1697340.2s)

Sanborn Maps 1891, 1909, 1951, 1969, 1970, 1977, 1978, 1980, 1981, 1984, 1989, 1991, 1993 and 1995 (Vacant Lot, 3500 Park Avenue, Bronx, NY 10456; Dated June 15, 2006, Inquiry Number 1697340.3s)

Federal Emergency Management Agency, Federal Insurance Administration, National Flood Insurance Program, Flood Insurance Map, Community Panel.

USGS - 7.5-Minute Topographic Quadrangle of Central Park, NY 1995.

Agencies Contacted:

City of New York

New York City Fire Department, Metrotech Complex, Brooklyn, NY

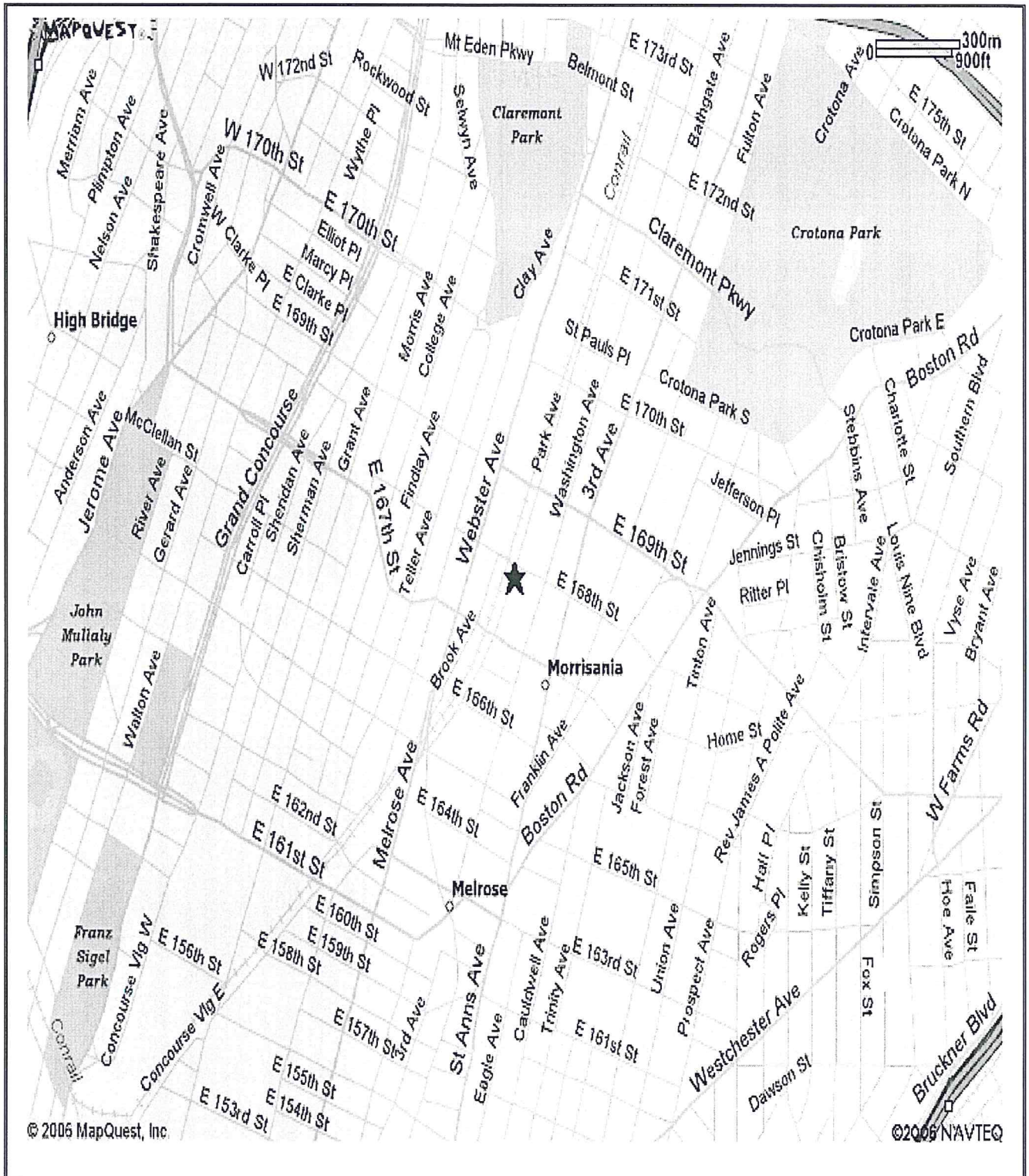
New York City Building Department-Online information.

New York City Department of Planning.

New York City Finance Department-Online Information

FIGURES

**SITE LOCATION MAP
SITE PLAN
TOPOGRAPHIC MAP**



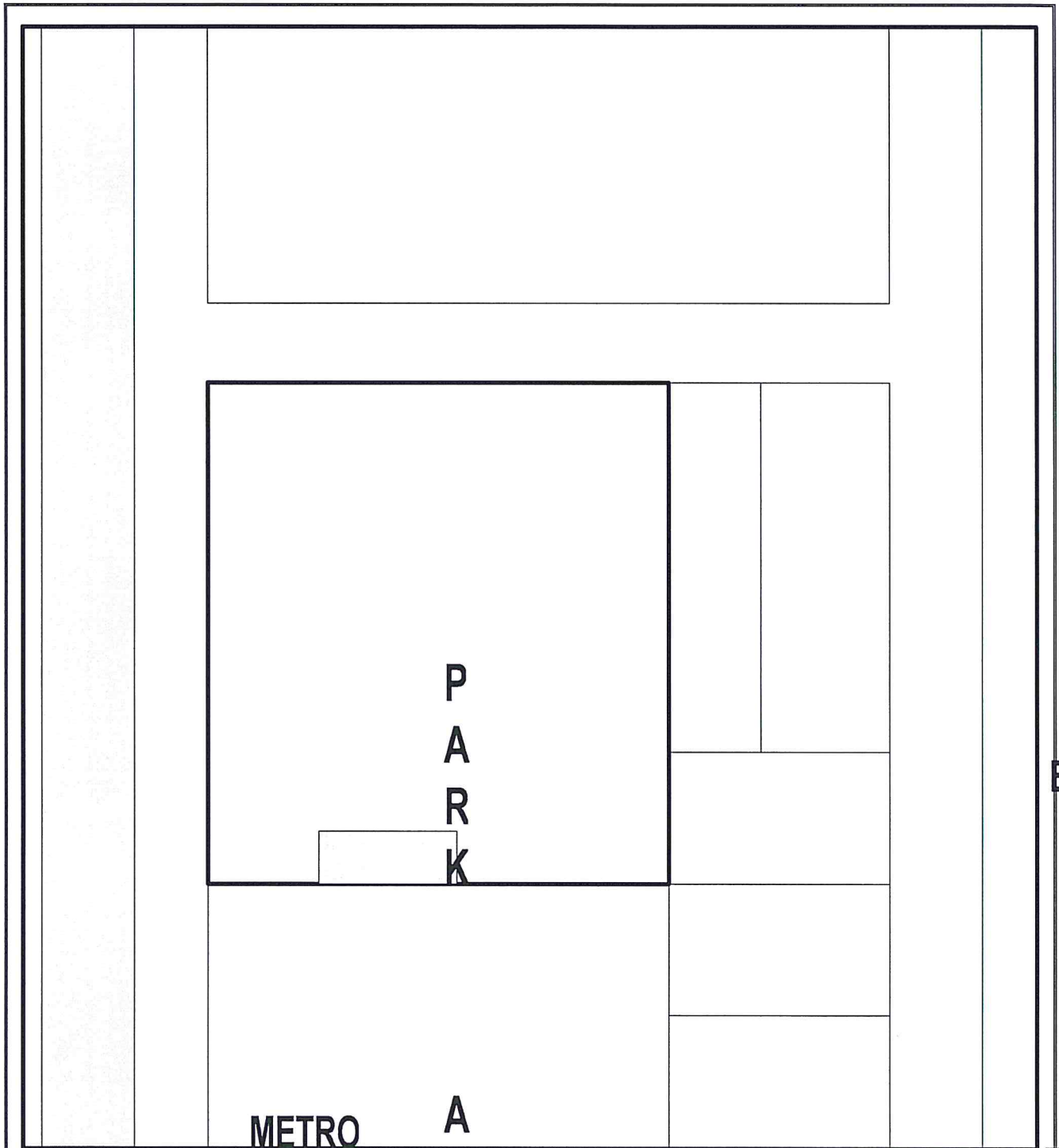
SITE LOCATION MAP

DRAWING NOT TO SCALE



Site Name: 3500 Park Avenue
3500 Park Avenue
Bronx, NY

Project Number: 06-38210.1



METRO
NORTH

A
V

PROPERTY

SITE PLAN

DRAWING NOT TO SCALE

N↑



RAILROAD

Site Name: 3500 Park Avenue
3500 Park Avenue
Bronx, NY

Project Number: 06-38210.1

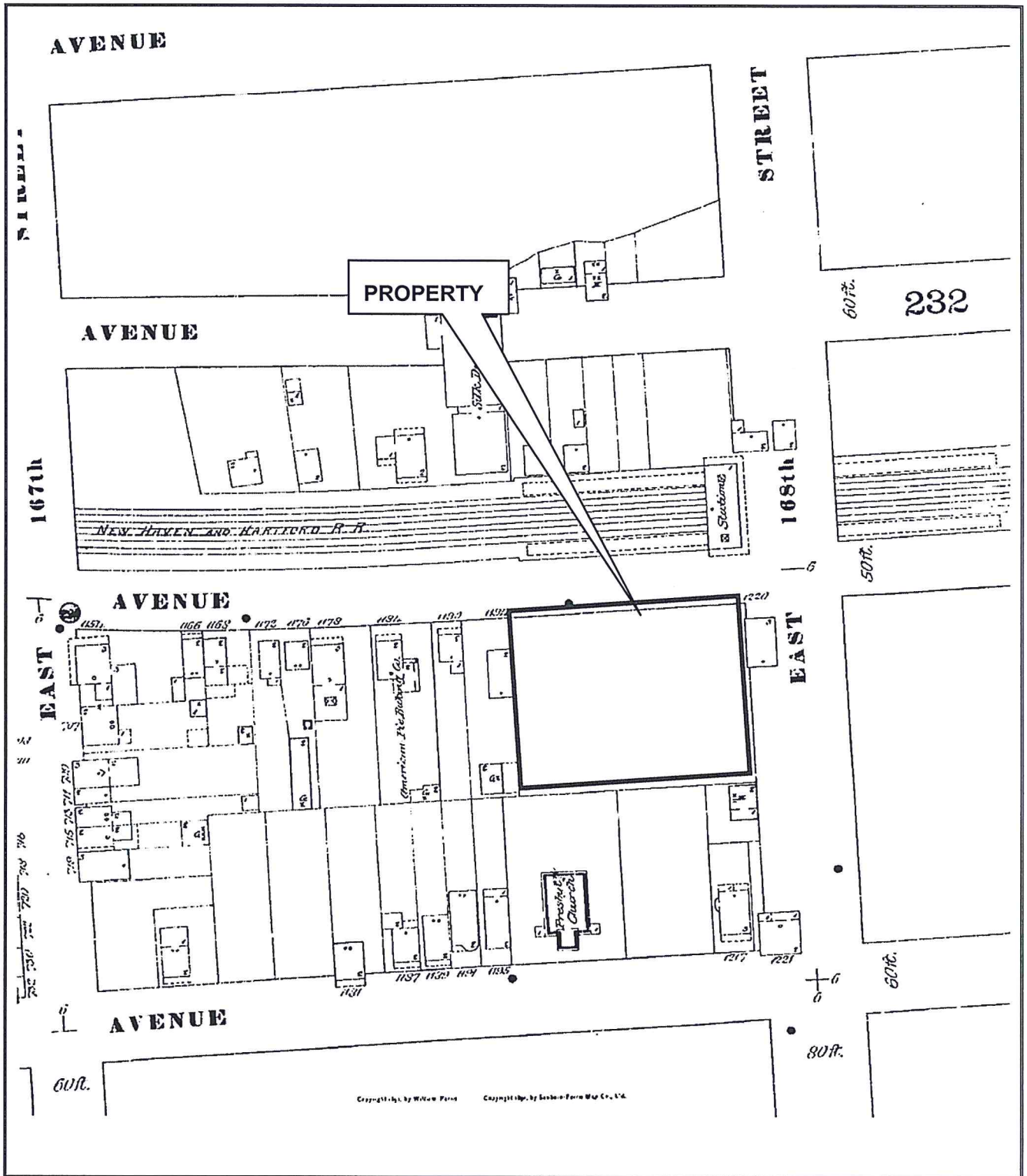
TRACKS


ASPHALT PAVED
PARKING LOT

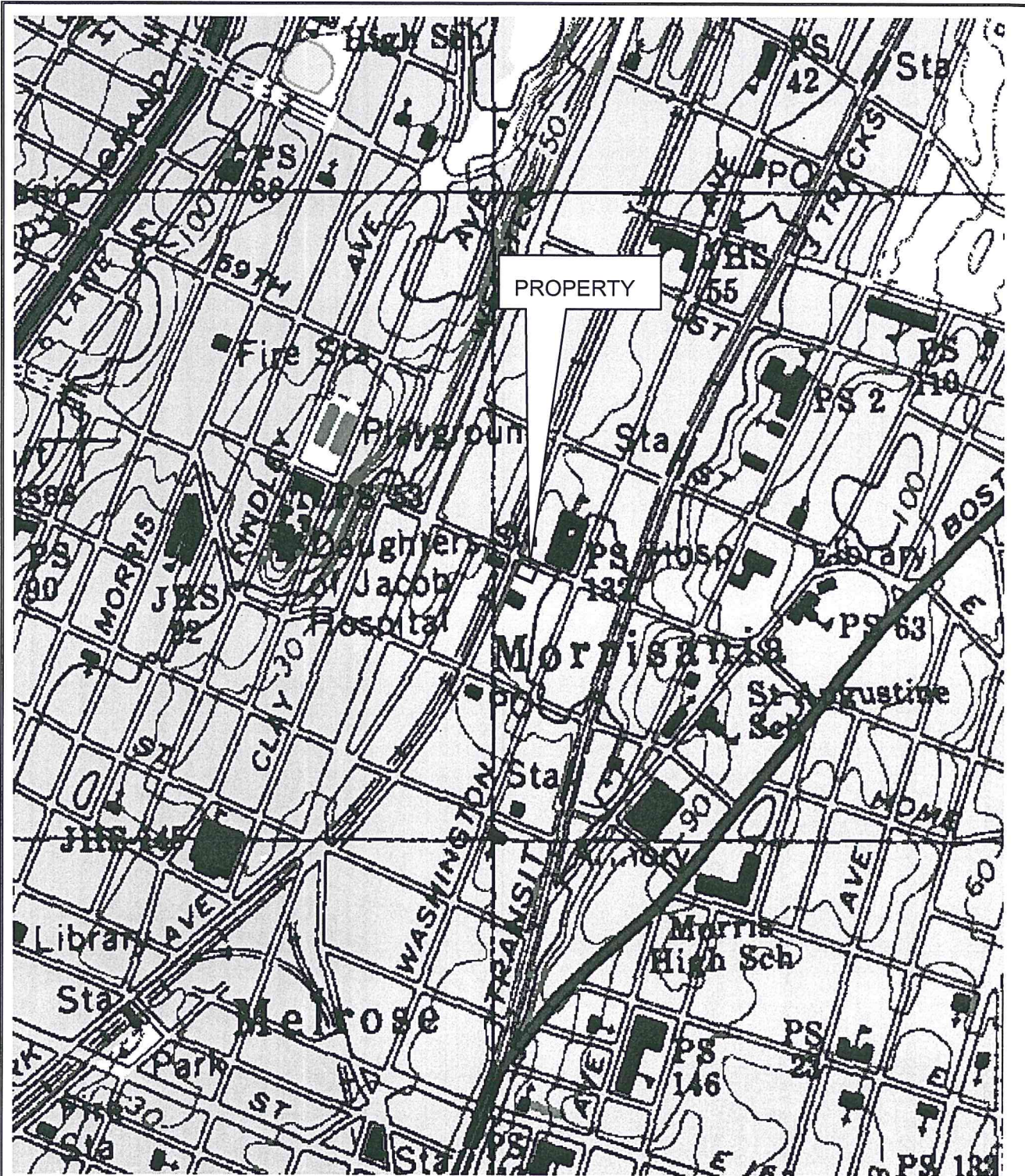
E
N
U
E

NY

EAS



<p>SANBORN MAP</p>	<p>Source: EDR/Sanborn Maps Date: 1891</p>	<p>N↑</p>
	<p>Site Name: Vacant Lot 3500 Park Avenue Bronx, NY</p> <p>Project Number: 06-38210.1</p>	



TOPOGRAPHIC MAP

DRAWING NOT TO SCALE



Source: USGS 7.5 Minute Topographic Map
Central Park, NY Quadrangle 1995



Site Name: 3500 Park Avenue
3500 Park Avenue
Bronx, NY

Project Number: 06-38210.1

APPENDIX A

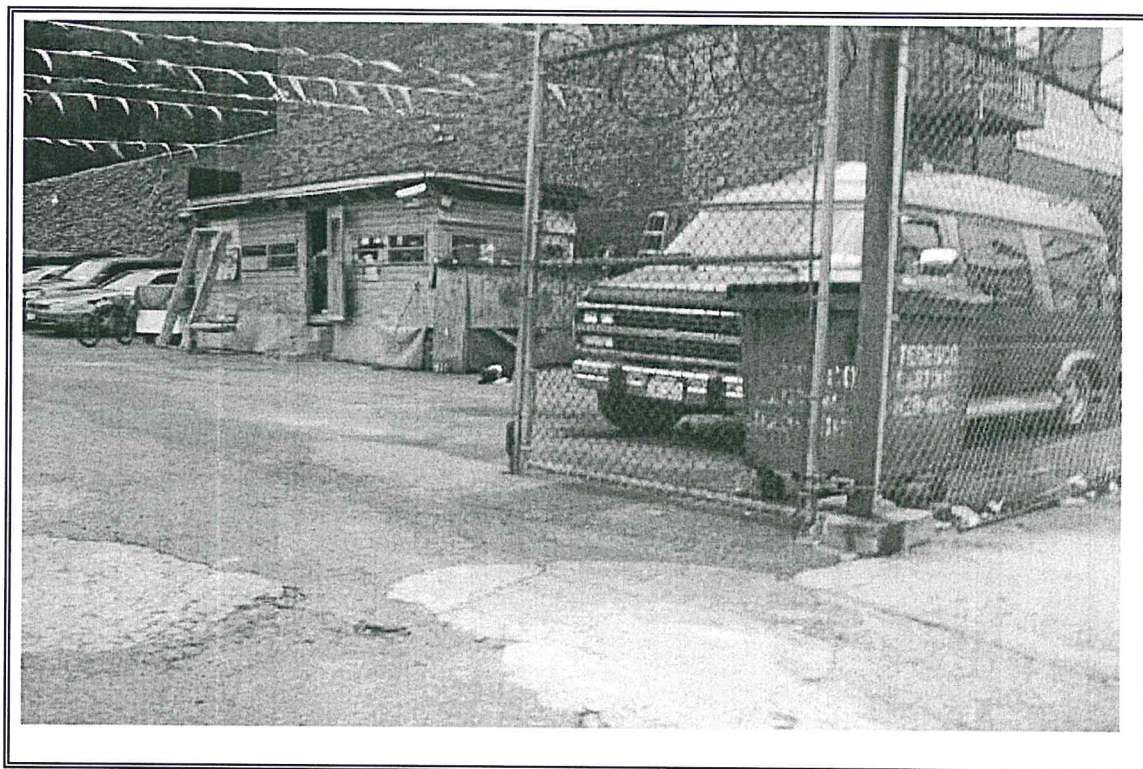
SITE PHOTOGRAPHS



Photograph Number 1: View of the Property from the intersection of Park Avenue and E 168th Street.



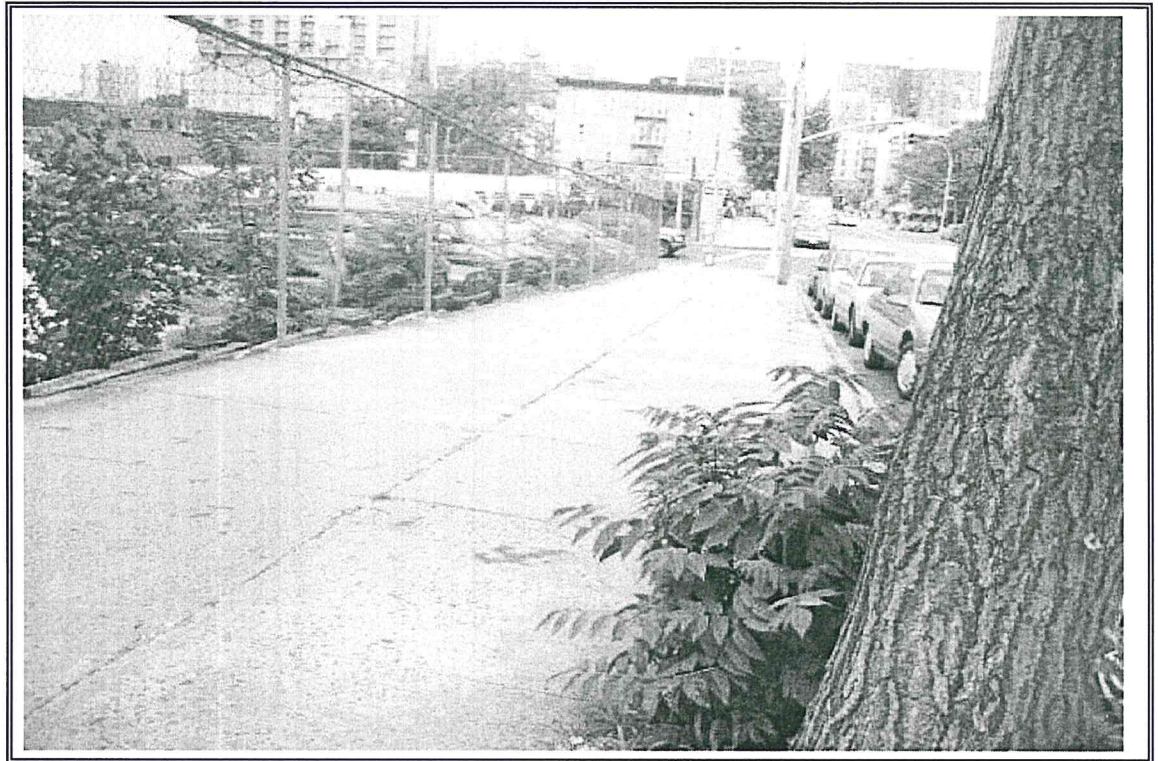
Photograph Number 2: The Property view from E 168th Street.



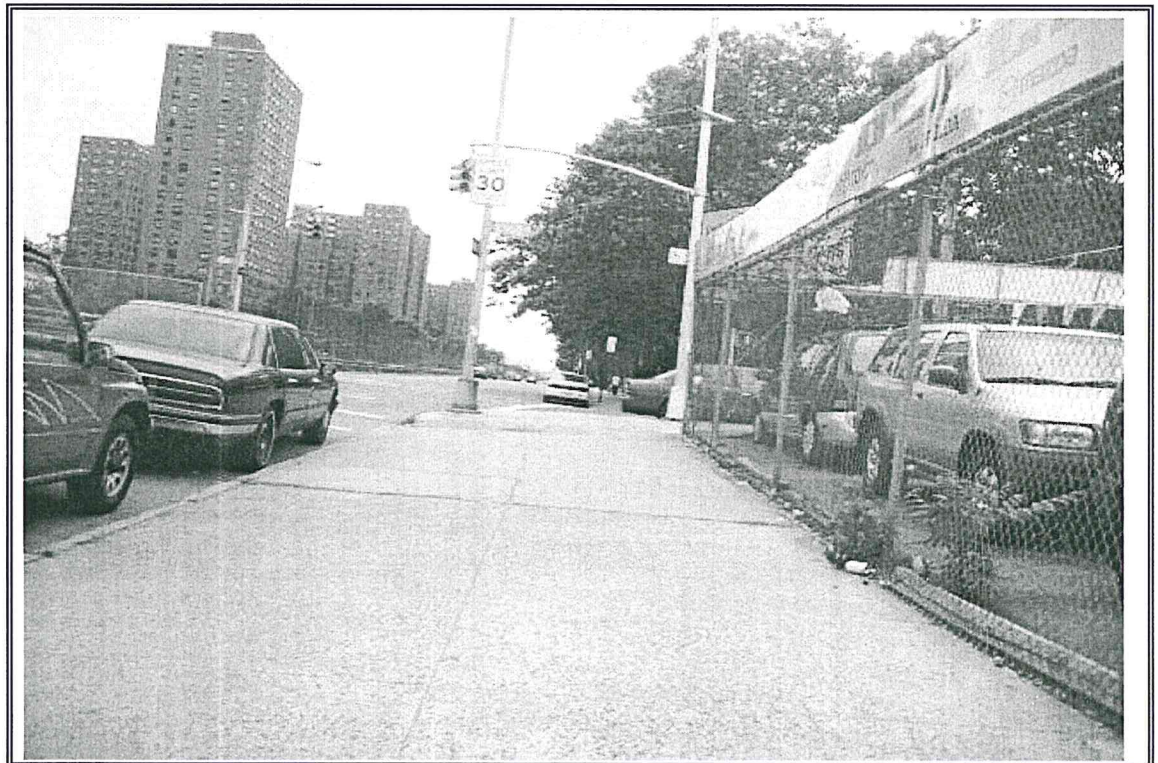
Photograph Number 3: The entrance to the Property parking lot along Park Avenue.



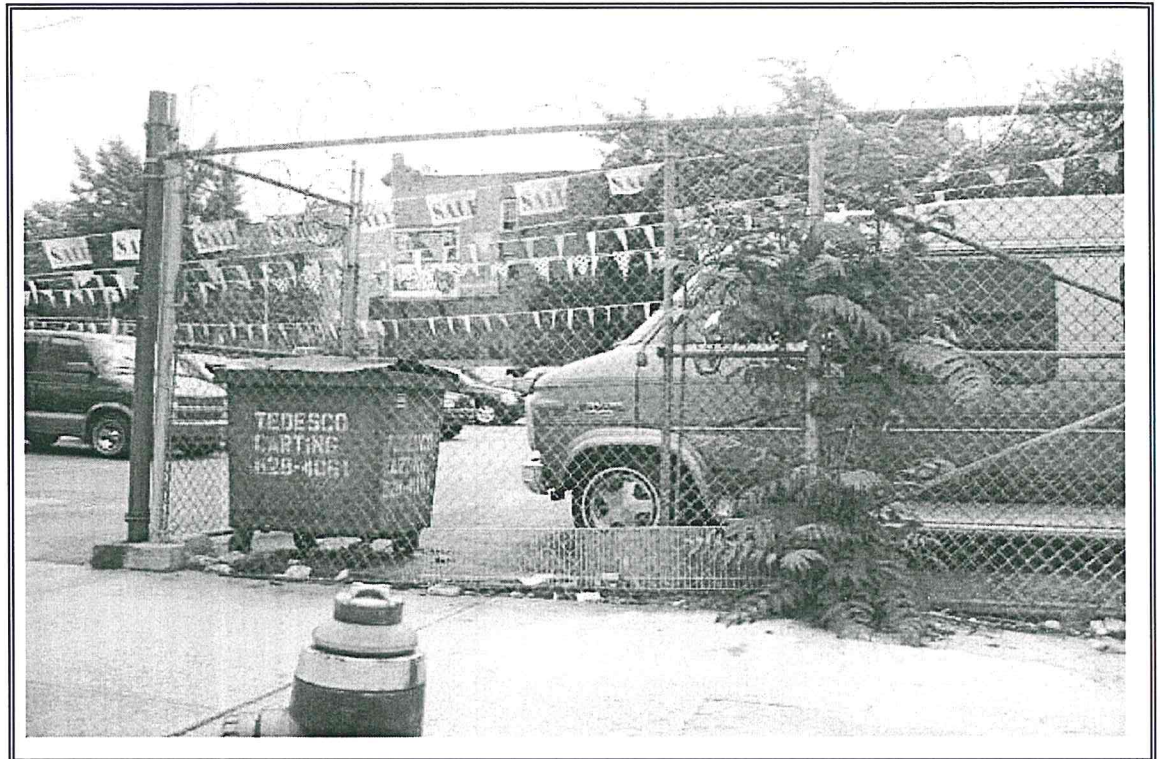
Photograph Number 4: The Property is used as a parking lot.



Photograph Number 5: Another view of the Property along E 168th Street. Camera facing west.



Photograph Number 6 The Property viewed along Park Avenue. Camera facing north.



Photograph Number 7: The Property along Park Avenue.



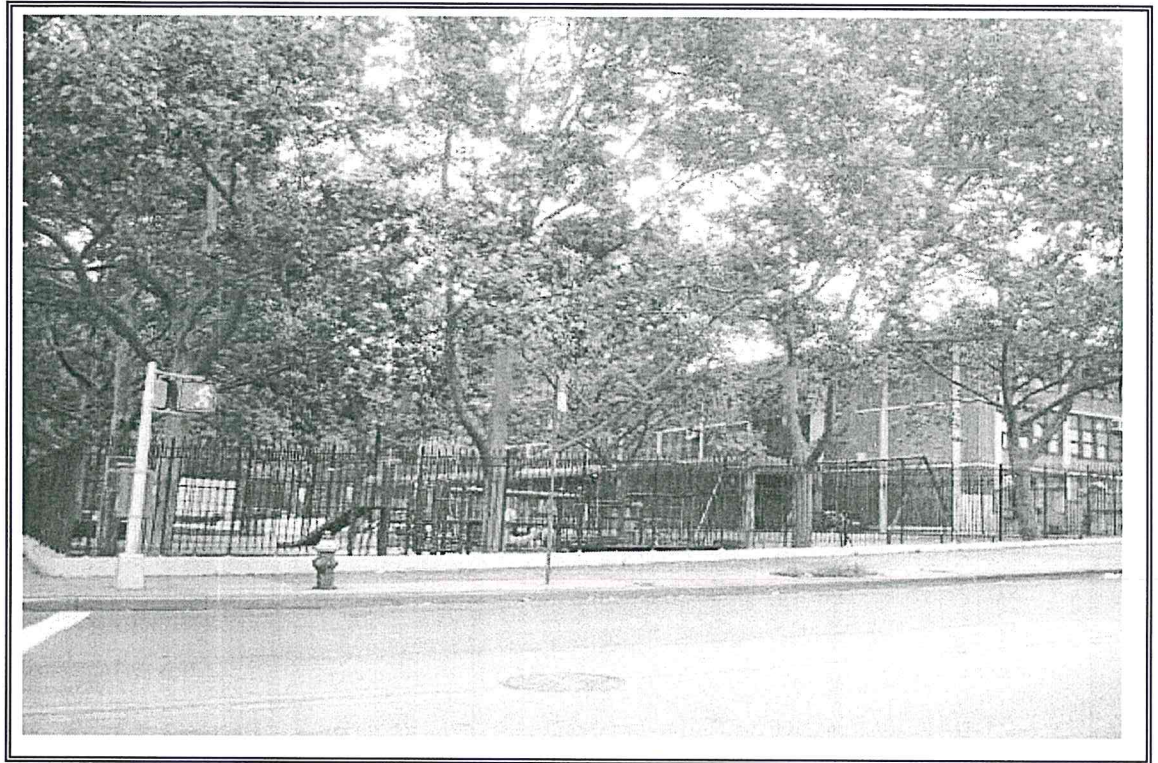
Photograph Number 8: A dumpster is placed on the southwestern corner of the Property.



Photograph Number 9: The Property viewed along E 168th Street and adjoining properties to the east of the Property.



Photograph Number 10: A shed located within the Property.



Photograph Number 11: NYC Public School located to the adjoining north side of E 168th Street.



Photograph Number 12: The intersection of Park Avenue and E 168th Street located to the northwest corner of the Property.



Photograph Number 13: Warehouse located to the adjoining south side of the Property along Park Avenue.



Photograph Number 14: Residential apartment building with street level retail stores located to the adjoining east side of the Property.



Photograph Number 15: Park Avenue followed by Metro-North Railroad tracks followed by residential apartment buildings to the adjoining west side of the Property.



Photograph Number 16: Commercial properties located to the adjoining south side along Park Avenue.

APPENDIX B

HISTORICAL RESEARCH DOCUMENTATION

USER QUESTIONNAIRE

Environmental Site Assessment – Site Questionnaire

Please answer all questions to the best of your actual knowledge. Please call with any questions or comments.

AKRF Contact: Deborah Shapiro
Office phone: 646-388-1954
Cell phone: 917-957-8991

Person completing questionnaire: Carole Gordon

Relationship to the site: Sponsor / Developer / prospective buyer

Length of time associated with the site: 6 Months

1) When were the current buildings constructed? Do you have surveyed drawings? Blueprints? Geotechnical subsurface studies? N/A - vacant lot

2) Have there been any renovation or additions since initial construction?
N/A

3) Is there any historic fill on-site? (Construction and demolition debris? Ash? Dredge spoils?) Yes

4) Have there been any asbestos or lead assessment or abatement activities at the property? If there is asbestos on-site do you have an operations and maintenance plan?
Don't Know

5) Please describe land use at the property prior to construction of the current buildings.
No buildings
Being used for parking cars.

6) Please describe activities at the site since construction of the current buildings, including previous tenants. Commercial activities such as dry cleaning and auto repair are of particular interest to this study.

No buildings -
Parking lot (not repairs)

7) Do you know of specific chemicals that are present or once were present at the property?

No - Phase II should identify this

8) Do you know of any environmental cleanups that have taken place at the property?

No

9) Do municipal water and sewers service the site, or does it rely on private wells and/or a septic system?

Water + sewers ^{service} are at site -

10) Are you aware of any wells, public or private, on or near the subject property?

No

11) Please indicate the nature and frequency of trash removal from the subject property.

Unknown

12) Are you aware of the current or former use, storage or production of any hazardous materials (petroleum products, solvents, paints, pesticides, etc) in any part of the subject site?

No

13) Are any environmental permits or licenses held currently, or in the past, relating to the property?

Not to my knowledge

14) Are there any registrations held for underground or above ground storage tanks at the property (NYSDEC, NYCDOB, FDNY)?

Unknown

15) Have any previous environmental reports, audits or investigations been performed at the site? If available, please provide copies, preferably prior to the site visit.

Phase I - 2006

16) Does the site or any part of the site operate under a community right-to-know plan, safety plan, preparedness and prevention plan, spill prevention, countermeasure or control plan?

Unknown

17) Does the property have any activity and use limitations (AULs), such as engineering controls, land use restrictions or institutional controls that are in place at the property and/or have been filed or recorded against the property under federal, tribal, state or local law?

Unknown

18) Are you aware of any reports regarding hydrogeologic or geotechnical conditions on the property or surrounding area?

Awaiting Phase II

19) Please provide copies of any notices or other correspondence from any government agency relating to past or current violations of environmental laws with respect to the property or relating environmental liens encumbering the property.

Unknown

20) Please provide copies of any hazardous waste generator notices or reports.

Unknown

21) Please advise of:

a. any pending, threatened, or past litigation relevant to hazardous substances or petroleum products in, on or from the property, Unknown

b. any pending, threatened or past administrative proceedings relevant to hazardous substances or petroleum products in, on or from the property; and

Unknown

c. any notices from any government entity regarding any possible violation of environmental laws or possible liability relating to hazardous substances or petroleum products.

Unknown

22) Have any environmental liens been filed or recorded against the property under federal, tribal, state or local law?

Unknown

23) Are you aware of value reduction on the property due to environmental issues?

Unknown

24) Does the purchase price being paid for this property reasonably reflect the fair market value of the property? If you conclude that there is a difference, have you considered whether the lower purchase price is because contamination is known or believed to be present at the property?

Purchase price reasonably reflects fair market value based on current appraisal prepared for acquisition -

25) Do you have any specialized knowledge or experience related to the property or nearby properties? For example, are you involved in the same line of business as the current or former occupants of the property or an adjoining property so that you would have specialized knowledge of the chemicals and processes used by this type of business?

No

26) Based on your knowledge and experience related to the property are there any obvious indicators that point to the presence or likely presence of releases at the property?

No