



104 E. 25th Street
New York, NY 10010
www.atcassociates.com
212-353-8280
Fax 212-979-8447

December 20, 2012

George Villar
Dynamic Worldwide Group, LLC
230 West 17th Street, 4th Floor
New York, NY 10011

Re: Phase I Environmental Site Assessment
23-01 42 Road
23-01 42 Road
Long Island City, NY 11101
Dynamic Worldwide Group, LLC

ATC Associates Inc. (ATC) has completed a Phase I Environmental Site Assessment of the above-referenced property. The report includes our findings and conclusions based on observations made on the day(s) of the site reconnaissance and from information obtained from public agencies and other referenced sources.

ATC appreciates the opportunity to be of service to you for this project and we look forward to working with you on future assignments. If you have questions regarding the information in this report or if we can be of further assistance, please do not hesitate to contact our office.

Sincerely,

ATC Associates Inc.



**PHASE I ENVIRONMENTAL SITE ASSESSMENT
OF**

23-01 42 Road

**23-01 42 Road
Long Island City, NY 11101**

CARDNO ATC PROJECT NO. 015.92015.0188

August 28, 2012

Prepared by:

ATC Associates Inc.
104 E. 25th Street
New York, NY 10010
Phone: 212-353-8280
Fax: 212-979-8447

Prepared For:

George Villar
Dynamic Worldwide Group, LLC
230 West 17th Street, 4th Floor
New York, NY 10011

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1.0 Executive Summary

1.1 General Information

Project Information:

Dynamic Worldwide Group, LLC
015.92015.0188

Consultant Information:

ATC Associates Inc.
104 E. 25th Street
New York, NY 10010

Phone: 212-353-8280

Fax: 212-979-8447

Inspection Date: 08/17/2012

Report Date: 08/28/2012

Site Information:

23-01 42 Road
23-01 42 Road
Long Island City, NY 11101

Latitude, Longitude: 40.750721, -73.941032

Site Access Contact: Alfred Pizzuto

Client Information:

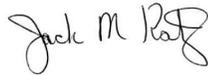
Dynamic Worldwide Group, LLC
George Villar
230 West 17th Street, 4th Floor
New York, NY 10011

Site Assessor

John J. Mascioli, M.S.
Project Manager

Project Manager

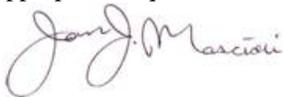
John J. Mascioli, M.S.
Project Manager

Senior Reviewer

Jack M. Katz, Ph.D.
Senior Project Manager

Environmental Professional:

I declare that, to the best of my professional knowledge and belief, I meet the definition of Environmental Professional as defined in 312.10 of this part. 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.



John J. Mascioli, M.S. - Project Manager

1.2 Findings and Conclusions Summary

ATC Associates Inc. has performed a Phase I Environmental Site Assessment (ESA) in conformance with the scope and limitations of ASTM Standard Practice E 1527-05 of the property located at 23-01 42nd Road, Long Island City, New York 11101 (hereinafter referred to as the "property"). Any exceptions to, or deletions from, this practice are described in Section 2.0 of this report. This assessment has revealed evidence of *recognized environmental conditions* in connection with the property as noted below:

PHASE I ENVIRONMENTAL SITE ASSESSMENT

23-01 42 Road

Long Island City, NY

Report Section	Further Action?	De Minimis Condition	REC	Historical REC	ASTM Nonscope Condition	Description
4.0	User Provided Information	No				
5.1.1	Federal Database Findings	Yes		X		See Note 1
5.1.2	State and Tribal Database Findings	No				
5.1.3	Local Environmental Record Sources	No				
5.2	Physical Setting Sources	No				
5.3	Historical Records Sources	Yes		X		See Note 2
5.3.4	Recorded Land Title Records	No				
6.2	Hazardous Substance Use, Storage and Disposal	No				
6.3	Underground Storage Tanks	Yes		X		See Note 3
6.4	Aboveground Storage Tanks	No				
6.5	Other Petroleum Products	No				
6.6	Polychlorinated Biphenyls (PCBs)	No				
6.7	Unidentified Substance Containers	No				
6.8	Nonhazardous Solid Waste	No				
6.9	Wastewater	Yes	X			See Note 4
6.10	Waste Pits, Ponds and Lagoons	No				
6.11	Sumps	Yes		X		See Note 5
6.12	Septic Systems	No				
6.13	Stormwater Management System	No				
6.14	Wells	No				
7.0	Interviews	No				
8.1	Asbestos-Containing Material (ACM)	Yes			X	See Note 6
8.2	Radon	No				
8.3	Lead in Drinking Water	No				
8.4	Lead-Based Paint (LBP)	Yes			X	See Note 7
8.5	Mold Screening	No				
8.6	Additional User Requested Services	No				

Note 1

The adjoining site to the north of the property was identified on the following federal agency databases reviewed:

- Facility Index System / Facility Registry System (FINDS)
- Resource Conservation Recovery Act (RCRA) Small Quantity Generator (SQG)

Although these listings are associated with the north adjoining site, during the property inspection, ATC noted that the subject property basement and north adjoining site basement were connected with interior access from one basement to the other. Additionally, both the subject property and north adjoining site have the same owner and both properties have been used by Eagle Electric Manufacturing with similar on-site operations. Therefore, it is possible that the federal listings for the adjoining site are associated with the subject property as well.

A search of the FINDS listing is not required for compliance with the ASTM Standard for Phase I ESA, and generally indicates that the property may be listed on another regulatory database. The FINDS listing is related to US EPA TRIS [Environmental Protection Agency - Toxic Release Inventory System] which identifies facilities that release toxic chemicals to the air, water and/or land or that are transported off-site in reportable quantities under SARA Title III Section 313. In addition, the FINDS reference the property as a hazardous waste biennial reported and the RCRA information as discussed below. The FINDS listing may also indicate references to out-of-date listings for the property.

The RCRA SQG listing for the property is identified as Copper Wiring Devices. The RCRA-SQG listing indicates that more than 100 and less than 1000 kg of hazardous waste is generated during any calendar year month and accumulates less than 6000 kg of hazardous waste at any time; or generates 100 kg or less of hazardous waste during any calendar month, and accumulates more than 1000 kg of hazardous waste at any time.

There were no violations found with the RCRA SQG listing. According to the manifests on file and available for review, the property generated the following hazardous wastes:

- Non-listed ignitable wastes, 200 pounds, generated and/or shipped off site in 2004
- Non-listed ignitable wastes, 1750 pounds, generated and/or shipped off site in 2005
- Cadmium, 3300 pounds, generated and/or shipped off site in 2004
- Cadmium, 700 pounds, generated and/or shipped off site in 2005
- Lead, 700 pounds, generated and/or shipped off site in 2004
- Lead, 50 pounds, generated and/or shipped off site in 2005
- Barium, 675 pounds, generated and/or shipped off site in 2005
- Mercury, 200 pounds, generated and/or shipped off site in 2004
- Non-listed corrosive wastes, 600, 3060 pounds, generated and/or shipped off site in 2004
- Unknown, 800 pounds, generated and/or shipped off site in 2005

Although there are no reported violations, based on the known use of the property used extensively for manufacturing purposes coupled with the TRIS listing and reported waste types/quantities, ATC considers the federal agency database listings to represent a *recognized environmental condition* for the property.

Note 2

The historical records review indicated that the property has extensively been used for manufacturing purposes. Additionally, the surrounding area has also been used for industrial/manufacturing purposes. Gasoline tanks have been identified for the property (further discussed in Note 3 below) and the adjoining property to the north. Additionally, as further discussed in the prior report section (Section 5.3.9), the property in the past was noted to have oil staining from the on-site metal fabrication machines in the basement of the property building.

The historical uses of the property represent a *recognized environmental condition* for the property.

Note 3

ATC did not observe any USTs on the property at the time of the property reconnaissance. However, as discussed in Section 5.3, at least three gasoline tanks have been identified on the property. ATC has not been provided with any information regarding these tanks. It is not known whether these USTs exist at the property. Based on the potential presence of gasoline tanks on the property, the presumed age of the USTs (at least 75 years) and lack of any documentation of UST closure, the potential USTs are considered to represent a *recognized environmental condition* for the property.

Note 4

ATC observed an aboveground oil/water separator in the sub-basement (boiler room) of the property building. At the time of the property inspection, some minor staining was noted on the floor in the area of the oil/water separator. ATC considers the staining to represent a *de minimis* condition for the property.

Note 5

ATC observed one sump located adjacent to the boiler in the property building. According to the property manager, there is a pump in the sump that is connected to the NYC municipal sewer system. In the area of the sump, minor petroleum staining was noted and a slight petroleum sheen was also noted on the standing water in the sump. The identified petroleum staining and sheen on the standing water represent a *recognized environmental condition* for the property.

Note 6 (Non-ASTM Related)

During the visual survey, various common building materials were noted that would typically be considered suspect ACM including; sheetrock/plaster materials, 12"x12" and 9"x9" vinyl floor tiles, roofing materials, boiler insulation, etc. Pursuant to the agreed upon scope of work, no samples of suspect materials were collected for laboratory analysis. Suspect ACM was observed to be in poor-fair condition. ACM is outside of the Scope of ASTM Practice E 1527-05 and, therefore, the potential presence of ACM is not considered a *recognized environmental condition*.

Note 7 (Non-ASTM Related)

During the course of ATC's inspection, painted surfaces (with suspect LBP) throughout the property were generally observed in poor condition. LBP is outside of the Scope of ASTM Practice E 1527-05 and, therefore, the potential presence of LBP is not considered a *recognized environmental condition*.

1.3 Significant Data Gap Summary

Data gaps may have been encountered during the performance of this Phase I ESA and are discussed within the section of the report where they were encountered. However, according to ASTM Standard Practice E 1527-05, *data gaps* are only significant if "other information and/or professional experience raises reasonable concerns involving the *data gap*."

Report Section		Description
3.5	Current Uses of Adjoining Properties	No significant data gaps identified.
4.2	Environmental Liens or Activity and Use Limitations (AULs)	No significant data gaps identified.
5.1	Standard Environmental Records	No significant data gaps identified.
5.2	Physical Setting Sources	No significant data gaps identified.
5.3	Historical Records Sources	No significant data gaps identified.
6.1	Methodology and Limiting Conditions	No significant data gaps identified.
7.0	Interviews	No significant data gaps identified.

1.4 Recommendations

Based on information collected from the Phase I ESA, ATC offers the following recommendations:

- A subsurface investigation should be conducted to investigate potential impacts to the property from potential abandoned gasoline tanks and historical operations on the property and surrounding area.
- *Non-ASTM Related:* Suspect ACM and LBP should be tested prior to any disturbance related to any planned maintenance or renovation activities.

2.0 Introduction

2.1 Purpose

The purpose of this Phase I ESA was to identify *recognized environmental conditions* and certain potential environmental conditions outside the scope of ASTM Standard Practice E 1527-05 in connection with the property at the time of the site reconnaissance. This report documents the findings, opinions and conclusions of the Phase I ESA.

2.2 Scope

This Phase I ESA was conducted in general accordance with the ASTM Standard Practice E 1527-05, consistent with a level of care and skill ordinarily practiced by the environmental consulting profession currently providing similar services under similar circumstances. Significant additions, deletions or exceptions to ASTM Standard Practice E 1527-05 are noted below or in the corresponding sections of this report. The scope of this assessment included an evaluation of the following:

- Physical setting characteristics of the property through a review of referenced sources such as topographic maps and geologic, soils and hydrologic reports.
- Usage of the property, adjoining properties and surrounding area through a review of referenced historical sources such as land title records, fire insurance maps, city directories, aerial photographs, prior reports and interviews.
- Observations and interviews regarding current property usage and condition including: the use, treatment, storage, disposal or generation of hazardous substances, petroleum products, hazardous wastes, nonhazardous solid wastes and wastewater.
- Usage of adjoining and surrounding area properties and the likely impact of known or suspected releases of hazardous substances or petroleum products from those properties on the property.
- Information in referenced environmental agency databases and local environmental records, within the specified approximate minimum search distance from the property.

The scope of the assessment also included consideration of the following environmental issues or conditions that are beyond the scope of ASTM Standard Practice E 1527-05:

- Mold Screening to report the findings of a baseline survey of readily observable mold and conditions conducive to mold on the property identified by limited interview, document review and physical observation and to provide an opinion on whether an identified condition warrants further action.
- Visual observation of suspect ACM, consisting of providing an opinion on the condition of suspect ACM on the property based upon visual observation during the site reconnaissance.
- Radon document review, consisting of the review of published radon data with regard to the potential for elevated levels of radon gas in the surrounding area of the property.
- Lead in drinking water data review, consisting of contacting the water supplier for information regarding whether or not the potable water provided to the property meets or exceeds drinking water standards for lead.
- Visual observation of Lead-based paint (LBP), consisting of providing an opinion on the potential for LBP based on the construction date of buildings on the property and visual observation of the condition of suspect LBP.
- Wetlands document review, consisting of a review of a current National Wetlands Inventory map of the surrounding area to note if the property is identified as having a wetland.
- Flood plain document review, consisting of a review of a reasonably ascertainable flood plain map of the surrounding area to note if the property is identified as being located within a flood plain.

2.3 Significant Assumptions

The following assumption summarized below is considered to have significant impact on the determination of recognized environmental conditions associated with the property. Additional details and discussion may be found in other sections of this report.

Based on topography, groundwater flow in the area of the property is presumed to be in a westerly direction.

2.4 Limitations and Exceptions

ATC has prepared this Phase I ESA report using reasonable efforts to identify *recognized environmental conditions* associated with hazardous substances or petroleum products at the property. Findings contained within this report are based on information collected from observations made on the day(s) of the site reconnaissance and from reasonably ascertainable information obtained from certain public agencies and other referenced sources.

The ASTM Standard Practice E 1527-05 recognizes inherent limitations for Phase I ESAs, including, but not limited to:

- *Uncertainty Not Eliminated* - Phase I ESA cannot completely eliminate uncertainty regarding the potential for *recognized environmental conditions* in connection with any property.

- *Not Exhaustive* - A Phase I ESA is not an exhaustive investigation of the property and environmental conditions on such property.

- *Past Uses of the Property* - Phase I requirements only require review of standard historical sources at five year intervals. Therefore, past uses of property at less than five year intervals may not be discovered.

Users of this report may refer to ASTM Standard Practice E 1527-05 for further information regarding these and other limitations. This report is not definitive and should not be assumed to be a complete and/or specific definition of all conditions above or below grade. Current subsurface conditions may differ from the conditions determined by surface observations, interviews and reviews of historical sources. The most reliable method of evaluating subsurface conditions is through intrusive techniques, which are beyond the scope of this report. Information in this report is not intended to be used as a construction document and should not be used for demolition, renovation, or other property construction purposes. Any use of this report by any party, beyond the scope and intent of the original parties, shall be at the sole risk and expense of such user.

ATC makes no representation or warranty that the past or current operations at the property are, or have been, in compliance with all applicable federal, state and local laws, regulations and codes. This report does not warrant against future operations or conditions, nor does it warrant against operations or conditions present of a type or at a location not investigated. Regardless of the findings stated in this report, ATC is not responsible for consequences or conditions arising from facts not fully disclosed to ATC during the assessment.

An independent data research company provided the government agency database referenced in this report. Information on surrounding area properties was requested for approximate minimum search distances and is assumed to be correct and complete unless obviously contradicted by ATC's observations or other credible referenced sources reviewed during the assessment. ATC shall not be liable for any such database firm's failure to make relevant files or documents properly available, to properly index files, or otherwise to fail to maintain to produce accurate or complete records.

ATC used reasonable efforts to identify evidence of aboveground and underground storage tanks and ancillary equipment on the property during the assessment. "Reasonable efforts" were limited to observation of accessible areas, review of referenced public records and interviews. These reasonable efforts may not identify subsurface equipment or evidence hidden from view by things including, but not limited to, snow cover, paving, construction activities, stored materials and landscaping.

Any estimates of costs or quantities in this report are approximations for commercial real estate transaction due diligence purposes and are based on the findings, opinions and conclusions of this assessment which are limited by the scope of the assessment, schedule demands, cost constraints, accessibility limitations and other factors associated with performing the Phase I ESA. Subsequent determinations of costs or quantities may vary from the estimates in this report. The estimated costs or quantities in this report are not intended to be used for financial disclosure related to FASB Statement No. 143, FASB Interpretation No. 47, Sarbanes/Oxley Act or any United States Securities and Exchange Commission reporting obligations, and may not be used for such purposes in any form without the express written permission of ATC.

ATC is not a professional title insurance or land surveyor firm and makes no guarantee, express or implied, that any land title records acquired or reviewed in this report, or any physical descriptions or depictions of the property in this report, represent a comprehensive definition or precise delineation of property ownership or boundaries.

The Environmental Professional Statement in Section 1.1 of this report does not "certify" the findings contained in this report and is not a legal opinion of such *Environmental Professional*. The *Environmental Professional* Statement is meant to document ATC's opinion that an individual meeting the qualifications of an Environmental Professional was involved in the performance of the assessment and that the activities performed by, or under the supervision of, the Environmental Professional were performed in conformance with the standards and practices set forth in 40 CFR Part 312 per the methodology in ASTM E 1527-05 and the scope of work for this assessment.

Per ASTM Standard Practice E 1527-05, Section 6, User Responsibilities, the User of this assessment has specific obligations for performing tasks during this assessment that will help identify the possibility of *recognized environmental conditions* in connection with the property. Failure by the User to fully comply with the requirements may impact their ability to use this report to help qualify for *Landowner Liability Protections* (LLPs) under CERCLA. ATC makes no representations or warranties regarding a User's qualification for protection under any federal, state or local laws or regulations.

In accordance with the ASTM Standard Practice E 1527-05, this report is presumed to be valid for a six month period. If the report is older than six months, the following information must be updated in order for the report to be valid: (1) regulatory review, (2) site visit, (3) interviews, (4) specialized knowledge and (5) environmental liens. Reports older than one year may not meet ASTM Standard Practice 1527-05 and therefore, the entire report must be updated to reflect current conditions and property-specific information.

Other limitations and exceptions that are specific to the scope of this report may be found in corresponding sections.

2.5 Special Terms and Conditions (User Reliance)

This report is for the use and benefit of, and may be relied upon by Dynamic Worldwide Group, LLC (Dynamic) and any of its affiliates, and third parties authorized in writing by Dynamic and ATC. Any third party agrees by accepting this report that any use or reliance on this report shall be limited by the exceptions and limitations in this report, and with the acknowledgment that actual site conditions may change with time, and that hidden conditions may exist at the property that were not discovered within the authorized scope of the assessment. Any use by or distribution of this report to third parties, without the express written consent of ATC, is at the sole risk and expense of such third party.

ATC makes no other representation to any third party except that it has used the degree of care and skill ordinarily exercised by environmental consultants in the preparation of the report and in the assembling of data and information related thereto. No other warranties are made to any third party, either express or implied. Unless otherwise agreed upon in writing by ATC and a third party, ATC's liability to any third party authorized to use or rely on this report with respect to any acts or omissions shall be limited to a total maximum amount of \$100,000.

3.0 Site Description

3.1 Location and Legal Description

The property is located at 23-01 42nd Road, Long Island City, Queens County, New York 11101. According to information obtained from the New York City Department of Finance, the property is identified as Block 425, Lot 1. A Site Vicinity Map is provided in Appendix A and a Site Plan is provided in Appendix B.

3.2 Surrounding Area General Characteristics

The property is located in an area primarily characterized by mixed commercial and industrial use. Surface topography across the property and in the surrounding area is relatively flat with a slight slope to the west towards the East River, located approximately 0.5 mile to the west. The surrounding area to the east across 24th Street consists of a multi-story commercial/industrial building, to the south is a small commercial/industrial building and parking lot, to the west across 23rd Street is a paved lot with elevated roadway/tracks for the Queensboro Bridge and MTA subway, and to the north is a mostly unoccupied 4-story commercial/industrial building.

3.3 Current Use of the Property

The property is currently improved as a two-story, mostly unoccupied commercial/industrial building with a basement and a partial sub-basement. A portion of the property building is temporarily occupied by a movie studio for set and prop storage. The building is generally an open warehouse space. The property building has an approximate gross floor area of 27,200 square feet and occupies the entire lot area of approximately 14,920 square feet. The property is located along the north side of 42nd Road (between 23rd Street and 24th Street). The sub-basement contains the on-site oil fired boiler and the on-site 5,000-gallon #2 heating fuel AST is located in an accessible vault adjacent to the boiler.

3.4 Description of Property Improvements

The following provides general descriptions of property improvements.

Property Improvements

Size of Property (approximate)	14,920 SF
General Topography of Property	Generally flat with a slight slope to the west
Adjoining and/or Access/Egress Roads	42nd Road to the south, 23rd Street to the west, and 24th Street to the east
Paved or Concrete Areas (including parking)	Paved concrete sidewalks to south, east, and west
Unimproved Areas	None
Landscaped Areas	None
Surface Water	None
Potable Water Source	New York City Department of Environmental Protection (NYCDEP)
Sanitary Sewer Utility	NYCDEP
Storm Sewer Utility	NYCDEP
Electrical Utility	Consolidated Edison (Con Ed)
Natural Gas Utility	Con Ed

Building Name	23-01 42nd Road
Number of Floors	2 plus basement and partial sub-basement
Total Square Feet of Space (approximate)	27,200
Construction Completion Date (year)	1921
Construction Type	Reinforced Concrete
Interior Finishes Description	Concrete floors partially covered with vinyl floor tiles (9"x9" and 12"x12"), concrete, brick, sheetrock/plaster walls, and concrete ceilings partially covered with 2'x4' ceiling tiles.
Exterior Finishes Description	Concrete and brick structural walls

Cooling System Type	Partially cooled by roof top unit
Heating System Type	Oil fired boiler
Emergency Power	None

3.5 Current Uses of Adjoining Properties

Current uses of the adjoining properties were observed to be as described in the following table.

Direction From Site	Address	Occupant(s) Name	Current Use	Potential Environmental Conditions
North	23-10 Queens Plaza South	Electric Realty Company	Commercial/ Industrial	Abandoned USTs (Refer to Section 5.3 for additional information)
South	23-02 42 Road	Steinway Awnings II LLC	Commercial/ Industrial	None
East	24-02 Queens Plaza South	Electric Realty Company	Commercial/ Industrial	Refer to Section 5.1.2
West	42-02 23 Street	Parking and overhead rail-tracks/roadways	Mixed Use	None

4.0 User Provided Information

The following section summarizes information (if any) provided by Dynamic Worldwide Group, LLC (User) with regard to the Phase I ESA. Documentation may be found in Appendix D or where referenced in this report.

4.1 Title Records

User provided no title records information.

4.2 Environmental Liens or Activity and Use Limitations (AULs)

User provided no information regarding environmental liens or activity use limitations (AULs); however, the user contracted ATC to obtain the information. An environmental lien and AUL search was requested for the property from Environmental Data Resources Inc. (EDR). According to the EDR Environmental Lien Search Report, included in Appendix G, no records of environmental liens or AULs against the property were found.

4.3 Specialized Knowledge

User provided no specialized knowledge regarding *recognized environmental conditions* associated with the property.

4.4 Significant Valuation Reduction for Environmental Issues

User provided no information regarding a significant valuation reduction for environmental issues associated with the property.

4.5 Owner, Property Manager, and Occupant Information

The owner of the property was identified as Electric Realty Company and the property manager was identified as Alfred Pizzuto.

4.6 Reason For Performing Phase I ESA

According to the User, the reason for conducting this ESA is associated with a financial transaction regarding the property.

4.7 Other User Provided Documents

User provided no other documents as described in the ASTM Standard Practice E 1527-05.

5.0 Records Review

5.1 Standard Environmental Records

The regulatory agency database report discussed in this section, provided by EDR of Milford, Connecticut, was reviewed for information regarding reported releases of hazardous substances and petroleum products on or near the property. ATC also reviewed the "unmappable" (also referred to as "orphan") listings within the database report, cross-referencing available address information and facility names. Unmappable sites are listings that could not be plotted with confidence, but are potentially in the general area of the property based on the partial street address, city, or zip code. Any unmappable site that was identified by ATC as being within the approximate minimum search distance from the property based on the site reconnaissance and/or cross-referencing to mapped listings, is included in the discussion within this section. The complete regulatory agency database report may be found in Appendix E.

The following is a summary of the findings of the database review.

Database	Target Property	Search Distance (Miles)	< 1/8	1/8 - 1/4	1/4 - 1/2	1/2 - 1	> 1	Total Plotted
NPL		1	0	0	0	0	NR	0
DELISTED NPL		1	0	0	0	0	NR	0
CERCLIS		0.5	0	0	0	NR	NR	0
CERCLIS-NFRAP		0.5	0	0	0	NR	NR	0
CORRACTS		1	0	0	0	3	NR	3
RCRA-TSDF		0.5	0	0	0	NR	NR	0
RCRA-LQG		0.25	1	1	NR	NR	NR	2
RCRA-SQG		0.25	2	9	NR	NR	NR	12
US ENG CONTROLS		0.5	0	0	0	NR	NR	0
US INST CONTROL		0.5	0	0	0	NR	NR	0
ERNS		TP	NR	NR	NR	NR	NR	0
US BROWNFIELDS		0.5	0	0	0	NR	NR	0
FINDS		TP	NR	NR	NR	NR	NR	1
NY MANIFEST		0.25	18	33	NR	NR	NR	52
NY DRYCLEANERS		0.25	0	4	NR	NR	NR	4
NY HIST UST		0.25	15	23	NR	NR	NR	38
NY CBS AST		0.25	0	0	NR	NR	NR	0
NY HIST SPILLS		0.125	7	NR	NR	NR	NR	7
NY LTANKS		0.5	2	9	41	NR	NR	52
NY SPILLS		0.125	15	NR	NR	NR	NR	15
NY CBS UST		0.25	0	0	NR	NR	NR	0
NY HIST LTANKS		0.5	0	6	34	NR	NR	40
NY SPDES		TP	NR	NR	NR	NR	NR	0
NY VCP		0.5	0	0	2	NR	NR	2
NY RES DECL		0.125	0	NR	NR	NR	NR	0
NY TANKS		0.25	0	0	NR	NR	NR	0
NY HSWDS		0.5	0	0	0	NR	NR	0
NY SWF/LF		0.5	0	0	3	NR	NR	3
NY NCFM UST		0.25	0	0	NR	NR	NR	0
NY AST	X	0.25	9	24	NR	NR	NR	35
NY UST		0.25	18	28	NR	NR	NR	46
NY E DESIGNATION		0.125	7	NR	NR	NR	NR	7
NY BROWNFIELDS		0.5	0	1	0	NR	NR	1
NY SHWS		1	0	0	0	5	NR	5
NY HIST AST	X	TP	NR	NR	NR	NR	NR	2
NY MOSF AST		0.5	0	0	0	NR	NR	0
NY CBS		0.25	0	0	NR	NR	NR	0
INDIAN LUST		0.5	0	0	0	NR	NR	0
INDIAN UST		0.25	0	0	NR	NR	NR	0
INDIAN VCP		0.5	0	0	0	NR	NR	0
INDIAN ODI		0.5	0	0	0	NR	NR	0
INDIAN RESERV		1	0	0	0	0	NR	0

Database	Target Property	Search Distance (Miles)	< 1/8	1/8 - 1/4	1/4 - 1/2	1/2 - 1	> 1	Total Plotted
Manufactured Gas Plants		1	0	0	0	0	NR	0
EDR Historical Auto Stations		0.25	0	0	NR	NR	NR	0
EDR Historical Cleaners		0.25	0	0	NR	NR	NR	0

5.1.1 Federal Database Findings

The property was not identified on any of the federal agency databases reviewed.

The following listing(s) with a known or significant potential for release and impact on the property were identified in the federal agency databases researched:

Cooper Wiring Devices

23-10 Queens Plaza South

Databases: Facility Index System / Facility Registry System (FINDS) & Resource Conservation Recovery Act (RCRA) Small Quantity Generator (SQG)

Approximate Distance from the Property: Adjoining to the property to the north

Assumed Groundwater Gradient: Cross-Gradient

Regulatory Data Summary: The FINDS listing is related to US EPA TRIS [Environmental Protection Agency - Toxic Release Inventory System] which identifies facilities that release toxic chemicals to the air, water and/or land or that are transported off-site in reportable quantities under SARA Title III Section 313. In addition, the FINDS reference this site as a hazardous waste biennial reported and the RCRA information as discussed below. The FINDS listing may also indicate references to out-of-date listings for this site.

The RCRA SQG listing for this site is identified as Copper Wiring Devices. The RCRA-SQG listing indicates that more than 100 and less than 1000 kg of hazardous waste is generated during any calendar year month and accumulates less than 6000 kg of hazardous waste at any time; or generates 100 kg or less of hazardous waste during any calendar month, and accumulates more than 1000 kg of hazardous waste at any time.

There were no violations found with the RCRA SQG listing. According to the manifests on file and available for review, this site generated the following hazardous wastes:

- Non-listed ignitable wastes, 200 pounds, generated and/or shipped off site in 2004
- Non-listed ignitable wastes, 1750 pounds, generated and/or shipped off site in 2005
- Cadmium, 3300 pounds, generated and/or shipped off site in 2004
- Cadmium, 700 pounds, generated and/or shipped off site in 2005
- Lead, 700 pounds, generated and/or shipped off site in 2004
- Lead, 50 pounds, generated and/or shipped off site in 2005
- Barium, 675 pounds, generated and/or shipped off site in 2005
- Mercury, 200 pounds, generated and/or shipped off site in 2004
- Non-listed corrosive wastes, 600, 3060 pounds, generated and/or shipped off site in 2004
- Unknown, 800 pounds, generated and/or shipped off site in 2005

Discussion: Although there are no reported violations, based on the known use of this site used extensively for manufacturing purposes coupled with the TRIS listing and reported waste types/quantities, ATC considers this federal agency database listings to represent a *recognized environmental condition* for the property.

Although these listings are associated with the north adjoining site, during the property inspection, ATC noted that the subject property basement and north adjoining site basement were connected with interior access from one basement to the other. Additionally, both the subject property and north adjoining site have the same owner and both properties have been used by Eagle Electric Manufacturing with similar on-site operations. Therefore, it is possible that the federal listings for the adjoining site are associated with the subject property as well.

Other surrounding properties were identified within the prescribed search radius in the federal agency

databases reviewed. However, based on distance, topography, assumed groundwater gradient, current regulatory status, and/or the absence of reported releases, none of the sites listed in the federal agency databases are considered to represent a likely past, present or material threat of release on the property.

5.1.2 State and Tribal Database Findings

The property was identified on the following state and/or tribal agency databases reviewed:

- Aboveground Storage Tank (AST)
- Historic AST

The AST and historic AST listings are for a 5,000-gallon #2 fuel oil tank for the property. According to the current Petroleum Bulk Storage (PBS) registration (number 2-017353), the AST is listed as being active and "in service" with a PBS expiration date of October 23, 2012. The tank is also listed as having overfill protection (product level gauge and vent whistle).

Based on the current PBS registration and lack of any evident or reported releases with the tank, this AST listing is not considered to represent a *recognized environmental condition* for the property.

The following listing(s) with a known or significant potential for release and impact on the property were identified in the state and/or tribal databases searched:

NYC Department of Transportation
23rd Street & Queens Plaza South
Long Island City, NY 11101

Databases: New York Spills Information Database (NY Spills)

Approximate Distance from the Property: Adjacent to the property to the west, across 23rd Street

Assumed Groundwater Gradient: Down-Gradient

Regulatory Data Summary: This site is listed on the NY Spills database for a spill that occurred on November 20, 2009. According to the database report, a contractor had a 55-gallon drum of diesel fuel that was knocked over and approximately 20-30 gallons of diesel fuel spilled in a shipping container and then out into the parking lot and finally into a NYCDEP sewer drain. The container, parking lot and sewer were all cleaned out and the spill was closed on the same day.

Discussion: Given the likely down-gradient position of the site relative to the property, and the fact that the spill has been cleaned with the spill case being closed, this listing is not considered a *recognized environmental condition* relative to the property.

Electric Realty Company LLC
24-02 Bridge Plaza South
Long Island City, NY 11101

Databases: Underground Storage Tanks (UST) and Historical Underground Storage Tanks (HIST UST)

Approximate Distance from the Property: Adjacent to the property to the east, across 24th Street

Assumed Groundwater Gradient: Up-Gradient

Regulatory Data Summary: This site is listed as an unregulated PBS facility with two USTs being closed-in place. Specifically, one 5,000-gallon #1,2, or 4 fuel oil steel UST installed in 1949 and closed on March 31, 2010 and one 2,000-gallon #1,2, or 4 fuel oil steel UST installed in (unreported) and closed on January 27, 1999,

Discussion: Based on the up-gradient position relative to the property and lack of information regarding environmental quality around the two USTs, these USTs represent a potential environmental concern to the property.

Based on distance, topography, assumed groundwater gradient, current regulatory status, and/or the absence of reported releases, none of the other sites listed in the state and/or tribal agency databases are considered to represent a likely past, present or material threat of release on the property.

5.1.3 Local Environmental Record Sources

New York City Department of Health and Mental Hygiene (NYCDOHMH)

The NYCDOHMH maintains files of health-related environmental incidents in the City of New York. These incidents may include spills of hazardous chemicals, citizen complaints regarding asbestos issues, lead-based paint violations, or reports of chemical odors or fumes. NYCDOHMH information concerning the property was requested in a Freedom of Information Letter (FOIL). As of the writing of this report, ATC had not yet received a response from the NYCDOHMH. Should a response change the conclusions of this report, ATC will notify the client. A lack of response from this source represents a data gap; however, considering historical data retrieved and interviews indicating past and current use of the property coupled with the information observed during the property reconnaissance, the data gap is not considered to be *significant*.

New York City Department of Environmental Protection (NYCDEP)

NYCDEP information concerning the property was requested in a FOIL request. As of the writing of this report, ATC had not yet received a response from the NYCDEP. Should a response change the conclusions of this report, ATC will notify the client.

New York City Fire Department (FDNY)

The FDNY, Bureau of Fire Prevention maintains information pertaining to gasoline and petroleum bulk storage tanks. FDNY information concerning the property was requested in a Record Search Request Application. As of the writing of this report, ATC had not yet received a response from the FDNY. Should a response change the conclusions of this report, ATC will notify the client.

New York City Department of City Planning (NYCDCP)

ATC reviewed the NYCDCP Zoning Map quadrangle 9B from the NYCDCP website (<http://www.nyc.gov/html/dcp/home.html>), which indicated that the property is located in an area that is currently zoned as "M1-5/R9" which designates a mixed manufacturing/residential use. The property was not identified as having a City Environmental Quality Review (CEQR) Declaration (also known as a Little "E" designation). A Little "E" designation is assigned to certain blocks or lots by a New York City agency (i.e., New York City Department of Environmental Protection, New York City Department of City Planning) as a result of an environmental assessment performed in conjunction with a zoning map amendment.

New York City Department of Buildings (NYCDOB)

ATC reviewed available building department information, provided by the NYCDOB via the on-line Building Information System website (<http://a810-bisweb.nyc.gov/bisweb/bispi00.jsp#property>). The property is designated as Block 425 and Lot 1. There are no open Environmental Control Board (ECB) violations for the property building and one open Department of Buildings (DOB) violations. The open DOB violation pertains to an elevator violation. Based on the nature of the violation identified, the violation is not considered to represent a *recognized environmental condition* for the property.

New York City Department of Finance

ATC reviewed available tax files at the New York City Department of Finance website (<http://www.nyc.gov/html/dof/html/home/home.shtml>) for information on the property. The current owner of the property is identified as "Electric Realty Co." The review of available tax files (years 2006 through 2012) did not identify conditions indicating *recognized environmental conditions* at the property.

Water Utility

Within the City of New York, potable water is supplied to Manhattan primarily from upstate New York reservoirs. ATC reviewed New York City's most recent Drinking Water Supply and Quality Report made available through the NYCDEP website (<http://www.nyc.gov/html/dep/home.html>) for the year 2011. Review of the analytical data provided in the report confirmed that the municipally supplied water meets all drinking water standards established by the United States Environmental Protection Agency Safe Water Drinking Act, including those for lead. No drinking water supply wells exist at the property.

Sewer Utility

The NYCDEP is responsible for the municipal combined sanitary and stormwater sewer system. This system is operational in all five boroughs of New York City, with the exception of certain remote areas of the City, namely Queens and Staten Island, which have separate operating systems for sewage and stormwater. The New York City sewer infrastructure consists of a 6,000-mile grid of sewers beneath the streets, from which a daily 1.3-billion gallon wastewater effluent travels to 14 separate water pollution control plants (WPCPs) throughout the City to be processed. This system enables the City's sewage and stormwater, pursuant to various municipal, state and federal regulations, to be treated to near drinking water-quality standards.

Electrical and Natural Gas Utility Companies

The local utility, Consolidated Edison, provides electric service and natural gas to the property.

5.2 Physical Setting Sources

5.2.1 Topography

According to the United States Geological Survey (USGS) 7.5-Minute Quadrangle, *Brooklyn, NY*, dated 1995; the elevation of the property is approximately 19 feet above mean sea level. Topography in the vicinity of the property generally slopes west-northwest towards the East River, located approximately 0.5 mile to the west. A copy of the USGS topographic map is included in Appendix B (Property Vicinity Plan).

5.2.2 Geology

In general the area is characterized by a layer of unconsolidated soil overlaying bedrock. The unconsolidated sediment generally consists of recently emplaced fill and/or ground moraine deposits (unstratified, poorly sorted mixture of sand, silt, clay and gravel) deposited during the last continental glaciation. The fill material can consist of soils of varying texture, bricks, ash, wood, rubble and other miscellaneous material. The underlying bedrock consists of metamorphic and igneous rocks.

5.2.3 Soils

According to the United States Department of Agriculture Soil Conservation Service information provided by EDR, soil at the property is classified as Urban Land with a variable surface texture. This designation applies to areas where at least 85 percent of the surface is covered by an impermeable surface such as asphalt, buildings, and roads. Additional subordinate soil types may be present in the general vicinity of the property. Of these subordinate soil types, the surficial soils include silt loam and loamy sand. Deeper soil types consist of very gravelly, loamy sand, unweathered bedrock and stratified sandy loam.

5.2.4 Hydrology

Under natural, undisturbed conditions, shallow groundwater flow generally follows the topography of the land surface and on this basis, the topography suggests that surficial groundwater flows across the property in a westerly direction towards the East River. Estimated groundwater levels and/or flow directions may vary due to seasonal fluctuations in precipitation, local usage demands, geology, underground structures, or dewatering operations. Depth to groundwater is estimated to be approximately 20 feet below ground surface.

5.2.5 Other Physical Setting Sources

Flood Plain Map

The property is located on the Federal Emergency Management Agency (FEMA), Flood Insurance Rate Map (FIRM) Map Number 3604970088F for New York, New York, dated September 5, 2007, and revealed that the property is not located within a 100 or 500 year flood zone. A copy of the flood plain map is available for review in the EDR Radius Map report included in Appendix E.

Wetlands Map

According to ATC's review of the United States Fish and Wildlife Service (USFWS) National Wetlands Inventory (NWI) online database (<http://wetlandsfws.er.usgs.gov/>), there are no federally designated wetlands on the property. A copy of the wetlands map is available for review in the EDR Radius Map report included in Appendix E.

5.3 Historical Records Sources

Since at least 1898 through at least 1915, the property was multiple lots with some lots containing residential dwellings. By 1920-1921 the property was developed with the existing property building having a footprint similar to the present day configuration. Gasoline storage tanks were depicted in the east and west portions of the property on the 1936 through 2006 Sanborn fire insurance maps. The surrounding area was generally developed with residential properties in the late 1800s and early 1900s and with increasing development of commercial and manufacturing properties starting in the early-mid 1900s.

HISTORICAL USE SUMMARY

Period	Source(s)	Intervals/Comments
Prior to 1940	Sanborn fire insurance maps, aerial photograph	First Sanborn fire insurance map dated 1898. Data Gaps - No significant data gaps.
1940 - 1960	Sanborn fire insurance maps, aerial photograph, city directories	Data Gaps - No significant data gaps.
1961 - 1980	Sanborn fire insurance maps, city directories	Data Gaps - No significant data gaps.
1981 - Present	Sanborn fire insurance maps, aerial photographs, city directories	Data Gaps - No significant data gaps.

5.3.1 Aerial Photos

ATC reviewed available aerial photographs on-line at <http://gis.nyc.gov/doitt/nycitymap/> for the years 1924, 1951, 1996, 2006, 2008 and 2010. All of the photographs depict the property and surrounding area to be a developed urban area. No specific property or surrounding area details can be ascertained from the review of the aerial photographs. The review of available aerial photographs did not identify *recognized environmental conditions* with the property or surrounding area.

5.3.2 Fire Insurance Maps

ATC reviewed Sanborn Fire Insurance maps of the property obtained from EDR for the years 1898, 1915, 1936, 1947, 1950, 1970, 1977, 1979, 1980, 1985, 1986, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 2001, 2002, 2003, 2004, 2005 and 2006. The following table presents descriptions and interpretations from the historical fire insurance map review. The following are descriptions and interpretations from the fire insurance map reviews. Documentation is included in Appendix G.

FIRE INSURANCE MAP SUMMARY

Year	Property Comments	Surrounding Area Comments
1898	The property consists of approximately six separate lots with a total of four residential dwellings developed on the property.	The surrounding area to the south, east, and west are multiple vacant lots and the surrounding area to the north is both vacant lots and minor residential development.
1915	The property is relatively unchanged from the 1898 Sanborn map.	The surrounding area to the north, east and west is relatively unchanged from the previous Sanborn map. The surrounding area to the south across 42nd Road is developed with a lumber yard.

PHASE I ENVIRONMENTAL SITE ASSESSMENT

23-01 42 Road

Long Island City, NY

Year	Property Comments	Surrounding Area Comments
1936	The existing property building is depicted. The property building is labeled as a private garage with three gasoline tanks depicted on the property.	The surrounding area to the north is developed with a commercial/industrial building labeled as Lofts, Garage and Lacquer Spraying with at least two gasoline tanks identified. The south remains developed as a lumber yard, to the east is various commercial buildings, and to the west is a vacant building.
1947	The property is relatively unchanged from the 1936 Sanborn map.	The surrounding area to the north is relatively unchanged from the previous Sanborn map. The surrounding area to the west is depicted as "Fisher Baking Co." building and garage; to the east is identified as a gasoline filling station; and to the south is labeled "Welsbach Street Lighting Co."
1950-2006	The property for these years are relatively unchanged from the 1947 Sanborn map.	The surrounding area to the north and west remain relatively unchanged with some additional commercial/industrial development. Additionally, the surrounding area to the west (from at least 1970) show elevated train tracks and between 1970 and 1980, the west adjacent property is noted as "Iron Post Storage". The surrounding area to the east is now developed with "Eagle Electric Manufacturing Company" building. Between 1950 and 1970 the surrounding area to the south is developed with a small building labeled as "Office", between 1977 and 1986, this small building is labeled as "Auto Repair", and from 1988 through 2006, the building is labeled as manufacturing.

5.3.3 Property Tax Files

ATC reviewed available tax files from the New York City Department of Finance website for historical ownership information on the property. Files were available from 2006 through 2012. The owner of the property for the years 2006 through 2012 was identified as "Electric Realty Co." The review of available tax files (years 2006 through 2012) did not identify conditions indicating *recognized environmental conditions* at the property.

5.3.4 Recorded Land Title Records

The acquisition of recorded land title records was not required by the scope of work for the Phase I ESA.

5.3.5 Historical USGS Topographic Quadrangles

Historical topographical maps were not reviewed for the property and surrounding area based on their limited usefulness in densely developed urban areas and given the adequate coverage by other historical resources (e.g., Sanborn fire insurance maps, city directories, aerial photographs, etc.).

5.3.6 City Directories

Research regarding the availability of historical city directories was conducted by EDR. Directories reviewed were dated between 1945 and 2005 in approximate 5-year intervals. The property was only listed in the 1945 city directory identified as a parking garage. The surrounding area was listed with multiple commercial and industrial listings, including auto repair. Documentation is included in Appendix G.

The review of city directories did not identify past uses indicating *recognized environmental conditions* at the property. However, the surrounding property use as industrial, including auto repair activities, represents a *recognized environmental condition* to the property.

5.3.7 Building Department Records

ATC reviewed available building department information, provided by the NYCDOB via the on-line Building Information System website (<http://a810-bisweb.nyc.gov/bisweb/bispi00.jsp#property>). Building department records for the Property are discussed in Section 5.1.3.

5.3.8 Zoning/Land Use Records

ATC reviewed the NYCDCP Zoning Map quadrangle 9B from the NYCDCP website (<http://www.nyc.gov/html/dcp/home.html>) that indicated the property is located in an area that is currently zoned as "M1-5/R9," which designates mixed manufacturing/residential use.

5.3.9 Prior Reports

ATC reviewed the following prior report prepared for the property:

Phase I Environmental Site Assessment of Eagle Electric building #3 - 23-01 42nd Road, Queens, New York; dated July 20, 1999; prepared by AquaTerra Assessment Services Corp.

In May 1999, AquaTerra Assessment Services Corp. (AquaTerra) conducted an Environmental Site Assessment of the subject property. As stated in the report, the purpose of the assessment was to assist Eagle Electric Manufacturing Co. (property owner) in reviewing the general environmental condition of the building and land that comprise the subject property. At the time of the assessment, the property was fully occupied and used by Eagle Electric, an electric wiring device manufacturer. The building was used for industrial processes which involved metal stamping and fabrication of metal parts for electrical switches and fuses. It was noted that the majority of metal fabrication was conducted on the lowest level of the building. Several electric and compressed air powered machines, the air compressors used to activate them were located on the lower level. The second floor of the property was predominantly used for product manufacturing and finished product storage.

AquaTerra identified the following environmental concerns with the property in 1999:

- AquaTerra identified the potential presence of three gasoline tanks. No information regarding the tanks were available and therefore, AquaTerra indicated that the potential presence of three gasoline tanks represented a potential environmental concern for the property and a Phase II subsurface investigation was recommended.
- AquaTerra identified oil staining on the exterior facade of the building and the adjacent concrete sidewalk. The staining was located around four basement level windows which were all open at the time of their site inspection. Metal fabrication machines were situated on the basement level adjacent to these windows. The moving parts of the machines were activated by forced air. The air that discharged from the machines were noted to be contaminated with motor oil. No form of containment to collect the oil-contaminated air which was expelled from the metal fabrication machines were identified during their site inspection. AquaTerra recommended that the oil-contaminated air which was emitted from the metal fabrication machines on-site be captured and contained at the point of discharge, and disposed of in accordance with all applicable local, state, and federal regulations. In addition, AquaTerra recommended that the stained area on the exterior of the building and the adjacent sidewalk be cleaned properly to remove all of the motor oil residues.

- A total of approximately 25 linear feet of friable asbestos containing material (ACM) pipe insulation (in fair to poor condition) was identified in the basement of the subject property. AquaTerra recommended that the ACM be removed from the property building.
- One active 5,000-gallon #6 fuel oil AST was identified in a tank vault in the sub-basement boiler room. The tank was registered with the New York City Department of Environmental Conservation (NYSDEC). However, the tank was not registered with the New York City Fire Department (FDNY). AquaTerra recommended registering the tanks with the FDNY.

The review of prior reports did identify past uses indicating *recognized environmental conditions* at the property and surrounding area.

ATC makes no warranty, guarantee or certification regarding the quality, accuracy or reliability of any prior report provided to ATC and discussed in this Phase I ESA report. ATC expressly disclaims any and all liability for any errors or omissions contained in any prior reports provided to ATC and discussed in this Phase I ESA report.

5.3.10 Other Historical Sources

No other historical sources were reviewed.

6.0 Site Reconnaissance

On August 17, 2012, Mr. Alfred Pizzuto, Property Manager (familiar with property for 37 years), escorted John Mascioli of ATC throughout the building to examine the property. The following is a summary of visual and/or physical observations of the property on the day of the site visit. Photographs can be found in Appendix C.

6.1 Methodology and Limiting Conditions

The site reconnaissance consisted of visual and/or physical observations of: the property and improvements; adjoining sites as viewed from the property; and, the surrounding area based on visual observations made during the trip to and from the property. Unimproved portions of the property (if any) were observed along the perimeter and in a general grid pattern in safely accessible areas. Building exteriors (if any) were observed along the perimeter from the ground, unless described otherwise. Building interiors (if any) were observed as they were made safely accessible, unless described otherwise.

6.2 Hazardous Substance Use, Storage and Disposal

ATC observed some minor janitorial supplies in the property building. There was no evidence of any spills, leaks or stains associated with the stored chemicals; and therefore, are not considered a *recognized environmental condition* at this time.

6.3 Underground Storage Tanks

ATC did not observe any USTs on the property at the time of the site reconnaissance. However, as discussed in Section 5.3, at least three gasoline tanks have been identified on the property. ATC has not been provided with any information regarding these tanks. It is not known whether these USTs exist at the property. Based on the potential presence of gasoline tanks on the property, the presumed age of the USTs (at least 75 years) and lack of any documentation of UST closure, the potential USTs are considered to represent a *recognized environmental condition* for the property.

6.4 Aboveground Storage Tanks

ATC observed one AST located in a cement block vault (with access) within the basement level of the property building. The AST is 5,000-gallons in size and is constructed of steel used for storing #2 fuel oil (historically contained #6 oil) for the on-site boiler. The AST is listed with an installation date of January 31, 1940. ATC observed a fill port and vent pipe for the tank in the sidewalk along 42nd road (south of property building). No signs of any leaks or spills were noted at the time of the property inspection and the property is not listed in the regulatory agency database, as having reported leaks or spills associated with the on-site AST. Additionally, the PBS registration (#2-017353) is current with an expiration date of October 23, 2012. ATC concludes that there is no evidence that the AST has adversely impacted the property, and is not considered to represent a *recognized environmental condition* for the property.

6.5 Other Petroleum Products

ATC did not observe the use, storage or disposal of other petroleum products in transformers, hydraulic lifts or other containers on the property.

6.6 Polychlorinated Biphenyls (PCBs)

Except for fluorescent lights, ATC did not observe evidence of the use, storage or disposal of PCB-containing transformers, hydraulic lifts, or other equipment on the property. Fluorescent lights were noted throughout the property building. Fluorescent light ballasts manufactured prior to 1979 may contain small quantities of PCBs. Due to access limitations, the light ballasts were not examined for labels identifying their PCB-content at the time of the property survey. However, no indications of staining or leaking associated with the ballasts were noted. In addition, most of these ballasts may have been changed with various renovation and maintenance activities.

6.7 Unidentified Substance Containers

ATC did not observe the presence of unidentified substance containers on the property.

6.8 Nonhazardous Solid Waste

ATC did not observe evidence of the generation, storage or disposal of nonhazardous solid waste on the property.

6.9 Wastewater

ATC observed evidence of wastewater generated, treated or discharged (including sanitary sewage and stormwater) on the property or to adjoining properties as summarized below.

Some minor staining was noted on the floor in the area of the oil/water separator. ATC considers the staining to represent a *de minimis* condition for the property.

WASTEWATER SUMMARY TABLE

Type of Wastewater	Generation Process	Treatment System?	Discharged To?
Domestic Sanitary Sewage	Routine operations	No	Sanitary Sewer
Industrial	Former operations from slope sink	Separator/Clarifier	Sanitary Sewer

6.10 Waste Pits, Ponds and Lagoons

ATC did not observe evidence of waste pits, ponds or lagoons on the property.

6.11 Sumps

ATC observed one sump located adjacent to the boiler in the property building. According to the property manager, there is a pump in the sump that is connected to the NYC municipal sewer system. In the area of the sump, minor petroleum staining was noted and a slight petroleum sheen was also noted on the standing water in the sump. The identified petroleum staining and sheen on the standing water represent a *recognized environmental condition* for the property.

6.12 Septic Systems

ATC did not observe evidence of a septic system on the property.

6.13 Stormwater Management System

All storm water is drained from the roofing surfaces directly into the municipal combined sanitary and stormwater sewer system via internal drains and piping.

6.14 Wells

ATC did not observe evidence of wells on the property.

7.0 Interviews

The following table lists the persons who were interviewed to obtain information regarding *recognized environmental conditions* in connection with the property. Not included in this listing are employees of city, county, or state government, who were contacted for the purpose of retrieving routine public information pertaining to the property, and who were not expected to possess first-hand knowledge regarding recognized environmental conditions at the property.

Pertinent information from the interviews is discussed in applicable sections of this report with details (including failed attempts to interview) documented on Record of Communication forms in Appendix J.

INTERVIEWS DETAIL TABLE

Interview Type:	Property Manager
Method:	In Person
Name:	Mr. Alfred Pizzuto
Title:	Property Manager
Company/Agency:	Electric Realty Co. LLC.
Street Address:	23-10 Queens Plaza South
City:	long Island City
State:	New York
Zip Code:	11101
Phone:	(718) 813-7161
Fax:	(718) 349-8263
Date(s):	August 17, 2012
Comments:	Mr. Pizzuto has been familiar with the property for 37 years and answered questions regarding the current and past uses of the property. Information obtained from Mr. Pizzuto is incorporated into the appropriate sections of the report.

8.0 Other Environmental Conditions

8.1 Asbestos-Containing Material (ACM)

Based on the 1920 construction date, ATC conducted a visual survey for suspect ACM. The visual asbestos survey consisted of a visual screening of accessible property building spaces, mechanical rooms, storage and common areas. It should be noted that suspect ACM that has not been identified in this report may be located within walls, ceiling cavities and other non-accessible areas. Precaution should be used in relation to these currently unidentified materials until proper sampling and analysis have determined the asbestos content.

No prior asbestos survey reports or documents related to the property were provided for ATC's review as part of this survey. During the visual survey, various common building materials were noted that would typically be considered suspect ACM including; sheetrock/plaster materials, 12"x12" and 9"x9" vinyl floor tiles, roofing materials, boiler insulation, etc. Pursuant to the agreed upon scope of work, no samples of suspect materials were collected for laboratory analysis. Suspect ACM was observed to be in poor-fair condition.

ATC recommends that suspect materials be tested prior to any disturbance related to any planned maintenance or renovation activities.

8.2 Radon

Radon is a naturally occurring colorless, odorless gas that is a by-product of the decay of radioactive materials potentially present in bedrock and soil. The EPA guidance action level for annual residential exposure to radon is 4.0 picoCuries per liter of air (pCi/L). The guidance action level is not a regulatory requirement for private owners of commercial real estate, but is commonly used for comparison purposes to suggest whether further action at a building may be prudent.

ATC's review of published radon data indicates that the property is located in an area of low propensity with regard to the potential for elevated levels of radon gas. According to the New York State Department of Health (NYSDOH) only 0.3% of the tested homes within Queens had long-term living areas with radon levels greater than 4.0 pCi/l, and only 3% of the basement areas with short-term levels greater than 4.0 pCi/l.

Based on this information, ATC concludes that radon is not a concern for the property. Radon is outside of the Scope of ASTM Practice E 1527-05 and, therefore, the presence of radon would not be considered a *recognized environmental condition*.

8.3 Lead in Drinking Water

The potable water supplied to the Site by the City of New York which derives it from surface impoundments in the Croton, Catskill, and Delaware watersheds. ATC reviewed New York City's most recent Drinking Water Supply and Quality Report made available through the New York City Department of Environmental Protection (NYCDEP) website for the year 2011. Review of the analytical data provided in the report confirmed that the municipally supplied water meets all drinking water standards established by the United States Environmental Protection Agency Safe Water Drinking Act, including those for lead. Based on the aforementioned, ATC concludes that lead in drinking water does not represent an environmental concern for the property.

8.4 Lead-Based Paint (LBP)

Based on the construction date of the buildings (1920), ATC concludes that lead-based paint (LBP) may be present at the property. During the course of ATC's inspection, painted surfaces throughout the property were generally observed in poor condition. LBP is outside of the Scope of ASTM Practice E 1527-05 and, therefore, the potential presence of LBP is not considered a *recognized environmental condition*.

ATC recommends that suspect LBP materials be tested prior to any disturbance related to maintenance or renovation activities.

8.5 Mold Screening

ATC conducted a limited visual inspection for suspect mold growth and water intrusion within accessible areas of the property. ATC observed standing water in various areas of the basement, however, no mold growth was observed. Water intrusion and mold growth are outside of the Scope of ASTM Practice E 1527-05 and, therefore, is not considered a recognized environmental condition.

8.6 Additional User Requested Services

The User did not request any other services.

9.0 References

ASTM International. *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process*, ASTM Designation E 1527-05. November 2005.

Environmental Data Resources, Inc. (EDR), *EDR Radius Map with GeoCheck*, Report Inquiry Number 3387403.2s, dated August 14, 2012.

EDR, *EDR City Directory Abstract Report*, Inquiry Number 3387403.4, dated August 14, 2012.

EDR, *EDR Sanborn Map Report*, Inquiry Number 3387403.3, dated August 14, 2012.

EDR Environmental Lien Search Report, Inquiry Number 3387403.3, dated XXX.

New York City Department of Building Website (<http://a810-bisweb.nyc.gov/bisweb/bispi00.jsp#property>).

New York City Department of finance Website (<http://www.nyc.gov/html/dof/html/home/home.shtml>).

New York City Accessible Space Information System (OASIS) website (<http://www.oasisnyc.net/default.asp>).

New York City Department of Planning website (<http://www.nyc.gov/html/dcp/home.html>).

New York City Map website (<http://gis.nyc.gov/doitt/nycitymap/>).

New York City Department of Planning, Zoning Map 9b.

New York State Department of Environmental Conservation Environmental Remediation Databases website <http://www.dec.ny.gov/cfmx/extapps/derexternal/>.

New York State Department of Health, Bureau of Environmental Radiation Protection, "Measured Basement Screening Radon Levels by Town", dated August 2007.

Federal Emergency Management Agency (FEMA), Flood Insurance Rate Map (FIRM), City of New York, Map No. 3604970088F, dated September 5, 2007

United States Fish and Wildlife Service, National Wetlands Inventory on-line database (<http://wetlandssfws.er.usgs.gov/>).

U. S. Geological Survey (USGS) Topographical Map website (<http://nationalmap.gov/ustopo/index.html>).

10.0 Terminology

The following provides definitions and descriptions of certain terms that may be used in this report. Italics indicate terms that are defined by ASTM Standard Practice E 1527-05. The Standard Practice should be referenced for further detail (such as the precise wording), related definitions or additional explanation regarding the meaning of terms.

recognized environmental condition(s) (REC) - the presence or likely presence of any *hazardous substances* or *petroleum products* on a *property* under conditions that indicate an existing release, a past release, or a *material threat* of a release of any *hazardous substances* or *petroleum products* into structures on the *property* or into the ground, ground water, or surface water of the *property*. The term includes *hazardous substances* or *petroleum products* even under conditions in compliance with laws. The term is not intended to include *de minimis* conditions.

de minimis conditions - are conditions that generally do 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* are not *recognized environmental conditions*.

historical recognized environmental condition(s) (HREC) - environmental condition which in the past would have been considered a *recognized environmental condition*, but which may or may not be considered a *recognized environmental condition* currently. The final decision rests with the *environmental professional* and will be influenced by the current impact of the *historical recognized environmental condition* on the *property*. If a past release of any *hazardous substances* or *petroleum products* has occurred in connection with the *property*, with such remediation accepted by the responsible regulatory agency (for example, as evidenced by the issuance of a no further action letter or equivalent), this condition shall be considered a *historical recognized environmental condition*.

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 such that it may cause or contribute to tank integrity failure with a release of contents to the environment.

threat to human health or the environment - a substantial risk of harm to public health or the environment resulting from the presence or likely presence of an existing release, a past release, or a *material threat* of a release of any *hazardous substances* or *petroleum products* into structures on the *property* or into the ground, ground water, or surface water of the *property*. An example might include a release of a *hazardous substance* in concentrations exceeding applicable governmental agency standards under conditions that could reasonably and foreseeably result in substantial exposure to humans or substantial damage to natural resources. The risk of that exposure or damage would represent a threat to human health or the environment.

generally would not be the subject of an enforcement action - the likelihood that an environmental condition would not be subject to enforcement action if brought to the attention of appropriate governmental agencies. If the circumstances suggest an enforcement action would be less likely than not, then the condition is considered to be generally not likely the subject of an enforcement action.