

Sample ID	SB-1	SB-2	Groundwater Quality Standards
Lab Sample Number	9793009001	9793009002	
Sample Date	6/27/2009	6/27/2009	
Units	µg/l	µg/l	
Volatile Organic Compounds			
Benzene	ND 1.0	ND 1.0	0.7
Ethylbenzene	ND 1.0	ND 1.0	5
Toluene	ND 1.0	ND 1.0	5
Tetrachloroethene (PCE)	9.8	25.6	5
Trichloroethene (TCE)	ND 1.0	3.1	5
Total Xylenes	ND 3.0	ND 3.0	5
cis-Dichloroethene (DCE)	4.4	62.7	5

All concentrations are presented in micrograms per liter (µg/L).
 NYS DEC - New York State Department of Environmental Conservation
 Spills Technology and Remediation Series
 Groundwater Quality Standards - NYSDEC groundwater quality standards or Guidance Values
 or the NYSDOH drinking water quality standards or Guidance Values (most stringent)
 ND - Not detected (laboratory detection limit)
 NGV - No Guidance Value

**PHASE I
ENVIRONMENTAL SITE ASSESSMENT**

PROJECT JMK-SI-16525

**38-68 13th Street
Long Island City, NY 11101**

PREPARED FOR

**Nara Bank
78-14 Roosevelt Avenue
Jackson Heights, NY 11372**

December 21, 2004



ENVIRONMENTAL SOLUTIONS INC.
REAL ESTATE VALUATION & CONSULTING
JMK Environmental Solutions (East Coast), Inc.
A subsidiary of JMK Environmental Solutions, Inc.

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December 21, 2004

Jung Eun Ha
Nara Bank
78-14 Roosevelt Avenue
Jackson Heights, NY 11372

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This report contains the procedures, findings, conclusions, and limitations of the Phase I Environmental Site Assessment performed at the subject property. The purpose of this assessment is to provide an indication of the presence of potential environmental liabilities or concerns associated with the subject property by reporting the findings from a walk-through visual survey of the property and a search of records at appropriate agencies.

We appreciate the opportunity to serve you with our professional services in environmental assessment. Please contact us at (201) 575-9972 or (800) 900-1511, if you have further questions.

Sincerely,


Peter Oh, Environmental Assessor
JMK Environmental Solutions, Inc.


John Winkler, Project Manager
CHMM, REA #05599




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EXECUTIVE SUMMARY

Conclusions and Professional Opinion

JMK Project Number	SI-16525
Subject Property Address	38-68 13th Street, Long Island City, NY 11101
Site Location/Adjacent Streets	The subject site is situated on the northwestern block of 13 th Street, which is northeast-southwest trending.
General Setting/Property Type/Year of Construction	Commercial/Industrial Setting Commercial/1953
General Layout of Property	The subject property is a rectangular shaped parcel of land, which is oriented in northwest-southeast direction from 13 th Street. The subject buildings are rectangular in shape with reinforced concrete slab foundation. Entrance to the building is from 13 th Street.
Present Occupant/ Business Operation	Best Cleaners
Property Use and History	The subject property appears to be used as a sheet metal company from 1953-1995, and as dry cleaners from 1995-current. Prior use appears to be as dwelling units from the 1890s-1930s.
Adjacent Environmental Concerns	None Observed
Conclusions & Professional Opinion	<p>JMK has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527-00. Any exceptions to, or deletions from, this practice is described in conclusion & recommendation/opinion section of this report. This assessment has revealed evidence of recognized environmental conditions in connection to the subject property in accordance with ASTM E1527.00.</p> <p>The subject property has been operated as dry cleaners since 1995. The subject property has been operating three (3) fourth-generation dry cleaning machines, which generate, in total, large amounts of Perchloroethylene or Tetrachloroethylene, dry cleaning solvents. Dry cleaning machines were located on grade level, and there was no basement underneath the dry cleaning machine.</p> <p>Because the business properly manages dry cleaning solvent, and the dry cleaners have operated for only 9 years, no further investigation or Phase II Subsurface Assessment is recommended.</p>



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THIS REPORT WAS PREPARED IN CONFORMANCE TO MEET OR EXCEED THE LIMITATIONS AS SET FORTH BY THE AMERICAN SOCIETY FOR TESTING & MATERIALS (ASTM) STANDARD PRACTICE E 1527-00 for Phase I Environmental Site Assessment and 1528-00 for Transaction Screen Assessment. IT IS FOR THE EXPRESS USE OF THE CLIENT, AND ITS CONTENTS ARE CONSIDERED TO BE PRIVILEGED AND CONFIDENTIAL. ACCEPTANCE OF THIS REPORT CONSTITUTES AN AGREEMENT BY THE CLIENT TO ASSUME FULL LIABILITY FOR INFORMATION CONTAINED HEREIN. THIS REPORT IS FOR THE SOLE USE AND INTERPRETATION OF THE CLIENT, AND IT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO OUTSIDE PARTIES. THE INFORMATION IN THIS REPORT IS FURNISHED IN GOOD FAITH AND WAS OBTAINED FROM PUBLIC & PRIVATE SOURCES AND DATABASE CONSIDERED RELIABLE. JMK MAKES NO REPRESENTATION OF WARRANTY REGARDING THE ACCURACY, OR RELIABILITY, QUALITY OR COMPLETENESS OF SUCH INFORMATION. IN NO EVENT, SHALL JMK BE LIABLE TO ANY PARTY FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES. THE CUSTOMER SHALL ASSUME FULL LIABILITY FOR USE OF THIS REPORT.

1 INTRODUCTION

1.1 Objective

This report summarizes the results of a Phase I Environmental Site Assessment of the subject property, performed by JMK Environmental Solutions, Inc., in accordance with JMK's proposal & contract, as authorized by which this report is prepared for. The purpose of this Environmental Site Assessment is to evaluate the potential for environmental concerns or liabilities due to past and/or current land use practices at the subject site or from nearby properties. This assessment included in this report is solely targeted for CERCLA (Superfund) liability and the "innocent landowner defense", to permit user to satisfy one of the requirements to qualify for the innocent landowner defense to CERCLA liability, by conducting all appropriate inquiries to identify recognized environmental conditions (RECs).

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

1.2 Scope of Work

Visual investigation of the property to obtain information regarding obvious visual signs of adverse environmental conditions, contamination, hazardous material usage, storage and handling on and in the adjoining sites (only up to one parcel next to the subject property) of the subject property

- Visual survey of the adjoining land uses (only up to one parcel next to the subject property) and determination of any current nearby operations that may potentially impact the subject site
- Government document search of records compiled by various government agencies for on site or nearby operations (past and present) to aid in the identification of any potential contamination sources
- Review of reasonably available historical information such as Sanborn Fire Insurance maps, aerial photographs, historical city directory lists and topographic maps, if available, to identify any potential past on-site operation which may have environmental implications

2 PROPERTY DESCRIPTION

JMK Project Number	SI-16525
Subject Property Address	38-68 13 th Street, Long Island City, NY 11101
Site Inspection Date	December 17, 2004
Inspector's Name	Han S. Yoon, Environmental Assessor
QA/QC Reviewer's Name	John Winkler, CA Registered Environmental Assessor #05599

2.1 General Description

Site Location/Adjacent Streets	The subject site is situated on the northwestern block of 13 th Street, which is northeast-southwest trending.
General Setting	Commercial/Industrial
Zoning	M1-2
Property Type	Dry cleaners
Legal Description	00472-0683
Year of Construction	1953
General Layout of Property	The subject property is a rectangular shaped parcel of land, which is oriented in northwest-southeast direction from 13 th Street. The subject buildings are rectangular in shape with reinforced concrete slab foundation. Entrance to the building is from 13 th Street.
Access to Property	From 13 th Street to the northwest
Percent Coverage by Building	Approximately 100%
Number of Occupants/Units	1 Tenant
Present Occupant/ Business Operation	Best Cleaners
Other Improvements & Features	None observed
Description of Unimproved Areas	None observed

2.2 Exterior Description

Lot Size & Shape	5,000 SF Approximately/Rectangular
Number of Buildings	1
Building Size & Shape	5,000 SF Approximately/Rectangular
Number of Stories	1
Foundation	Concrete slab
Frames/Exterior Walls	Brick
Roof	Flat

2.3 Interior Description

Floor Structure	Concrete
Basement	Yes
Interior Walls	Concrete block
	Concrete (Basement)
Interior Floor Coverings	Concrete
	Concrete (Basement)
Interior Ceilings	Wood
	Concrete (Basement)
Interior Layout Description	The building consists of basement, office, and dry cleaning area.
HVAC	Not observed

2.4 Utilities

Source of Potable Water	Municipality
Sewage Disposal System	Municipality
Solid Waste Disposal	Municipality
Source of Fuel for Heating/Cooling	Con Edison provides natural gas and electricity to the subject property no fuel-powered heating system was observed.

2.5 Physical Setting

The subject property's physical location was researched employing a United States Geological Survey (USGS) 7.5 Minute Topographic Quadrangle (Quad) Map relevant to the subject property. The USGS 7.5 Minute Quad Map has an approximate scale of 1 inch to 2,000 feet, and shows physical features with environmental significance such as wetlands, water bodies, roadways, mines, and buildings. The physical and natural features illustrated on the Quad Map served as areas of visual emphasis when conducting the site inspection of the subject property. The USGS 7.5 Minute Quad Map was used as the only Standard Physical Setting Source, and is sufficient as a single reference. USGS Topography Map is adopted from the USGS 7.5 Minute Quad Map. The Quad Map shows no physical features that may have environmentally impacted the subject property. No mines, wells, wetlands, or aboveground tanks were mapped in the neighboring area of the subject property. The elevation of the site is approximately 17 feet above mean sea level with a gradual down-slope toward the north, and the west.

3 PROPERTY RECONNAISSANCE

3.1 Methodology and Limiting Conditions

The site reconnaissance consisted of a walk through of the property, visually observing the structures, storage areas, and parking lots. No inspection was conducted under floors, above ceilings, or behind walls.

3.2 CERCLA Issues

Site Reconnaissance Check List per Present Visual Indication	Visually/Physically Observed
Underground Storage Tank (UST) or Associated Fueling System	None observed
Aboveground Storage Tank (AST) or Associated Fueling Operation	None observed
Fuel Islands or Dispensers	None observed
Hydraulic Equipments	None observed
Containers of Hazardous Material & Petroleum Products (petrochemical products, automotive fluids, oily wastes, paint, thinners, enamel, solvents, discarded batteries, or metals, PCBs, plating or degreasing chemicals, other seemingly toxic hazardous materials)	Observed
Other containers of suspicious hazardous materials in drums, barrels, or other storage or Unlabeled/unidentified containers on site	None observed
Hazardous Waste Treatment, Storage, Disposal Facility (TSDF)	None observed
Distressed Vegetation	None observed
Stockpiled Soils with visual contamination	None observed
Wastewater Treatment Units & Clarifiers (Sampling Box, Size, Partitions)	None observed
Any regulated surface wastewater discharges	None observed
Drains for Machinery/Equipment Cleaning or Flushing	None observed
Visual evidence of improper handling/disposal or solid wastes	None Observed
Wells (any irrigation wells, injection wells, abandoned wells, groundwater-monitoring wells, dry wells, septic wells, oil wells, gas wells, domestic water wells, or other-monitoring wells)	None observed
Underground Pipelines other than public utility lines	None observed
Railroad tracks or spurs	None observed
Heater, boilers, compressors, HVAC systems using UST fuel or petroleum product stored in tank as primary fuel source other than natural gas or electricity	None observed
Visual evidence of spills, leakage, staining, soil/groundwater contamination	None observed
Evidence of surface impoundments or holding ponds on site	None observed
Any stained catch basins, drip pads, or sumps	None observed

At the time of inspection, JMK observed one (1) gas boiler, one (1) hot water heater, one (1) 55-gal empty container, and three (3) compressors in the basement. JMK observed three (3) forth-generation dry cleaning machines, three (3) shirt presses, seven (7) laundry machines, three (3) gas fired dry cleaning boilers, one (1) hot water heater, six (6) dryers, and seven (7) Perc containers with three (3) separated water containers in the dry cleaning area (1FL).

No visible releases (smoke, fumes, or dust) were noted. Entire subject property consisted of impermeable surfaces such as masonry and concrete. No signs of illegal dumping or distressed vegetations were observed on the property. There was no indication of obvious contamination on the subject site.

Site Reconnaissance Check List per Present Visual Indication	Visually/Physically Observed
Soil staining or surface staining on unpaved land, or seeps, leachates	None observed
Any type of heavy equipments or machinery of environmental concern on site	None observed
Visual indication of Herbicides & Pesticides use to pose environmental concern	None observed
Visual evidence of leak or contamination from Septic Tank or Cesspool	None observed
Dry-cleaning or equipment solvent washing / metal plating	Observed
Source of potable water, sewage, solid waste, heating/cooling posing environmental concern	None observed
Storm water or surface-water drainage system having any abnormal accumulation of petroleum or chemical run-off or foreign materials, any unusual blockage of the storm-water control system	None observed

JMK observed three (3) forth-generation dry cleaning machines.



3.3 Business Environmental Risk & Compliance Issues

Business Environmental Risk is defined as a risk, which can have material environmental impact, or environmentally driven impact on the business associated with the current or planned use of a parcel of commercial real estate, not necessarily limited to the issues requiring investigation. Activity and Use Restriction arising from Business Environmental Risk or Compliance Violation is defined as restrictions on the use of, or access to, a site/facility to (1) reduce or eliminate exposure to hazardous substance onsite, or (2) prevent activities that could interfere with a response action either as Engineering Controls or Institutional Controls.

Business Environmental Risk Visual Observation	Visually/Physically Observed
Hazardous Materials Data Sheets, Material Safety Data Sheet or Hazardous Waste Manifests	Applicable
Results of Any Tests (i.e., Tank Tightness, SB989, etc.) Available for Review	Not applicable
Environmental Monitoring Programs in Place	Not applicable
Permits, Licenses & Registrations for Current & Past and Proposed Uses	Not applicable
Non-Compliance with Regulations, Permits, Licenses & Registrations	Not applicable
Violations, Investigations, Claims, Actions, Notifications, Litigations	Not applicable
Current Registration of Hazardous Materials Inventory	Not applicable
Current EPA Hazardous waste Generator ID number	Not applicable
Current SARA Title "R" form	Not applicable
Current Risk Management Prevention Plan	Not applicable
Current written Hazard Communication Program	Not applicable
Hazardous Materials/Waste Business Plan available or required for the site?	Not applicable

Safety-Kleen Systems, Inc Data Sheets were observed at the time of inspection.

4 HISTORICAL RECORDS SEARCH

Standard Historical Records Search in conformance with the scope and limitations of ASTM Standard Practice E 1527-00 was conducted for the Property. According to ASTM E1527, JMK is to review historical data, and provide a description of the use of the site since 1940 or beginning with the earliest development of the site, whichever is earlier. JMK obtained reasonably ascertainable historical data, i.e., public records from building & planning department, multi-library city directory search, Sanborn Fire Insurance Maps, aerial photographs, fire or environmental department records, historical topographical maps and Interview with individuals knowledgeable about previous site usage.

Standard Historical Records	Yes	No
Local Building Department or Profile/Title Information	X	
Local Fire/Hazmat Department (See section 5.3)	X	
Historical Sanborn Fire Insurance Maps (if no coverage is searched, then "Yes")	X	
Historical Aerial Photograph	X	
Historical City Directory Abstract	X	
Historical USGS 7.5 Topographical Map	X	
Previous Investigations/Assessments		X
Review of Other Documents (Title, Appraisal, Profile, etc.)	X	
Interview with Site Contact Person	X	

4.1 Local Building Department Records

A review of building permit information on file at the Building Department, City of New York, was conducted on December 20, 2004 to establish the history of ownership and land use for this parcel. The intent of this permit review was to develop information that would assist JMK in determining whether the present owner or any previous owners of the property had engaged in any activities on the property that might have jeopardized the environment. A summary of findings is provided below.

Date	Description	Owner/Applicant
1953	New Building	Not available
1956	Plumbing Repair Slip	Not available
12-03-1990	Installation of Gas Fired Steam Boiler	Epstein Adam
05-18-1995	Propose to Change Occupancy from Factory/Office to Dry Cleaning	Not available
05-05-2000	Installation of Additional Dry Cleaning Machine	Felngold Joseph

4.2 Historical Sanborn Fire Insurance Maps

Reference Source: Environmental Data Research Inc.

Date	Description
1898	Subject property appeared to be one (1) dwelling unit with vacant land. The adjacent properties were viewed as vacant land.
1915	Subject property appeared to be two (2) dwelling units with detached shed. The adjacent properties were viewed as dwelling units, and store
1936	Subject property appeared to be three (3) dwelling units with detached garage, and shed. The adjacent properties were viewed as dwelling units.
1947	Subject property appeared to be a shed, a car pool, and vacant land. The adjacent properties were viewed as dwelling units.
1950	Subject property appeared to be a detached garage and vacant land. The adjacent properties were viewed as dwelling units.
1970	Subject property appeared to be a sheet metal building. The adjacent properties were viewed as marble storage building, manufacturer building, dwelling units, and vacant land.
1977-1996	Subject property appeared to be a sheet metal building. The adjacent properties were viewed as commercial building, manufacturer building, dwelling units, and vacant land.

4.3 Historical City Directory Abstract

Reference Source: Environmental Data Research Inc.

1922-2000 multi-library searches showed the following businesses listed as subject address.

Address not Listed in Research Source	1922, 1945-1950, 1991-2000
Cadera Vito Mary Lab (3868)	1934
Lomelo Angelo (3868)	1939
Craft Sheet Metal Wks Inc (3868)	1962-1983

JMK reviewed the EDR-City Directory Abstract for the adjacent site. Cross-referenced directories for the City of New York include directories from 192-2000. Directory listings indicated Residences (3872) from 1934, Mangina Thos Rose Lab (3872) from 1934, Residences (3866) from 1934, 1945, 1962, 1967, Able Marble Corp (3866) from 1970, Paris Collections Inc (3872) from 1983, N J R Metal Conditioning Corp/Fabrication Corp (3872) from 1991, Luis Winston Inc (3866) from 1991, and House Alfino Inc (3872) from 2000.

4.4 Historical Aerial Photograph

The subject property was unidentifiable from the USGS Aerial Photograph dated March 13, 1995.

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5 STANDARD ENVIRONMENTAL RECORDS SEARCH

The most current Standard Environmental Records Search of Federal and equivalent State Sources provided by Environmental Data Research Inc, was reviewed in conformance with the scope and limitations of ASTM Standard Practice E 1527-00 to assess evidence of Recognized Environmental Conditions (REC) with the Property.

5.1 Federal Agency Records

Source List	Minimum Search Distance (miles)	Yes	No
Federal NPL Site List	1.0		X
Federal CERCLIS LIST	0.5		X
Federal CERCLIS NFRAP Site List	Property and adjoining properties		X
Federal RCRA CORRACTS Facilities List	1.0	X	
Federal RCRA non-CORRACTS TSD Facilities List	0.5		X
Federal RCRA Generators List	Property and adjoining properties	X	
Federal ERNS List	Property only		X
Other Federal List	Property only	X	

United States Environmental Protection Agency (USEPA)-National Priorities List (NPL): The National List (NPL) identifies abandoned or uncontrolled hazardous waste sites that have been identified as possibly representing a long-term threat to public health or environment. These sites have been identified as being highly contaminated with hazardous substances and represent the U.S. EPA's target enforcement and cleanup efforts. Studies of individual sites are conducted by U.S. EPA to determine level of contamination, and the sites are then compared and ranked to other sites on the NPL.

The search radius for NPL is one-mile. The subject property is not listed on the NPL. There are no NPL sites within one-mile of the subject property.

Comprehensive Environmental Response, Compensation, and Liability Act Information System (CERCLIS): The CERCLIS (Active) database is a comprehensive listing of known or suspected uncontrolled or abandoned hazardous waste sites. These sites have either been investigated, or are currently under investigation by the U.S. EPA for the release, or threatened release of hazardous substances. Once a site is placed in CERCLIS, it may be subjected to several levels of review and evaluation, and ultimately placed on the National Priorities List (NPL). In addition to site events and milestone dates, the CERCLIS report also contains financial information from SCAP.

The search radius for CERCLIS is ½ mile. The subject property is not listed on CERCLIS. There are no CERCLIS sites within ½ mile of the subject property.

CERCLIS Archive-No Further Remedial Action Planned Sites (NFRAP): The No Further Remedial Action Planned report (NFRAP) database, also known as the CERCLIS Archive, contains information pertaining to sites, which have been removed from the U.S. EPA's CERCLIS Active database. NFRAP sites may be sites where, following an initial investigation, either no contamination was found, contamination was removed quickly without need for the site to be placed on the NPL, or the contamination was not serious enough to require federal Superfund action or NPL consideration.

The search radius for NFRAP is the subject property and adjoining properties. The subject property is not listed on NFRAP. Adjoining properties are not listed on NFRAP.

Resource Conservation and Recovery Act Information System (RCRIS) Corrective Action (CORRACTS) Facilities: The RCRIS CORRACTS contains information pertaining to hazardous waste treatment, storage, and disposal facilities (RCRA-TSDs) which have conducted, or are currently conducting, a corrective action(s) as regulated under the Resource Conservation and Recovery Act. The following information is included within the CORRACTS:

- Information pertaining to the status of facilities tracked by the RCRA Administrative Action Tracking System (RAATS);
- Inspections & evaluations conducted by the Federal and State agencies;
- All reported facility violations, the environmental statute(s) violated, and any proposed & actual penalties; and
- Information pertaining to corrective actions undertaken by the facility or U.S. EPA

The search radius for CORRACTS is one mile. The source is from EPA Corrective Action Report. The subject property is not listed on CORRACTS. There are no CORRACTS sites within one mile of the subject property.

<u>Lower Elevation</u>	<u>Address</u>	<u>Dist / Dir</u>	<u>Map ID</u>	<u>Page</u>
CON EDISON RAVENSWOOD GENERATI ACCURATE ASSOCIATES	38-54 VERNON BLVD 5-36 45TH RD	118 - 114 NW 112 - 1 SW	296 156	151 274

There are no CORRACTS sites within 1/8 mile distance from the subject property. For other listed sites with more than 1/8 mile distance in a down gradient direction, JMK has reached the conclusion that the subsurface environment at the subject site is **not likely** to have been impacted by operations of the said facilities listed in this section due to relative distance from the subject property.

Resource Conservation and Recovery Act Information System (RCRIS) Treatment, Storage, and Disposal (TSD) Facilities: The RCRIS-TSD is an U.S. EPA listing of facilities that were permitted under RCRA to perform on-site treatment, storage, or disposal of hazardous wastes. The sites listed in RCRIS-TSD do not necessarily pose an environmental threat to the surrounding properties because the TSD permit imposes stringent monitoring and reporting requirements. The following information is also included in the RCRIS-TSD database:

- Information pertaining to the status of facilities tracked by the RCRA Administrative Action Tracking System (RAATS);
- Inspections & evaluations conducted by federal and state agencies; and
- All reported facility violations, the environmental statute(s) violated, and any proposed & actual penalties.

The search radius for RCRIS-TSD is 1/2 mile. The subject property is not listed as an RCRIS-TSD facility. There are no RCRIS-TSD sites located within 1/2 mile of the subject property.

Resource Conservation and Recovery Act Information System (RCRIS) Generator List: The RCRIS generators list is an U.S. EPA listing of facilities that generate hazardous wastes or meet other applicable waste generating requirements under RCRA. The sites listed in RCRIS Generator List have not necessarily released hazardous waste into the environment or pose an environmental threat to the surrounding properties. These listed sites are required to properly contain the wastes generated and remove their waste from the site within 90 days. Furthermore, the facilities that report waste generation activities are more inclined to perform the required monitoring.



The search radius for RCRIS generator list is the site and adjacent properties. The subject site is listed on the RCRIS generators list. No RCRIS sites were identified on the EDR report as being adjacent to the subject site.

The subject property is listed on RCRIS-SQG for dry cleaning solvent. The subject property is reportedly under violation (generator-general requirements) dated August 17m 2000, which achieved compliance on November 27, 2000. JMK found no environmental concerns under this listing.

Emergency Response Notification System (ERNS) List: The Emergency Response Notification System (ERNS) list is a U.S. EPA maintained list of reported incidents that concerning the sudden and or/accidental release of hazardous substances, including petroleum, onto the environment.

The search radius for ERNS is the subject site and adjacent properties. The subject site is not listed on the ERNS list. There are no listed ERNS incidents that occurred on properties adjacent to the subject property.

Other Federal List (FINDS): Facility Index System/Facility Identification Initiative Program Summary Report (FINDS) is a U.S. EPA maintained list which contains both facility information and 'pointers' to other sources that contain more detail.

The subject property is on the FINDS list for the dry cleaning solvent.

5.2 State Agency Records

Source List	Minimum Search Distance (miles)	Yes	No
State SHWS	1.0	X	
State Equivalent CERCLIS	0.5		X
State Solid Waste Facility/Landfill (SWF/LF)	0.5	X	
State Leaking UST Lists (LUST) or LTANKS	0.5	X	
State Registered UST Lists	Property and adjoining properties		X
Other Lists	Property	X	

State SHWS Sites: State Hazardous Waste Sites. State hazardous waste site records are the states' equivalent to CERCLIS. These sites may or may not already be listed on the federal CERCLIS list. Priority sites planned for cleanup using state funds (state equivalent of Superfund) are identified along with sites where cleanup will be paid for by potentially responsible parties. Available information varies by state.

The search radius for State SHWS Sites is one mile. The subject property is not listed on State SHWS Database. There are 3 State SHWS site located within one mile of the subject property.

<u>Equi/Higher Elevation</u>	<u>Address</u>	<u>Dist / Dir</u>	<u>Map ID</u>	<u>Page</u>
AMTRAK SUNNYSIDE YARD	39-28 HONEYWELL ST	1/2 - 1 SE	153	260
STANDARD MOTOR PRODUCTS, INC.	37-19 NORTHERN BOULEVAR	1/2 - 1 ESE	154	272
<u>Lower Elevation</u>	<u>Address</u>	<u>Dist / Dir</u>	<u>Map ID</u>	<u>Page</u>
NATIONAL RUBBER ADHESIVES, INC	38-31 9TH STREET	1/8 - 1/4NNW	R73	127



There are no SHWS sites listed within 1/8 mile distance from the subject property. For other listed sites with more than 1/8 mile distance, JMK has reached the conclusion that the subsurface environment at the subject site is not likely to have been impacted by operations of the said facility listed in this section due to relative distance from the subject property.

State Equivalent CERCLIS Sites: The CERCLIS (Active) database is a comprehensive listing of known or suspected uncontrolled or abandoned hazardous waste sites. These sites have either been investigated, or are currently under investigation by the U.S. EPA for the release, or threatened release of hazardous substances. Once a site is placed in CERCLIS, it may be subjected to several levels of review and evaluation, and ultimately placed on the National Priorities List (NPL). In addition to site events and milestone dates, the CERCLIS report also contains financial information from SCAP. This search is for State Equivalent CERCLIS Sites. The search radius for State Equivalent CERCLIS is 1/2 mile.

The subject property is not listed on State Equivalent CERCLIS list. There are no State Equivalent CERCLIS located within 1/2 mile of the subject property.

Solid Waste Facility/Landfill (SWF/LF): The SWF/LF is a listing of all permitted active, inactive, or closed landfills.

The search radius for SWF/LF is 1/2 mile. The subject property is not listed on SWF/LF. There is 1 SWF/LF site within 1/2 mile of the subject property.

<u>Lower Elevation</u>	<u>Address</u>	<u>Dist / Dir</u>	<u>Map ID</u>	<u>Page</u>
PATANO BROTHERS,INC	36-36 10 STREET	1/8 - 14NNW	65	82

There are no SWF/LF sites listed within 1/8 mile distance from the subject property. For other listed site with more than 1/8 mile distance, JMK has reached the conclusion that the subsurface environment at the subject site is not likely to have been impacted by operations of the said facility listed in this section due to relative distance from the subject property, and the fact that no environmental contamination was reported.

Leaking Storage Tank Incident Reports (LTANKS): These records contain an inventory of reported leaking storage tank incidents reported from 4/1/86 through the most recent update. They can be either leaking underground storage tanks or leaking aboveground storage tanks. The causes of the incidents are tank test failures, and tank failures or tank overfills.

The search radius for the LTANKS list is 1/2 mile. The source is from Department of Environmental Conservation Spills Information Database. The subject property is not listed on the LTANKS list. There are 55 LTANKS sites within 1/2 mile of the subject property.

<u>Equi/Higher Elevation</u>	<u>Address</u>	<u>Dist / Dir</u>	<u>Map ID</u>	<u>Page</u>
30-15 21TH STREET	30015 21TH STREET	0 - 1/8 E	E15	10
MERIT OIL	38-01 21ST ST	1/8 - 14ENE	L47	73
GULF STATION	73-01 41ST AVF	1/8 - 14 S	AC100	200
38-31 CRESCENT ST	38-31 CRESCENT ST	1/4 - 1/2ESE	118	210
37-24 24TH STREET	37-24 24TH STREET	1/4 - 1/2F	120	212
40-40 CRESCENT ST	40040 CRESCENT ST	1/4 - 1/2SSE	121	213
MAMM REALTY	25-11 41ST AVE	1/4 - 1/2SSE	123	216
37 23 CRESCENT AVENUE	37 23 CRESCENT AVENUE	1/4 1/2E	AD124	217

Not reported	CRESCENT ST/37TH AV	1/4 - 1/2E	AD125	218
PS #112	25-06 37TH AVE	1/4 - 1/2E	AD126	219
PS #12	25-06 37TH AVE	1/4 - 1/2E	AD127	220
25-06 37TH AVE	26006 37TH AVE	1/4 - 1/2E	128	222
ABANDONED BLDG	36-28 28TH ST	1/4 - 1/2ESE	129	223
RESIDENCE	27-10 37TH AVE	1/4 - 1/2E	130	224
AROON SUKRANICHANNE	38-46 CRESCENT STREET	1/4 - 1/2ENE	132	228
25-16 QUEENS PLAZA/QUEENS	25-16 QUEENS PLAZA	1/4 - 1/2S	134	230
KAL REALTY	29-24 40TH AV	1/4 - 1/2SE	135	231
EMPIRE VENTILATION	35-39 VERNON BLVD	1/4 - 1/2N	138	236
INTERN'L MRTG. SPECIALIST	29024 40TH AVENUE	1/4 - 1/2SE	139	238
RAVENSWOOD	21-10 35TH AVE	1/4 - 1/2NE	141	239
NYS DEPT. OF CORRECTIONS	10-06 35TH AVE	1/4 - 1/2NNE	142	240
RAINY SUBSTATION PH #1	38 VERNON BLVD	1/4 - 1/2N	AF146	344
RAINEY SUBSTATION	35 ST / VERNON BLVD	1/4 - 1/2N	AF147	245
RAINEY SUBSTATION	35-02 VERNON BLVD	1/4 - 1/2N	AF149	264
12-12 43RD AVE	12-12 23RD AVE	1/4 - 1/2SW	150	265
36-01 VERNON BLVD	35-01 VERNON BLVD	1/4 - 1/2N	AF151	266
Lower Elevation	Address	Dist / Dir	Map ID	Page
3821 12TH STREET	3821 12TH STREET	0 - 1/8 N	I30	37
38-21 12TH STREET/FFNS/CHF	38-21 12TH ST.	0 - 1/8 NNE	I36	48
QUEENSBRIDGE PLANT B	40001 12TH ST	0 - 1/8 SW	K37	47
QUEENSBRIDGE PLANT A	40013 12TH STREET	0 - 1/8 SW	K38	49
QUEENSBRIDGE PLANT D	41004 10TH STREET	1/8 - 1/4W	O67	84
QUEENSBRIDGE PLANT C	40009 10TH STREET	1/8 - 1/4W	O69	85
QUEENSBRIDGE PLANT C	40009 10TH STREET	1/8 - 1/4W	60	95
41ST AVENUE / 12TH STREET	41ST AVENUE / 12TH ST	1/8 - 1/4 RW	Q84	102
16-06 37TH AVE/QUEENS	16006 37TH AVENUE	1/8 - 1/4NE	870	137
QUEENSBRIDGE PLANT B	41001 12TH STREET	1/8 - 1/4SW	Q80	138
3/12 11TH STREET	3/12 11TH STREET	1/8 - 1/4N	W83	142
VACANT BUILDING	1212 37TH AVE.	1/8 - 1/4NNE	X84	143
38-54 VERNON BLVD	38-54 VERNON BLVD	1/8 - 1/4NW	Z98	162
RAVENSWOOD GENERATOR SITE	38-54 VERNON BLVD	1/8 - 1/4NW	AA103	191
3809 VERNON BLVD	3809 VERNON BLVD	1/8 - 1/4NW	AA104	193
RAINEY	38TH ST / VERNON BLVD	1/8 - 1/4NW	AA111	201
10-12 37TH AVE	10-12 37TH AVE	1/8 - 1/4N	112	202
QUEENSBRIDGE PLANT E	40009 VERNON BLVD	1/4 - 1/2W	116	209
3707 9TH AVENUE	3707 9TH AVENUE	1/4 - 1/2NNW	117	209
R-14 37TH AVE.	R-14 37TH AVE.	1/4 - 1/2NNW	119	211
QUEENSBRIDGE PLANT F	4106 VERNON BLVD.	1/4 - 1/2W	122	216
42-30 11TH STREET	42-30 11TH STREET	1/4 - 1/2 SW	131	229
35-41 11TH ST/QUEENS	35-41 11TH ST	1/4 - 1/2NNE	133	229
TERRA COTTA	41-98 VERNON BOULEVARD	1/4 - 1/2 WSW	AE136	232
42-20 VERNON BLVD	42-20 VERNON BLVD	1/4 - 1/2 WSW	AE137	235
MONARCH CONSTRUCTION	11-17 43RD AV	1/4 - 1/2 RW	143	240
CHUCK'S PLACE - QNS	34059 11 ST	1/4 - 1/2NNE	144	242
10TH ST AND 43 AVE.	10TH ST AND 43 AVENUE	1/4 - 1/2 SW	145	243
MIDTOWN OPERATING CROP	42050 24 ST	1/4 - 1/2S	152	267

The property at 39-15 21st Street is approximately 400 feet northwest of the subject property in an equal gradient level. Spill affected land only, and spill closed date was not reported. The property at 3821 12th Street (I30) is approximately 510 feet north of the subject property in a down gradient direction. Spill affected land only, and was closed on March 13, 1995. The property at 3821 12th Street (I36) is approximately 560 feet north of the subject property in a down gradient direction with groundwater contamination. Spill was closed on February 7, 1994. The property at 40001 Street is approximately 580 feet southwest of the subject property in a down gradient direction. Spill affected land only, and was closed on August 16, 1995. The property at 40013 12th Street is approximately 590 feet southwest of the subject property in a down gradient direction with groundwater contamination. Spill was closed on August 16, 1995. JMK has reached the conclusion that the subsurface environment at the subject site is not likely to have been impacted by operations of the said facilities listed in this section due to relative distance from the subject property, and spill status.

For other listed sites with more than 1/8 mile distance, upon reviewing the information regarding the said facilities obtained via computer search, JMK has reached the conclusion that the subsurface environment at the subject site is not likely to have been impacted by operations of the said facilities listed in this section due to relative distance from the subject property.

State Registered Underground Storage Tanks (UST): This list maintains a list of state registered underground storage tanks (UST) of the site area. The sites listed on the UST list have not necessarily released hazardous substances into the environment or pose environmental threat to the surrounding properties. Since Federal and State UST regulations require periodic monitoring for UST leakage and immediate reporting of evidence of UST leakage, only those sites listed on leaking underground storage tanks (LUST) have potential of environmental impact.

The search radius for UST is the subject site and adjacent properties. The subject site is not listed on the UST list. There are no listed UST sites on properties adjacent to the subject property.

Dry Cleaners: Registered Drycleaners

5.3 Local Sources

A request for records pertaining to use and handling of hazardous materials and underground storage tanks on the subject property from the **City of New York, Fire Department, Fire Prevention Bureau**. According to Ms. Lisa O., inspector, one record indicates a sealed 1,080-gal fuel oil AST.

A request for records pertaining to use and handling of hazardous materials on the subject property from the **NYS Department of Environmental Conservation, Division of Public Affairs and Education, Region 2** was filed. At the time of this investigation a response was not provided. Once a response is received, it will be forwarded in an addendum.

6 ADJOINING PROPERTIES

For the scope of this assessment, properties are defined and categorized based upon their physical proximity to the subject property. An adjoining property is any real estate property whose border is contiguous or partially contiguous with the subject properties, or that would be if the properties were not separated by a roadway, street, public thoroughfare, river, or stream. The following identifies specific adjacent property tenants and/or use:

6.1 Current Adjoining Properties

Direction	Description
Northeast	Stone Masters, Inc – Marble, Granite, Lime Stone (38-66 13 th St)
Northwest	Bethel Iron-Work (38-59 12 th St)
Southeast	Pep Boys – Auto Parts Retailer (38-50 13 th St/38 th Ave)
Southwest	Fine Arts Furniture, Inc (38-72 13 th St)

6.2 Visual Reconnaissance of Adjoining Properties

JMK performed a Visual Reconnaissance of the Adjoining Properties in conformance with the scope and limitations of ASTM Standard Practice E 1527-00, and found no visible evidence of recognized environmental conditions in connection with the Adjoining Properties that would lead to contamination of the Property.

6.3 Historical Use of Adjoining Properties

JMK performed a Standard Historical Use of the Adjoining Properties in conformance with the scope and limitations of ASTM Standard Practice E 1527-00, and found no evidence of recognized environmental conditions in connection with the Adjoining Properties that would lead to contamination of the Property.

7 NON-CERCLA CONSIDERATIONS

Site Reconnaissance Check List per Visual Indication	Visually/Physically Observed
Suspicious asbestos-containing materials in damaged condition if the structure is built prior to 1978	None observed
Suspicious lead-based paint in damaged condition if the structure is built prior to 1978	None observed
Visual evidence of lead problem in Water	None observed
Any reason to suspect Radon problem	None observed
Leakage from the following items with Polychlorinated Biphenyl (PCB) or evidence of PCB contamination	None observed
Transformers	
Light Ballasts	
Above-ground Hydraulic Fluid Equipment (Elevator, Trash Compactor)	
Visual evidence of Urea Formaldehyde	None observed
Wetland, creeks, swale, pits, ponds, lagoons, or any other water bodies	None observed
Visual evidence of mold problems from wet areas, roof leaks, moisture around air conditioning or plumbing units	None observed
Air quality problems (unusual smells, obnoxious odors, or visual emissions, air emission stacks)	None observed
Is the property under flood zone (Federal Emergency Management Agency Flood Insurance Rate Map)	Not applicable

7.1 Asbestos-Containing Materials (ACMs)

Potential asbestos-containing building materials in general: Floor tile and associated mastic adhesive underneath the floor tile, carpet mastic, linoleum sheeting and associated backing material or leveling compound, drywall joint compound or mud product, plaster compound, stucco material, acoustic ceiling texture, ceiling tile and associated mastic adhesive, window putty or glazing, roofing material (shingle, cap-sheet, etc.), roofing penetration mastic, transite panel or vent pipe, fire-proofing material, pipe insulation, or wrapping, pipe elbows, fitting, air-cell, etc. JMK inspected such materials as to the visual conditions and locations, however the actual sampling analysis is beyond the contracted scope of work, thus not included in the report. No samples were taken as part of contractual scope of work.

Federal government in 1978 banned asbestos for commercial use. Section 2.2 describes building materials observed during the site investigation. Thus, if the building is built prior to 1978, said materials are assumed as suspicious asbestos-containing materials (ACM's).

However, even though buildings were built after 1978, there are chances that comprehensive asbestos survey might find asbestos fiber in the subject building materials over 0.1% by weight. In general, although asbestos-containing materials may be present in the building materials, so long as they would be in an undisturbed state without disturbances or dismantlement, such ACM's do not pose an immediate health risk to building occupants. Local Building & Safety Department and appropriate Air Quality Management District (AQMD) require all possible asbestos-containing materials (ACM's) to be identified and removed in the case of renovation or construction of

existing structure that might disturb or dismantle the suspicious ACM's. If it is found that asbestos is contained within subject building materials through comprehensive asbestos survey, the implementation of an Asbestos Operations and Maintenance Program shall be developed, in order to ensure the safety of occupants who may be exposed to potential asbestos hazards. An AHERA Certified Inspector or a State Certified Asbestos Consultant can perform the asbestos survey involving bulk sampling and analysis at NIST/NVLAP accredited laboratory using Polarized Light Microscopy with Dispersion Station (PLM/DS) in accordance with the Environmental Protection Agency (EPA) "Interim Method of the Determination of Asbestos in Bulk Insulation Samples" (EPA-600-M4-82-020).

7.2 Presence & Condition of Suspect Lead-Based Paint (LBP)

It was 1978 when lead-based paint in the exterior and interior coating for commercial use was banned by federal government. Due to the dangers of lead poisoning, the Consumer Product Safety Commission banned the sale of lead-based paint (LBP), defined as containing more than 0.06% lead by weight, to consumers, and the use of LBP in Residences and other areas where consumers have direct access to painted surfaces. Effective June 3, 1993, the Lead in Construction Standard codified in 29 CFR (Code of Federal Regulations) 1926.62 applies to sources or potential sources of lead exposure present in an "employment-related" context.

The trigger mechanism for application of the standard is an activity that, by its inherent nature, may cause exposure to lead. Therefore, within the context of regulatory compliance for OSHA (Occupation Safety and Health Agency), the subject property did not appear to require further response to suspect lead-based paint as no on-site activity by its inherent nature would cause exposure to lead.

However, prior to renovation, demolition, or any activity that will cause a disturbance of any suspect lead-based paint, sampling to determine lead content is recommended.

In 1978, the federal government banned the use of lead-based paint in residential applications; however, usage in general industry continued at a decreased rate to the present. Lead-based paint presents a hazard through inhalation or ingestion of paint chips or vapor fumes. The greatest cumulative health threat is to young children, and for this reason the Department of Housing and Urban Development (HUD) has promulgated lead standards and survey requirements for buildings affected by HUD funding. This HUD regulation represents the only federal requirement for lead-based paint, hazard management applicable to privately owned structures.

7.3 Lead in Domestic Water for Residential, Educational and Convalescent Facilities

JMK is not contracted to perform the testing of lead content in water on the subject property, thus the delineation of lead level is beyond the scope of the service included in this report. However, it is possible to obtain the information as to whether water supply to the subject site meets EPA drinking water standards for lead.

7.4 Potential Impact of Radon Gas at the Subject Property

Radon sources can be found from earth and rock beneath building structures, well water, and building materials themselves. Though there is no immediate health effect, it is believed to account for approximately 10% of lung cancer deaths in the United States. Estimated national average is 1.5 picocuries per liter of air, however, levels as high as 200 picocuries per liter in some commercial buildings can be found. USEPA and State Department of Health Services' Radon Survey Interim Results report shows different U.S. regions according to general geological and climate information.

If a property region reportedly has radon concentration below 4 picocuries per liter of air in 99.5% of homes within the region, then, it is not likely impacted by the presence of radon gas, considering EPA action limit of 4 picocuries per liter of air volume.

JMK is not contracted to perform the testing of radon level on the subject property, thus the delineation of radon level is beyond the scope of the service included in this report. However, it is recommended to have your premises tested for radon level, and seek proper measures such as increase in ventilation, installation of heat exchanger or heat recovery ventilator, or sealing of cracks and other openings in basement floor. Usual methods of radon testing involve charcoal canisters at HVAC systems or lowest livable level of the subject buildings.

7.5 Utilities, Transformers, PCB Equipments

Prior to 1978, PCBs were commonly used in dielectric fluids in transformers, capacitors, and light ballasts due to their desirable thermal characteristics, and hydraulic fluid compactor. Due to their demonstrated toxicity and persistence in the environment, PCB manufacturing in the properties was discontinued.

By 1985, the US EPA required that commercial property owners with transformers containing more than 500 ppm PCBs must register the transformer with the local fire department, provide exterior labeling, and remove combustible materials within 5 meters (40 CFR 760.30). The US EPA has three different categories for PCB-containing transformers such as non-PCB containing transformer, if less than 50 ppm PCB, PCB-contaminated transformer, if between 50 and 499 ppm of PCB, and it must conform to the US EPA Fire Rule for disposal, and PCB-transformer, if greater than 500 ppm of PCB.

No PCB-containing light ballasts were inspected, which operate fluorescent light fixtures. Separate survey of PCB's on existing light ballasts can only determine the content, unless such ballasts contained in the fluorescent light fixtures are labeled with "no PCB". Prior to construction or any disturbances to the existing light fixtures, PCB-ballasts survey has to be performed, and identified PCB-ballasts shall properly be disposed of by incineration or recycled within authorized facilities.

7.6 Potential Impact of Urea Formaldehyde

Formaldehyde, by itself, or in combination with other chemicals, serves a number of purposes in manufactured products. It had been widely used to add permanent press qualities to clothing and draperies, as a component of glues and adhesives, and as a preservative in some paints and coating products. In commercial buildings, the most significant sources of formaldehyde are pressed wood products made using adhesives that contain urea-formaldehyde (UF) resins, such as particleboard, hardwood plywood paneling, and medium density fiberboard. As a colorless, pungent-smelling gas, Formaldehydes can cause sensations in the mucous membrane and difficulty in breathing which could lead to asthmatic attack.

Newly installed UF foam insulation often releases the gas-phase UF for six to twelve months. Such volatilized gases can concentrate in the internal air of a building. No evidence of UF foam insulation was observed during the subject property reconnaissance. The potential for UF on the site is presumed low. JMK is not contracted to perform the testing of formaldehyde level on the subject property, thus the delineation of its level is beyond the scope of the service included in this report.

7.7 Pits, Ponds, Lagoons

No visible evidence of wetlands such as pits, ponds, lagoons, or any other water bodies were observed within the subject property's boundary lines.

Wetlands identification of the property is not part of an ASTM 1527-00 Phase I. JMK is not contracted to perform the identification of wetlands on the subject property, thus the delineation of its level is beyond the scope of the service included in this report. However, wetlands on the property may reduce the allowable footprint that could be developed, which significantly changes the economics of the project.

Pits, ponds and lagoons are often associated with the disposal of solid and liquid wastes, which may include hazardous materials. The Clean Water Act (1972), Section 404, establishes federal authority to regulate activities in wetlands, and US Department of Fish and Game mapping resources are often used for geographic wetland identification.

7.8 Mold (Fungi, Bacteria)

The presence of mold and mildew in residential and commercial buildings is causing a surge of interest amongst building owners, architects, engineers and contractors regarding its source and consequences. In general, mold is a subset of the fungi family. Fungi are common and found in most ecosystems. Fungi is needed to help recycle organic material to sustain plant and animal life. In order to reproduce, mold release tiny spores into the air, which eventually attach onto surfaces favorable for growth. A class of fungi, molds have been found to cause a variety of health problems in humans, including allergic, toxicological, and infectious responses. Molds are decomposers of organic materials, and thrive in humid environments, and produce spores to reproduce as plants produce seeds. When mold spores land on a damp spot indoor, they may begin growing and digesting whatever they are growing on in order to survive. When excessive moisture or water accumulates indoors, mold growth will often occur, particularly if the moisture problems remain undiscovered or not addressed.

Interior areas of buildings characterized by poor ventilation and high humidity are the most common locations of mold growth. Building materials including drywall, wallpaper, baseboards, wood framing, insulation and carpeting often play host to such growth. Moisture control is often the key to mold control, since molds need both food and water to survive.

Molds need three things to grow and thrive: Organic materials (food) such as wood, cloth, leather, carpets, or dust, Temperatures between 40 degrees and 100 degrees F. Moisture. If any of these three conditions are not present, a mold colony will become dormant. A dormant colony will become reactivated if favorable conditions return. Often molds release compound gases that create the common "musty" smell associated with mold.

Moisture is the one criterion that must be controlled in order to prevent, or stop, mold growth in interior or living environments. Aside from roof and drainage leaks, and leaky plumbing, there are numerous sources of moisture related to water vapor already in the air (relative humidity). Tubs/showers, plants, dishwashing, humidifiers and outdoor humid air all contribute moisture that can lead to condensation on, or within, wall surfaces, at windows or at air supply registers. If a must door exists within an area, there is a good chance that mold is present.

As mold becomes a more prevalent issue, building owners will need to stay informed on the subject. There are dozens of Internet websites geared to the topic, and increased litigation in this area is also fueling increased interest. With any new trend there often is misinformation, incorrect conclusions, and conflicting information. Those involved in the building industry should consider the source and weight of information carefully before drawing conclusions and making decisions.

Laboratory test and sampling by qualified industrial hygienist for air & wipe testing can only determine the environmental site conditions for various species of fungi such as Aspergillus, Cladosporium, Stachybotris and other mycotoxins, and bacteria families such as Legionella, etc. Mold assessment or sampling of the property is not part of an ASTM 1527-00 Phase I. JMK is not contracted to perform the identification of mold hazards on the subject property, thus the delineation of its level is beyond the scope of the service included in this report.

7.9 Flood Zone

JMK is not contracted to search flood map to identify whether the subject property is located within 50-year, 100-year flood zone, within the scope of this environmental assessment.

8 SUMMARY OF FINDINGS

8.1 Property Reconnaissance

Property Reconnaissance in conformance with the scope and limitations of ASTM Standard Practice E 1527-00 was conducted on the Subject Property, and revealed visible evidence of recognized environmental conditions in connection with the Subject Property as listed below:

At the time of inspection, JMK observed one (1) gas boiler, one (1) hot water heater, one (1) 55-gal empty container, and three (3) compressors in the basement. JMK observed three (3) forth-generation dry cleaning machines, three (3) shirt presses, seven (7) laundry machines, three (3) gas fired dry cleaning boilers, one (1) hot water heater, six (6) dryers, and seven (7) Perc containers with three (3) separated water containers in the dry cleaning area (1FL).

However, no visible releases (smoke, fumes, or dust) were noted. Entire subject property consisted of impermeable surfaces such as masonry and concrete. No signs of illegal dumping or distressed vegetations were observed on the property. There was no indication of obvious contamination on the subject site.

8.2 Standard Historical Source Inquiry

Standard Historical Source Inquiry, in conformance with the scope and limitations of ASTM Standard Practice E 1527-00 were conducted for the Subject Property, and revealed evidence of Recognized Environmental Conditions on the Subject Property.

The subject property appears to be used as a sheet metal company from 1953-1995, and as dry cleaners from 1995-current. Prior use appears to be as dwelling units from the 1890s-1930s. JMK reviewed the EDR-City Directory Abstract for the subject site. Cross-reference directories for the City of New York include directories from 1922-2000. Directory listings indicated Address not Listed in Research Source from 1922, 1945-1950, 1991-2000, Cadera Vito Mary Lab (3868) from 1934, Lomelo Angelo (3868) from 1939, and Craft Sheet Metal Wks Inc (3868) from 1962-1983.

8.3 Government Records Inquiry

Standard Government Records Inquiry in conformance with the scope and limitations of ASTM Standard Practice E 1527-00 was conducted for the Subject Property, and it is not likely that properties listed on the Federal/State/Local Governmental Records within the minimum search distance would lead to contamination of the Subject Property.

The subject property is not listed on the following environmental regulatory database record research (EDR search database) except FINDS, RCRIS-SQG, and Drycleaners: NPL, CERCLIS, ERNS, SHWS, LUST, UST, and CERCLIS NFRAP.

8.4 Adjoining Properties

Visual Reconnaissance and Past & Present use of adjoining properties in conformance with the scope and limitations of ASTM Standard Practice E 1527-00 were conducted on the Adjoining Properties, and did not reveal any evidence of recognized environmental conditions in connection with the Adjoining Properties that would lead to contamination of the Subject Property.

8.5 Non-CERCLA Issues

Visual property inspection revealed no visible or physical evidence of environmental concerns that would lead to contamination or environmental concern onto the Subject Property.

9 CONCLUSIONS

JMK has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527-00. Any exceptions to, or deletions from, this practice is described in conclusion & recommendation/opinion section of this report. This assessment has revealed evidence of recognized environmental conditions in connection to the subject property in accordance with ASTM E1527.00.

At the time of inspection, JMK observed one (1) gas boiler, one (1) hot water heater, one (1) 55-gal empty container, and three (3) compressors in the basement. JMK observed three (3) forth-generation dry cleaning machines, three (3) shirt presses, seven (7) laundry machines, three (3) gas fired dry cleaning boilers, one (1) hot water heater, six (6) dryers, and seven (7) Perc containers with three (3) separated water containers in the dry cleaning area (1FL).

However, no visible releases (smoke, fumes, or dust) were noted. Entire subject property consisted of impermeable surfaces such as masonry and concrete. No signs of illegal dumping or distressed vegetations were observed on the property. There was no indication of obvious contamination on the subject site.

10 PROFESSIONAL OPINION

Because the business properly manages dry cleaning solvent, and the dry cleaners have operated for only 9 years, no further investigation or Phase II Subsurface Assessment is recommended.

11 GENERAL LIMITATIONS

The opinions expressed herein is based on the information collected during our study, our present understanding of the site conditions and our professional judgment in light of such information at the time of preparation of this report. The report is a professional opinion work, and no warranty is either expressed, implied or made as to the conclusions, advice and recommendations offered in this report.

Our investigation was performed using the degree of care and skill ordinarily exercised, under similar circumstances, by reputable Engineers and Geologists practicing in this or similar localities. The findings, conclusions and recommendations in this report are considered valid as of the present date. However, changes in the conditions of the property can occur with the passage of time, due to natural process or the works of man on this or adjacent properties. In addition, changes in applicable or appropriate standard may occur. JMK is not responsible for conditions found at or beneath the subject property or adjacent properties. Accordingly, portions of this report may be invalidated wholly or partially by the changes beyond our control.

This report is prepared for the exclusive use of the client, and opinions/recommendations contained in this report apply only to conditions existing when services were performed, and are intended only for the client, purposes, locations, time frames, and project parameters indicated. This report was prepared in conformance to meet or exceed the scope and practice as set forth by the American society of Testing & Materials (ASTM) Standard Practice E-1527-00, and thus, unless otherwise agreed to by consultant and client within the definition of scope of service in contractual agreement, no tests were conducted, and no samples of air, water, soil or building material were taken, such exclusion may include Non-CERCLA Issues, i.e., visual inspection or sampling of asbestos, lead-based paint, lead in water, PCB materials, Urea Formaldehyde, Wetland identification, mold inspections, air quality inspections, flood zone applicability.

All records pertaining to this investigation and assessment obtained and referenced in this report are kept available at JMK's headquarter office during normal business hours.

"This report has been prepared by the staff of JMK Environmental Solutions, Inc. ("JMK") for the Client under the professional supervision of the principal and/or senior staff whose seal(s) and signatures appear hereon. Neither JMK, nor any staff member assigned to this investigation has any interest or contemplated interest, financial or otherwise, in the subject or surrounding properties, or in any entity which owns, leases, or occupies the subject or surrounding properties or which may be responsible for environmental issues identified during the course of this investigation, and has no personal bias with respect to the parties involved. The information contained in this report has received appropriate technical review and approval. The conclusions represent professional judgments and are founded upon the findings of the investigations identified in the report and the interpretation of such data based on our experience and expertise according to the existing standard of care. No other warranty or limitation exists, either express or implied. The investigation was prepared in accordance with the Client's Phase I Environmental Site Assessment scope of work for the use and benefit of the Client, it's successors, and assignees. It is based, in part, upon documents, writings, and information owned, possessed, or secured by the Client. Neither this report, nor any information contained herein shall be used or relied upon for any purpose by any other person or entity without the express written permission of the Client."

12 ASSESSMENT LIMITATIONS

Adjoining sites, neighboring sites or surrounding properties mentioned in this report, subject to assessment under ASTM 1527, are only up to one parcel next to the subject property of the subject property

Review of reasonably available historical information such as Sanborn Fire Insurance maps, aerial photographs, historical city directory lists and topographic maps, if available, to identify any potential past on-site operation which may have environmental implications

Recognized environmental conditions (RECs) subject to JMK's assessment and identification are limited to known or suspect contamination only in soil/groundwater

No sampling of physical/chemical material or laboratory analysis is included in the scope of services

Collection of reasonably ascertainable & available information and public records only, within reasonable amount of time

JMK's Phase I Environmental Assessment in this report is prepared in accordance with ASTM 1527, driven solely by CERCLA and may not include all environmental conditions which can materially impact the subject property

Though this report contains some contents not required by ASTM 1527, such extra investigation is provided as additional information irrelevant to Phase I Environmental Assessment. Such additional information of non-ASTM 1527 are merely extra contents, and cannot be used to bind this report as a whole to the compliance and conformance to ASTM guideline

It is often not possible (under "reasonably ascertainable" clause of ASTM guideline) to identify every single prior tenant or occupant in the past of the subject property. JMK cannot be liable for non-identification of all past tenants or occupants of the project site

To conform to ASTM 1527 identification of historical uses in the surrounding area (only up to one parcel next to the subject property per JMK's scope of work), JMK performs historical check via fire insurance maps, historical city directory, aerial photographs, and walk-through along the property premise to find obvious signs of environmental concerns of the adjoining properties, only up to one parcel next to the subject property, without visual investigation of said adjoining properties.