PHASE I ENVIRONMENTAL SITE ASSESSMENT

for

2455 Third Avenue The Bronx, New York Lot 2319, Lots 37 and 155

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EXECUTIVE SUMMARY

Langan Engineering, Environmental, Surveying, Landscape Architecture and Geology, D.P.C. (Langan) was retained by 225 East Realty Partners LLC, (the "User") to prepare this Phase I Environmental Site Assessment (ESA) Report for the property at 2455 Third Avenue, Bronx, New York (the "Subject Property"). The Subject Property is also identified as Bronx County Tax Block 2319, part of Lot 37 and Lot 155. The approximately 0.58-acre Subject Property is improved with a one-story building supply store/warehouse with a concrete paved storage/parking lot. The Subject Property is bound by 135th Street/The Major Deegan Expressway followed by a hotel to the northeast, Third Avenue/Third Avenue Bridge ramp followed by commercial buildings to the southwest, by a mixed-use commercial/office building to the southwest, and by an active construction site to the northwest.

This Phase I ESA was conducted in accordance with the ASTM International Standard Practice for Environmental Site Assessments E1527-13 and the United States Environmental Protection Agency's (USEPA's) All Appropriate Inquiry (AAI) Rule, for the purpose of identifying Recognized Environmental Conditions (REC), Historical RECs (HREC), Controlled RECs (CREC) for Business Environmental Risks (BER) in connection with the Subject Property.

No CRECs or HRECs were identified. The following RECs were identified:

REC 1 – Historical Site Operations

The Subject Property was operated as a rail yard between 1935 and 1951 and iron works foundry in 1891. Activities associated with the iron works foundry and treated rail ties from the rail yard may have resulted in releases of Polychlorinated Biphenyls (PCBs), metals, or hazardous materials that impacted the soil, soil vapor and/or groundwater at the Subject Property. Treated rail ties may still exist at the Subject Property and may need to be disposed of during future construction.

REC 2 – Current and Historical Operations of Surrounding Properties

The adjoining up-gradient properties to the northeast were historically used as a filling station (1946-2003) and a drainpipe and fireproof material manufacturing facility. The adjoining cross-gradient property to the southeast was an auto repair (2000-2014). An adjacent property located about 150 feet to the southwest is an auto repair (2000-present). Migration of contaminants from these adjoining and surrounding properties have the potential to impact the soil vapor and/or groundwater at the Subject Property.

Non-Scope Considerations and BERs

Environmental issues or conditions that do not meet the definition of a REC but present a material environmental or environmentally-driven impact on the business associated with the current or planned use of the Subject Property are considered BERs. The following non-scope considerations/BERs were identified:

Historic Fill: Based on the urban density of the area, it is likely that the subject site area
contains historic urban fill which is typically characterized by elevated concentrations of
polycyclic aromatic hydrocarbons (PAHs) and metals. The presence of fill will require
implementation of soil handling and management procedures to address excavation,
reuse, handling, and possible offsite disposal of this material in conjunction with site
redevelopment.

Non-ASTM Environmental Consideration

A survey to identify asbestos-containing material (ACM), lead-based paint (LBP) and/or PCB-containing material was not conducted as part of this Phase I ESA. Based on the construction date of the current building at the Subject Property (1996), it is unlikely that various building components contain significant quantities of ACM, LBP, and/or PCBs.

1.0 INTRODUCTION

Langan Engineering, Environmental, Surveying, Landscape Architecture and Geology, D.P.C. (Langan) was retained by 225 East Realty Partners LLC, (the "User") to prepare this Phase I Environmental Site Assessment (ESA) Report for the property at 2455 Third Avenue, Bronx, New York (the "Subject Property"). The approximately 0.58-acre Subject Property is improved with a one-story building supply store/warehouse with a concrete paved storage/parking lot.

This Phase I ESA was completed in support of the User's due diligence associated with a property transaction involving the Subject Property.

The purpose of this Phase I ESA is to accomplish the following:

- (1) Identify Recognized Environmental Conditions (REC) in connection with the Subject Property, as defined in The American Society for Testing and Materials (ASTM) International Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process, Designation E1527-13, which states: The presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: (1) due to any release to the environment; (2) under conditions indicative of a release to the environment; or (3) under conditions that pose a material threat of a future release to the environment. The term is not intended to include de minimis conditions that generally do not present a material risk of harm to public 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.
- (2) Satisfy the criteria of United States Environmental Protection Agency (USEPA) 40 Code of Federal Regulations (CFR) Part 312 Subpart C Standards and Practices §312.20 All Appropriate Inquiries.

For the purpose of this ESA report, a REC is defined as follows:

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

A Historical REC (HREC) is defined as follows:

"A past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls (for example, property use restrictions, activity and use limitations, institutional controls, or engineering controls)."

A Controlled REC is defined as follows:

"A recognized environmental condition resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority (for example, as evidenced by the issuance of a no further action letter or equivalent, or meeting risk-based criteria established by regulatory authority), with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls (for example, property use restrictions, activity and use limitations, institutional controls, or engineering controls)."

A Business Environmental Risk (BER) is defined as follows:

"A risk that can have a material environmental or environmental-driven impact on business associated with the current or planned use of a parcel of commercial real estate."

1.1 Scope of the Phase I ESA

This Phase I ESA was conducted utilizing a standard of good commercial and customary practice that is consistent with American Society for Testing and Materials (ASTM) International E1527-13. Any significant scope-of-work additions, deletions, or deviations to ASTM International E1527-13 are noted in Section 8.0 of this report. In general, the scope of this assessment consisted of obtaining information from the User; reviewing reasonably ascertainable information and environmental data relating to the Subject Property; reviewing maps and records maintained by federal, state, and local regulatory agencies; interviewing persons knowledgeable about the Subject Property; and conducting a site inspection. The specific scope of this assessment included the following:

- 1. A site reconnaissance to characterize conditions and assess the Subject Property's location with respect to adjoining and surrounding property uses and natural surface features. The reconnaissance included the surrounding roads and observations of surrounding properties from public rights-of-way to identify obvious potential environmental conditions on neighboring properties. The site reconnaissance was conducted in a systematic manner focusing on the spatial extent of the Subject Property and then progressing to adjoining and surrounding properties. Photographs taken as part of the site reconnaissance are provided in Appendix A.
- 2. A review of the responses to the User/Client Questionnaires. The completed questionnaires are provided in Appendix B.
- 3. A review of environmental databases maintained by the USEPA, state, and local agencies within the approximate minimum search distance. The environmental database report was provided by Environmental Data Resources, Inc. (EDR), and is included in Appendix C.

- 4. Filing of Freedom of Information Law (FOIL) and Freedom of Information Act (FOIA) requests with federal, state, and local agencies. Copies of the FOIL/FOIA requests and responses are included in Appendix D.
- 5. New York City Department of Buildings (NYCDOB) records, a Planning Commission Zoning Map, New York City Department of Finance and New York City Department of Environmental Protection (NYCDEP) records were reviewed. Available NYCDOB records, the Zoning Map and NYCDEP records are included in Appendices E, F and G respectively.
- 6. A review of available land records. Available records are included in Appendix H.
- 7. A review of physical characteristics of the Subject Property through a review of referenced sources for topographic, geologic, soils and hydrologic data.
- 8. A review and interpretation of aerial photographs, Sanborn Fire Insurance Maps (Sanborn Maps), historical topographic maps, and city directories to identify previous activities on and in the vicinity of the Subject Property. Copies are included in Appendices I, J, K, and L, respectively.
- 9. A review of an Environmental Lien search for the Subject Property. A copy of the environmental lien search report is included as Appendix M.
- 10. A review of published radon occurrence maps to evaluate whether the Subject Property is located in an area with a propensity of elevated radon levels.

1.2 Assumptions, Limitations and Exceptions

This Phase I ESA report was prepared for Artimus in furtherance of its due diligence review of the environmental condition of the Subject Property located at 2455 Third Avenue (Block 2319, part of Lot 37 and Lot 155) in Bronx County, New York. The report is intended to be used in its entirety. Excerpts taken from this report are not necessarily representative of the assessment findings. Langan cannot assume responsibility for use of this report for any property other than the Subject Property addressed herein, or by any other third party without a written authorization from Langan.

Langan's scope of services, which is described in Section 1.1, was limited to that agreed to with the User and no other services beyond those explicitly stated are implied. The services performed and agreed upon for this effort comports to those prescribed in the ASTM International Standard E1527-13. Intrusive sampling (i.e., soil borings and groundwater sampling) at the Subject Property was not performed as part of this Phase I ESA.

This Phase I ESA was not intended to be a definitive investigation of possible environmental impacts at the Subject Property. The purpose of this investigation was limited to determining if there is reason to suspect the possibility of RECs at the Subject Property. It should be understood that even the most comprehensive Phase I ESA might fail to detect environmental liabilities at particular Subject Property. Therefore, Langan cannot "insure" or "certify" that the

Subject Property is free of environmental impacts. No expressed or implied representation or warranty is included or intended in this report, except that our services were performed, within the limits prescribed by our client, with the customary standard of care exercised by professionals performing similar services under similar circumstances within the same jurisdiction.

The conclusions, opinions, and recommendations provided in this report are based solely on the specific activities as required for the performance of ASTM International E1527-13 and are intended exclusively for the purpose stated herein, at the specified Subject Property, as it existed at the time of our site visit.

2.0 SUBJECT PROPERTY DESCRIPTION

2.1 Location and Description

The Subject Property is located at 2455 Third Avenue, Bronx County, New York. The Subject Property is also identified as Bronx County Tax Block 2319, part of Lot 37 and Lot 155. The approximately 0.58-acre Subject Property is improved with a one-story building supply store/warehouse with a concrete paved storage/parking lot. The Subject Property is bound by 135th Street/The Major Deegan Expressway followed by a hotel to the northeast, Third Avenue/Third Avenue Bridge ramp followed by commercial buildings to the southeast, by a mixed-use commercial/office building to the southwest, and by an active construction site to the northwest. A Subject Property Location Map is included as Figure 1 and a Site Plan is included as Figure 2.

According to the 2013 United States Geological Survey (USGS) Central Park Quadrangle 7.5-minute Series Topographic Map, the Subject Property sits at an elevation of about 15 feet above mean sea level (msl). The topography of the Subject Property is generally flat while surrounding area slopes slightly southwest towards the Harlem River.

Based on visual observations of the surrounding area during the site reconnaissance, the Subject Property is located within a mixed-use commercial, light industrial and residential area. Adjoining and surrounding property usage is summarized in the following table:

Direction		Adjoining Properties	Surrounding Properties
Direction	Block/Lot	Description	Surrounding Properties
Northeast	N/A	East 135 th Street and the Major Deegan Expressway	Four-story hotel
Northwest	2319/60	Active construction site	Self-Storage facility
Southeast	N/A	Third Avenue and Third Avenue Bridge	One to two-story commercial buildings
Southwest	2319/37	Five-story mixed-use commercial/office building	Six to eight-story commercial and light industrial buildings

Improvements at the Subject Property are summarized in the following table. Photographs showing the current condition of the Subject Property are provided in Appendix A.

Subject Pro	perty Improvements
Size of the Subject Property	0.58 acres
Buildings/Spaces/Structures	One-story building supply store/warehouse
Unimproved Areas	A concrete paved storage/parking lot
Surface Water	None
Potable Water Source	Municipal connection available
Sanitary and Storm Sewer Utilities	Municipal provider
Electrical Utilities	Consolidated Edison Company of New York, Inc. connection available
Construction Completion Date	The one-story building supply store/warehouse was constructed in 1996. The western wall of the one-story warehouse was removed to connect the one-

Subject Prope	erty Improvements
	story warehouse and the southwestern adjoining building (2439 Third Avenue) in 1997
General Construction Type	Concrete block
Cooling and Ventilation System Type	Roof units supplemented with window units
Heating System Type	Natural gas fueled boiler
Emergency Power	None

2.2 Title Records

Langan researched ownership records for the Subject Property at the Automated City Register Information System (ACRIS) website (http://www.nyc.gov/html/dof/html/jump/acris.shtml). Deed information for the Subject Property is listed below. Copies of Subject Property records are included in Appendix H.

Document Date	Document Type	Party 1	Party 2
		Lot 37	
1/7/2015	Deed	225 East Realty Corp.	225 East Realty Partners, LLC
1/28/1994	Deed	2441 Third Ave Corp.	225 East Realty Corp.
1/25/1968	Deed	Wornock Mills, Inc.	2441 Third Ave Corp.
		Lot 155	
1/7/2015	Deed	225 East Realty Corp.	225 East Realty Partners, LLC
9/18/2007	Deed	Blondell, LLC	225 East Realty Corp.
8/20/2007	Correction Deed	200 East 135 th Street LLC.	Blondell, LLC
5/21/2007	Deed	200 East 135 th Street LLC.	Blondell, LLC

3.0 USER PROVIDED INFORMATION

3.1 Owner Questionnaires

As per ASTM International E1527-13, a Owner questionnaire was completed by Matthew Grabina, a representative of 225 East Realty Partners LLC. Mr. Grabina is the site manager of the Subject Property. Mr. Grabina indicated that he is unaware of spills, environmental cleanups, liens, or any past, pending or threatened litigation or administrative proceedings involving environmental conditions associated with the Subject Property. The completed questionnaires are included in Appendix B.

3.2 Previous Environmental Reports

No previous reports were provided by the User.

4.0 ENVIRONMENTAL RECORDS REVIEW

A regulatory database search was provided by EDR and is included in Appendix D. The EDR report provides a listing of sites identified on select federal and state standard source environmental databases within the approximate search radii specified by ASTM International E1527-13. Langan reviewed each environmental database on a record-by-record basis to evaluate whether the identified sites represent a potential for environmental impact to the Subject Property. Langan also reviewed "Orphan Sites" listed within the report. Orphan Sites are those sites that could not be mapped because of inadequate address information. Any Orphan Sites identified within the ASTM search radii, either during the site reconnaissance or by cross-referencing to mapped listings, are addressed in the discussion below.

The following table lists the number of sites identified in standard and additional environmental record databases, within the prescribed search radius and appearing in the EDR Report.

DATABASE R	ECORD SUMMARY	′	
Database Reviewed (Date of government version)	Minimum Search Area	Subject Property Listed	Number of Sites Within Minimum Search Area
USEPA	DATABASES		
National Priorities List (NPL) (03/11/2019)	1 Mile Radius	No	0
Delisted NPL (03/11/2019)	1/2 Mile Radius	No	0
Superfund Enterprise Management System (SEMS) and SEMS-ARCHIVE (02/06/2019)	1/2 Mile Radius	No	0
Resource Conservation and Recovery Act (RCRA) Corrective Reports (CORRACTS) (03/01/2019)	1 Mile Radius	No	0
RCRA Treatment, Storage, and Disposal Facilities (TSDF) (03/01/2019)	1/2 Mile Radius	No	0
RCRA Large Quantity Generators (LQG), Small quantity Generators (SQG), Conditionally Exempt SQG (CESQG), and Non-Generators (Non-Gen) (03/01/2019)	Subject Property and Adjoining	No	0
Facility Information System (FINDS) Database (02/15/2019)	Subject Property	No	0
Enforcement and Compliance History Information (ECHO) (03/03/2019)	Subject Property	No	0
Environmental Response Notification System (ERNS) (02/04/2019)	Subject Property	No	0
Engineering Controls (EC) and Institutional Controls (IC) Site Lists (01/31/2019)	Subject Property	No	0
New York State Department of Environ	mental Conservati	on (NYSDEC)	DATABASES
Inactive Hazardous Waste Disposal Site (SHWS) (11/12/2018)	1 Mile Radius	No	6
Hazardous Substance Waste Disposal Site Inventory (HSWDS) (01/01/2003)	1/2 Mile Radius	No	0

DATABASE R	ECORD SUMMARY	1	
Database Reviewed (Date of government version)	Minimum Search Area	Subject Property Listed	Number of Sites Within Minimum Search Area
Solid Waste or Landfill Facilities (SWF/LF) (12/31/2018)	1/2 Mile Radius	No	4
Leaking Tanks (LTANKS) (11/12/2018)	1/2 Mile Radius	No	46
SPILLS Information Database (NY SPILLS) (11/12/2008)	1/8 Mile Radius	No	37
EC and IC Site Lists (11/12/2018)	Subject Property	No	0
Voluntary Cleanup Program (VCP) (11/12/2018)	1/2 Mile Radius	No	8
NY Brownfields (11/12/2018)	1/2 Mile Radius	No	8
Petroleum Bulk Storage Facilities (PBS) Underground Storage Tanks (UST) and Aboveground Storage Tanks (AST) Databases (02/11/2019)	Subject Property and Adjoining	No	3
Chemical Bulk Storage (CBS) UST and AST Databases (02/11/2019)	Subject Property and Adjoining	No	0
Major Oil Storage Facilities (MOSF) UST and AST Databases (02/11/2019)	Subject Property and Adjoining	No	0
Registered Drycleaners (DRYCLEANERS) (03/07/2018)	1/4 Mile Radius	No	0
EDR (PROPRIE	TARY) DATABASE	S	
Manufactured Gas Plant (MGP)	1 Mile Radius (N/A)	No	1
Historical Drycleaners	1/4 Mile Radius (N/A)	No	3
EDR Historic Auto Stations	1/4 Mile Radius (N/A)	No	0

NA Not Applicable; databases with a "Not Applicable" Minimum Search Radius are databases reviewed as part of the Phase I ESA but not required as per ASTM E1527-13.

A description of the reviewed databases is provided in the EDR Report (Appendix C). A summary of Subject Property database listings and other sites identified within the prescribed search area is provided below.

4.1 Federal Agency Database Findings

The Subject Property and/or sites within their respective minimum search distances as specified by ASTM E1527-13 were not listed in the following Federal Agency databases: NPL, Delisted NPL, SEMS, SEMS-ARCHIVE, RCRA CORRACTS, RCRA TSDF, RCRA-LQG, RCRA-SQG, RCRA-CESQG and RCRA-NonGen, FINDS, ECHO, ERNS, EC, and IC.

4.2 State Agency Database Findings

The Subject Property and sites within the respective minimum search distances, as specified by ASTM E1527-13, were not listed in the following State Agency databases: HSWDS, EC, IC, CBS, MOSF, or DRYCLEANERS. The following summary describes the sites that were identified within the designated search radii.

NY SHWS

The SHWS database maintains information regarding the investigation and cleanup of suspected hazardous waste sites. The minimum search distance for the SHWS database includes the Subject Property and any sites within a 1-mile radius. The Subject Property was not listed in the SHWS database; however, six sites including an orphan site, were identified within the minimum search distance. Three sites are located across the Harlem River in Manhattan, and are not anticipated to impact the Subject Property. Two sites are located more than 400 feet downgradient or cross-gradient from the Subject Property and are not anticipated to impact the Subject Property. The remaining listing is described in more detail below.

Site Name: Rider Avenue Gas Station (HW Code: 203051)

Site Address: 250 East 138th Street (about 845 feet northeast [up-gradient] of the Subject Property)

Description: This site was a gasoline filling station in 2010. On the NYSDEC's Environmental Site Remediation Database Search, this site is classified as an 'N' site, indicating there is no further action at this time. The listing noted that "Site Investigation could not be funded under BOA [Brownfield Opportunity Area] since there is an ongoing State enforcement action." Based on the distance from the Subject Property and its classification, this listing is not anticipated to impact soil, soil vapor, and/or groundwater at the Subject Property and does not represent a REC.

NY SWF/LF

The NY SWF/LF database contains an inventory of solid waste disposal facilities or landfills in NY. As per ASTM E1527-13, the approximate minimum search distance required for SWF/LF sites is within 1/2-mile of the Subject Property. The Subject Property was not listed in the NY SWF/LF database; however, four sites were identified within the search radius. Three sites are located down-gradient or cross-gradient from the Subject Property and does not represent a REC. The remaining site is described in more detail below.

Site Name: Young Contracting Corp (Activity no. 03T59)

Site Address: 2501 Third Avenue (approximately 424 feet northeast [up-gradient] of the Subject Property)

Description: This site was identified as an inactive transfer station, indicating wastes were not landfilled on-site and that the site served as an intermediary location for wastes between generator sites and final disposal locations. No additional information was identified in the EDR report or on NYSDEC online databases. Based on distance from the Subject Property

and its use as a transfer station, this site is not anticipated to have impacted soil, soil vapor, and/or groundwater at the Subject Property and does not represent a REC.

Leaking Underground Storage Tanks

The LTANKS database contains an inventory of reported leaking storage tank incidents, including leaking underground storage tanks (USTs) and aboveground storage tanks (ASTs). As per ASTM E1527-13, the approximate minimum search distance required for LTANK incidents is within 1/2-mile of the Subject Property. The Subject Property was not listed in the LTANKS database; however, 46 LTANK incidents, including one orphan listing, were identified within the minimum search radius. Forty-five of the 46 incidents were remediated to the satisfaction of NYSDEC and are listed as closed, and therefore do not represent RECs. The remaining LTANKS listing (Spill no. 9709777) is related to a tank test failure that occurred in 1997, located about 1,345 feet west-southwest (down-gradient) of the Subject Property and across the Harlem River in Manhattan. No additional information was available on NYSDEC online databases. Based on location and distance relative to the Subject Property, this site is not likely to have impacted soil, soil vapor, and/or groundwater at the Subject Property and does not represent a REC.

SPILLS

The SPILLS database, maintained and updated by NYSDEC, is an inventory of sites where spills have been identified and reported to the NYSDEC. The minimum search radius for the Spills database includes the Subject Property and any sites within a 1/8-mile radius. The Subject Property was not listed in the SPILLS database; however, 37 SPILLS incidents were identified within the minimum search radius. Thirty-four of 37 SPILLS incidents were remediated to the satisfaction of NYSDEC and are listed as closed. The remaining three spills are located more than 400 feet cross-gradient or down-gradient from the Subject Property and do not represent RECs.

VCP

The VCP is a program in which private money is used to remediate sites to levels allowing for productive use. The NYSDEC VCP program was replaced with the New York State Brownfield Cleanup Program (BCP) in 2003. As per ASTM E1527-13, the approximate minimum search distance radius for VCP sites is within 1/2-mile of the Subject Property. The Subject Property was not listed in the VCP database; however, eight VCP sites were identified within the minimum search distance.

Of the eight listed sites, one site (2477 Third Avenue) was granted a certificate of Completion (COC) under the BCP; two sites (146 East 146th Street and 200-231 East 125th Street) are located across the Harlem River in Manhattan; and three sites (335 Grand Concourse, 221-227 East 138th Street, and 20 Bruckner Boulevard) are located more than 750 feet cross- or down-gradient from the Subject Property. The remaining two sites are described in more detail below:

Site Name: 200 East 135th Street

Site Address: 200 East 135th Street (northwestern adjoining property, [cross-gradient] of the

Subject Property)

Description: VCP Site No. 16CVCP013X has historically been utilized as a rail yard, and for various other industrial purposes. Contamination on-site consists of polycyclic aromatic hydrocarbons (PAHs) pesticides, polychlorinated biphenyls (PCBs), and metals associated with historic fill. Based on a review of publically available documents for the site (Remedial Investigation Report and Remedial Action Work Plan), soil and groundwater identified are limited to site boundaries Based on distance and location from the Subject Property, and the lack of widespread groundwater impacts at the site, this listing does not represent a REC.

Site Name: 2488-2490 Third Avenue

Site Address: 2488-2490 Third Avenue (located about 360 feet northeast, [up-gradient] of

the Subject Property)

Description: VCP Site No. 16CVCP039X has historically been utilized as a storage yard, filling station and auto repair facility. Contamination on-site consists of volatile organic compounds (VOCs), PAHs, pesticides, and metals associated with historic fill. Based on a review of publically available documents for the site (Remedial Investigation Report and Remedial Action Work Plan), soil and groundwater identified are limited to site boundaries Based on distance and location from the Subject Property, and the lack of widespread groundwater impacts at the site, this listing does not represent a REC.

NY Brownfields

Brownfield sites are those at which investigation and remediation is being conducted or was completed pursuant to the BCP. A brownfield site is any real property where a contaminant is present at levels exceeding the soil cleanup objectives or other health-based or environmental standards, criteria or guidance adopted by NYSDEC that are applicable based on the reasonably anticipated use of the property. The minimum search radius for the Brownfields database includes the Subject Property and any sites within a 1/2 mile radius.

The Subject Property was not identified in the Brownfields database, however eight were identified within the minimum search distance. Two sites (Parcel B West and 1900 Park Avenue) are located across the Harlem River, three sites (Former Mugler Shoring, Inc., Former Manufacturing Plant, and Former Bronx Freight) are located more than 300 feet down-gradient from the Subject Property, and two sites (2477 Third Avenue and Former G&C Services) have been granted COCs. The remaining listing is described in more detail below.

Site Name: 198 East 135th Street

Site Address: 198 East 135th Street (northwestern adjoining property, [cross-gradient] of the

Subject Property)

Description: BCP Site No. C203084 has historically been utilized as a rail yard, coal yard and parking. This site is currently classified as "Active" on the NYSDEC online Environmental Site Database. Contamination on-site consists of chlorinated VOCs, metals, PAHs and pesticides in soil and groundwater. A list of documents received as a response to the FOIL request for this property is provided in Section 4.4. Based on documents reviewed, impacts identified in groundwater and soil vapor are limited to the site boundaries and are not anticipated to have impacted soil, soil vapor, and/or groundwater at the Subject Property and does not represent a REC.

PBS UST and AST

The PBS UST and AST databases are listings of all properties that have petroleum storage capacities in excess of 1,100 gallons, but less than 400,000 gallons. The minimum search radius for the UST and AST databases includes the Subject Property and adjoining properties.

The Subject Property was not listed in the PBS UST and AST databases; however, three sites were identified within the minimum search distance. These listings are described in more detail in the table below.

Tank Number	Туре	Capacity (gal)	Material	Install Date	Removal Date	Status
		225 Eas	t 134 th Street PBS	S ID No. 2-0	34576	
001	AST	3200	No. 2 fuel	1965	NR	In-Service
		2454 Ti	hird Avenue PBS	ID No. 2-61	12042	
45	AST	275	Waste oil	2013	NR	In-Service
		2477 Ti	hird Avenue PBS	ID No. 2-19	91310	
1	UST	12,000	Gasoline	NR	2003	Removed
2	UST	12,000	Gasoline	NR	2003	Removed
3	UST	12,000	Gasoline	NR	2003	Removed
002	UST	4,000	Gasoline	1986	2002	Removed
003	UST	4,000	Gasoline	1986	2002	Removed
004	UST	4,000	Gasoline	1986	2002	Removed

NR = Not Reported

No open LTANKS or SPILLS listings are associated with 225 East 134th Street and 2454 Third Avenue and these listings do not represent a REC. 2477 Third Avenue is associated with closed Spill No. 0230034 and BCP Site No. C203047, and is discussed above. Based on its spill closure status and its remedial status, this listing is not anticipated to have impacted soil, soil vapor, and/or groundwater at the Subject Property and does not represent a REC.

4.3 Proprietary EDR Databases

Manufactured Gas Plants

The MGP site database is a proprietary database that includes records of manufactured coal gas plants compiled by EDR. The Subject Property was not listed in the MGP database, however one site, Con Edison – West 134th Street, was identified within the minimum search distance.

This site is located across the Harlem River over 3,700 feet away. Based on the distance relative to the Subject Property, this site is not anticipated to have impacted soil, soil vapor, and/or groundwater at the Subject Property and does not represent a REC.

Historical Auto

The Historical Auto database is a proprietary database that lists potential gas station/filling station/service station sites based on review of national collections of business directories that were available to EDR researchers. EDR's review was limited to those categories of sources that might, in EDR's opinion, include gas station/filling station/service station establishments. The minimum search radius for the database includes the Subject Property and any sites within a 1/8-mile radius. The Subject Property was not listed in the Historical Auto Database, however three sites were identified within the minimum search distance. One listing (2477 Third Avenue) is associated with a site that was granted a COC under the BCP and does not represent a REC. The remaining two listings are described in more detail below.

Facility Name: Motor Trend FGN Car Specialists

Facility Address: 2491 Third Avenue (about 330 feet northeast of the Subject Property, upgradient)

Description: EDR records indicate an auto repair shop was present at this address from 1994 to 2000 and in 2014. This site was not listed in other databases reviewed. Based on the absence of violations or other indications of a release and distance from the Subject Property, this site does not represent a REC.

Facility Name: M & I Service Center

Facility Address: 245 East 136th Street (about 330 feet northeast of the Subject Property,

up-gradient)

Description: EDR records indicate a gasoline service station was present at this address from 1969 to 1970. This site was not listed in other databases reviewed. Based on the absence of violations or other indications of a release and distance from the Subject Property, this site does not represent a REC.

4.4 Regulatory Agency Findings

Freedom of Information Law and Freedom of Information Act Requests

FOIL/FOIA requests were submitted to the following federal, state, and local agencies on April 24, 2019:

- USEPA Online database search and submitted a request via online form;
- NYSDEC Submitted a request via online form;
- New York State Department of Health (NYSDOH) Submitted a request via online form;
- New York City Department of Environmental Conservation (NYCDEP) Submitted a request via online form;

- New York City Department of Health and Mental Hygiene, (NYDHMH) Submitted a request via online form; and
- The Fire Department of New York (FDNY) Submitted a request via fax

Complete responses to the FOIL requests from NYCDEP, NYSDOH, NYDHMH, and FDNY have not yet been received. Copies of the FOIL/FOIA requests and any responses received are included in Appendix D. Should pending responses alter the conclusions provided within this report, we will issue the modified conclusions as an addendum.

FOIL/FOIA responses from each agency are detailed below:

USEPA

A search of the USEPA MyEnvironment, MyPropertyInfo, and Envirofacts databases on May 9, 2019, did not identify listings for the Subject Property. The MyEnvironment report lists the Subject Property as a non-attainment area for ozone. Copies of the database reports are included in Appendix D.

The USEPA notified Langan via email on April 26, 2019 that the records requested, if available, are available through the EPA MyPropertyInfo portal. A copy of the FOIA request is included in Appendix D.

NYSDEC

The NYSDEC notified Langan via email on April 25, 2019 that no responsive records were identified. A copy of the response is included in Appendix D.

A separate FOIL request was submitted to the NYSDEC concerning the adjoining BCP site, 198 East 135th Street (Site No. C203084). A response received from the NYSDEC project manager, Kyle Forster, provided the following documents:

- Subsurface (Phase II) Investigation, December 2006, AKRF
- Remedial Action Plan, March 2007, AKRF
- Remedial Investigation Report, September 2015, Hydro Tech Environmental, Corp.
- Supplemental Remedial Investigation Work Plan (RIWP), November 30 2016, Hydro Tech Environmental, Corp.
- Supplemental Remedial Investigation Report, March 22, 2017, Hydro Tech Environmental, Corp.
- Decision Document, June 2017, NYSDEC Division of Environmental Remediation
- Remedial Action Work Plan, June 14, 2017, HAKS

A copy of the FOIL request and the listed reports is included in Appendix E.

NYCDOB

Langan conducted a records search through the NYCDOB online query system on April 24, 2019. The Subject Property is identified as 2455 Third Avenue and Building Identification Number (BIN)

2000782. Lot 37 is classified as D9 – Elevator Apartment, and Lot 155 is classified as V1 – commercial with the New York City Department of Finance.

One certificate of occupancy (CO) for 2455 Third Avenue dated March 28, 2000 lists building usage as the sales and handling of building supplies. No certificates of occupancy issued later than March 2000 were identified on the NYCDOB online query system.

A copy of the NYCDOB property profile report and records are included in Appendix E.

Zoning Department

According to the New York City Planning Commission Zoning Map 6a, the Subject Property is located in a M1-3/R8 light manufacturing and high density residential commercial district, which typically allows for light industrial uses like woodworking and repair shops as well as high density 8-story and taller residential buildings. The Subject Property is also located in the Harlem River Waterfront (HRW) Special Purpose District. Special purpose districts are applied to areas to achieve specific planning and urban design objectives. The HRW special purpose district was designated to support the "revitalization of this underutilized area in the South Bronx into a vibrant, mixed use, mixed-income neighborhood while retaining viable light industry." A copy of the zoning map is included in Appendix F.

NYCDEP Clean Air Tracking System (CATS)

Langan conducted a records search through the NYCDEP CATS online query system on April 24, 2019. No records for the Subject Property were identified, however, two records for the adjoining property, 2439 Third Avenue, were identified. The boiler in the 2439 Third Avenue reportedly provides heating to the Subject Property; therefore records for this site were reviewed. Two expired industrial wood mill permits and two cancelled boiler permits are associated with 2439 Third Avenue. The fuel sources listed for the boiler permits are no.2 and no. 6 fuel oil. A copy of the NYCDEP CATS records are included in Appendix G.

4.5 Physical Setting Sources

4.5.1 Topography

According to the 2013 USGS Central Park Quadrangle 7.5-minute Series Topographic Map, the Subject Property sits at an elevation of approximately 15 feet above msl. The topography of the Subject Property is generally flat while the surrounding area slopes slightly west towards the Harlem River.

4.5.2 Geology

Based on a review of the "Bedrock and Engineering Geologic Maps of Kings and Queens Counties, New York" by Charles A. Baskerville, et al. the bedrock underlying the Subject Property is the Inwood Marble formation. The Inwood Marble is an Early Cambrian-Lower Ordovician formation composed of dolomite marble, quartzite and calcite marble.

Based on investigations in the area the site cover is likely underlain by a historic fill layer and a sandy clay layer.

4.5.3 Hydrology

Groundwater flow is typically topographically influenced, as shallow groundwater tends to originate in areas of topographic highs and flows toward areas of topographic lows, such as rivers, stream valleys, ponds, and wetlands. A broader, interconnected hydrogeologic network often governs groundwater flow at depth or in the bedrock aquifer. Groundwater depth and flow direction are also subject to hydrogeologic and anthropogenic variables such as precipitation, evaporation, extent of vegetation cover, and coverage by impervious surfaces. Other factors influencing groundwater include depth to bedrock, the presence of artificial fill, and variability in local geology and groundwater sources or sinks.

Based on investigations in the area, groundwater is about 5 to 8 feet below grade surface and flows southwest towards the Harlem River. Groundwater at the Subject Property is not used as a potable water source. Potable water is provided to the Subject Property by the local municipality.

4.6 Historical Use Information

Langan reviewed available historical resources (including aerial photographs, Sanborn and topographic maps and city directories) dated 1891 to 2017. Finding of the reviews are presented below.

4.6.1 Aerial Photographs

Langan reviewed aerial photographs of the Subject Property and surrounding areas for the years 1924, 1941, 1944, 1951, 1954, 1961, 1966, 1975, 1984, 1991, 1995, 2006, 2009, 2013 and 2017. Copies of the Sanborn Maps are included in Appendix J.

In the 1924 photograph, miscellaneous material storage is visible on the Subject Property. The Mott Haven Canal is located about 160 feet northwest of the Subject Property and was gradually filled in between 1941 and 1975. In the 1944 photograph, rail cars and spurs are visible running from the Subject Property northwest towards the Mott Haven Canal. In the 1961 photograph, miscellaneous material storage is visible on Subject Property. By 1966, rail cars and spurs have been cleared from the Subject Property. In the 1995 photograph, the Subject Property appears asphalt-paved. In the 2006 through 2017 photographs, a rectangular building is visible in the southwest part of the Subject Property and material storage and parking is present on Lot 155.

The Subject Property remains largely the same to present day. Historic operations on the Subject Property as a rail yard represent RECs.

4.6.2 Sanborn Fire Insurance Maps

A search for historical fire insurance maps for the Subject Property and surrounding properties was conducted by EDR and reviewed by Langan. Sanborn Maps constitute a database of prior site uses of real property for many cities and towns in the United States. Langan reviewed Sanborn Maps for the Subject Property for the years 1891, 1893, 1903, 1908, 1922, 1928, 1935, 1944, 1946, 1947, 1951, 1968, 1969, 1977, 1978, 1980, 1981, 1984, 1986, 1989, 1991, 1992, 1993, 1994, 1995, 1996, 1998, 2001, 2002, 2003, 2004, 2005, 2006 and 2007. Copies of the Sanborn Maps are included in Appendix J.

In the 1891 map, the Subject Property is improved with multiple two and three-story residential and commercial buildings. The northwestern corner of the Subject Property is noted as part of the J.L. Mott Iron Works foundry used for castings storage. In the 1922 map, all buildings on the Subject Property had been demolished and a one-story structure is located on Lot 155. In the 1935 map, the spurs from the central Railroad of New Jersey terminate on the Subject Property. In the 1968 map, all railroad spurs except for one on the western boundary have been removed from the Subject Property. In the 1996 map, the remaining rail spur is no longer present. In the 1998 map, a one-story concrete block building is present in the southeast part of the Subject Property. The northeastern portion of the Subject Property is noted as parking. The Subject Property remains largely the same to present day.

Adjoining and surrounding properties generally housed industrial, commercial, and residential buildings. Nearby industrial uses included the following:

- A drain pipe and fireproof material manufacturer (1891) on the northern-adjoining property
- A gasoline filling station (1946-2003) on the northern-adjoining property

Historic operations on the Subject Property and adjoining up-gradient properties represent RECs.

4.6.3 Topographic Quadrangles

Langan reviewed historical USGS Topographic Quadrangles obtained from EDR for information regarding past uses of the Subject Property. Quadrangle maps were available for the years 1897, 1898, 1900, 1947, 1956, 1966, 1979, 1997 and 2013. Copies of topographic maps reviewed are included in Appendix K. The Subject Property is shown in a densely developed area of the Bronx. The Mott Haven Canal was gradually filled in between 1900 and 1966. In the 1947 map, the Major Deegan Expressway is present adjoining the Subject Property to the east. The Subject Property and surrounding areas remains largely the same to present day. Review of the topographic maps did not reveal evidence of RECs.

4.6.4 City Directory

The City Directory Abstract, obtained from EDR, is a review of available business directories, including city, cross-reference, and telephone directories, at about five-year intervals for the years spanning 1927 through 2014. The Subject Property was listed in 2005 and 2010 as Bridge Building Supply, which was the most recent tenant at the Subject Property. A copy of the City Directory Abstract is provided in Appendix L.

Adjoining and surrounding properties generally housed industrial, commercial, and residential buildings. Nearby industrial uses included the following:

- An auto repair (2000-2014) on the southern-adjoining property
- An auto repair (2000-present) on the western adjacent property about 150 feet southwest of the Subject Property

Historical and current operations at adjoining and surrounding properties represent a REC.

4.6.5 Environmental Lien Search

Langan contracted EDR to conduct an Environmental Lien search for the Subject Property. The results of the search, which included a compilation of available data and verification of the findings with the appropriate regulatory authorities, revealed that there are no Environmental Liens or other Activity and Use Limitations (AUL) associated with the Subject Property. A copy of the Environmental Lien Search is provided in Appendix L.

5.0 SITE RECONNAISSANCE

5.1 Methodology and Limiting Conditions

A site reconnaissance was conducted in a systematic manner that focused on the spatial extent of the Subject Property and then progressed to the adjacent and surrounding properties. The assessment of the adjacent and surrounding properties was limited to identifying, if possible, any indications of past or current use that may involve the use, storage, disposal, or generation of hazardous substances or petroleum products; noting the general type of current use; the general topography of the surrounding area; and providing a general description of adjoining or adjacent structures. The adjacent properties were observed from an on-site vantage point. Site reconnaissance photographs that illustrate the current condition of the Subject Property are presented in Appendix A.

5.1.1 Date and Time of Site Reconnaissance

The site reconnaissance was performed by Deirdre Casey, an environmental scientist at Langan, on April 22, 2019. Ms. Casey was accompanied by Matthew Grabina, director of operations at The Altmark Group, and Victor Garcia of Bridge Building Supply. The weather at the time of the inspection was clear and approximately 55° F.

5.1.2 General Subject Property Setting and Reconnaissance Observations

The southwestern part of the Subject Property is occupied by a one-story building supply store/warehouse that connects to the adjoining building (2439 Third Avenue) to the west. The remainder of the Subject Property is concrete paved and used as material storage and parking. The existing on-site building was constructed in 1996 and the internal connection between to the adjoining building was constructed in 1997. At the time of inspection, the building supply store was no longer open to the public and the tenants were in the process of removing inventory and consolidating materials in preparation for vacating the Subject Property. Roof access was not available at the time of inspection; however, access to the 2439 Third Avenue was available, allowing for inspection of the Subject Property roof. Exterior material storage included metal decking, rebar, bricks, cinderblocks, gravel, machinery and miscellaneous debris.

Pits, Ponds, Lagoons

Langan did not observe pits, ponds or lagoons on the Subject Property.

Pools of Liquid

Langan did not observe pools of liquid on the Subject Property.

Storm Drains, Wells, and Cisterns

Three storm drains were observed in the material storage/parking area to the north and east of the building. One damaged storm drain grate in the northern parking area was covered with three metal plates. No staining was observed surrounding the storm drains.

Polychlorinated Biphenyl Transformers and Suspect Equipment

No transformers or other PCB containing equipment was observed on the Subject Property. A subsurface electrical vault was observed in the western sidewalk adjacent to 2439 Third Avenue.

Floor Drains

Langan did not observe floor drains within the Subject Property. Floor drains were observed in 2439 Third Avenue, which receives drainage from the Subject Property. The floor drains in good condition with no visible staining. The drains reportedly drained to the municipal sanitary sewer.

Storage Containers and Drums

In addition to miscellaneous cleaning supplies that were stored in containers varying in size from less than one gallon to five gallons, the following table summarizes chemicals and/or petroleum products stored at the Subject Property:

Type of Material Stored	Quantity	Container Size	Location
Ceramic Adhesive	7	5-gallon buckets	
Paint	1	5-gallon bucket	
Asphalt Primer	6	5-gallon buckets	
Water Plug	2	5-gallon buckets	
Acrylic emulsion	1	5-gallon buckets	East Side of
Gasoline Can	- 7		Warehouse
Propane	1	14-ounce can	vvarenouse
Hydraulic Cement	3	5-gallon bucket	
Waterproofing Application	6	3.5-gallon buckets	
Waterproofing Application	6	5-gallon bucket	
Weldcrete	4	5-gallon bucket	
Wood Finish	1	5-gallon bucket	
Paint	31	1-gallon pail	
Paint	49	5-gallon bucket	
Concrete Sealant	3	Pallet of 1-gallon pails	
Concrete Sealant	2	Pallet of 14 liter pails	
Stucco Plaster	4	Pallet of 1-gallon pails	West Side of
Stucco Plaster	9	Pallet of 5-gallon buckets	Warehouse
Propane	2	5-gallon tank	vvarenouse
Gasoline	2	5-gallon can	
Hydrochloric Acid	1	Pallet of 1-gallon jugs	
Asphalt Sealant	2	5-gallon bucket	
Asphalt Patch	1	50-pound bag	
Calcium Chloride	7	Pallet of 50-pound bags	
Paint	225	1-gallon pail	
Paint	115	5-gallon bucket	
Turpentine	1	1-quart can	Former Building
Acetone	'		Supply Store
Methyl-Ethyl-Ketone	1	1-gallon can	
Methyl-Ethyl-Ketone Substitute	1	1-gallon can	

VM&P Naptha	6	1-gallon can
VM&P Naptha	8	1-quart can
Penetrol	6	1-gallon jug
Paint and Varnish Remover	5	1-quart can
Paint and Varnish Remover	2	5-gallon jug
Clear Kerosene	4	1-gallon jug
Wallpaper Stripper	5	1-quart can
Latex Xtender	3	1-liter jug
Spray Paint	60	12-ounce can
Silicone Caulk	200	10-ounce tube
WD40	20	8-ounce can
WD40	2	1-gallon can
Oil	30	8-ounce jug
Oil	6	1-quart jug

Air Emissions or Wastewater Discharges

Langan did not observe any potential sources of significant wastewater discharges or air emissions at the Subject Property.

A bag filter was observed in the northeast corner of the existing warehouse. It appeared to be formerly connected to a large table saw to capture sawdust.

UST or AST

Langan did not observe USTs or ASTs on the Subject Property.

Monitoring Wells or Remedial Activities

Langan did not observe monitoring wells on the Subject Property.

Stained or Discolored Soils

Langan did not observed discolored soil on the Subject Property.

A small area of staining was observed on the floor of the western side of the warehouse. The stain was on concrete, which was observed to be in good condition with no cracks or breaches.

Leachate or Seeps

Langan did not observe any leachate or seeps on the Subject Property.

Adjoining and Surrounding Property Uses

The Subject Property is bound by 135th Street/The Major Deegan Expressway followed by a hotel to the northeast, Third Avenue/Third Avenue Bridge ramp followed by commercial buildings to the southeast, by a mixed-use commercial/office building to the southwest, and by an active construction site to the northwest. Monitoring wells were not observed near the surrounding properties.

Site Reconnaissance Conclusions

The site reconnaissance did not identify RECs.

One de minimis condition, staining in the western warehouse, was observed. Due to the small area of the stain and the integrity of the concrete beneath, this staining represents a de minimis condition.

6.0 INTERVIEWS

Matthew Grabina of 225 East Realty Partners LLC (the User), accompanied Ms. Casey during a portion of the site reconnaissance. Mr. Grabina is a director of operations with the Altmark Group. Mr. Grabina indicated as part of vacating the building supply business from the Subject Property, the water and electricity supply was cut and power to the Subject property was provided by the southwest adjoining property (2439 Third Avenue).

An employee of the Bridge Building Supply Hardware Store, Victor Garcia, accompanied Ms. Casey during a part of the site reconnaissance. Mr. Garcia has been employed at the Subject Property since 1997. Mr. Garcia indicated the Subject Property had originally been a free standing concrete block building, and in 1997 a connection was built between the Subject Property and 2439 Third Avenue.

The owner and sole employee of the auto repair shop located in the adjacent auto repair shop to the west, Derek Vasconellos, was interviewed during the site reconnaissance. Mr. Vasconellos has operated the auto repair shop for seven years. Four hydraulic car lifts are present and operational within the space. Waste oil generated on-site is stored in 55-gallon drums on-site until transported off-site for disposal. Mr. Vasconellos indicated he had not observed an oil delivery to the building during his tenancy, and the building is heated by steam. Mr. Vasconellos also indicated the building was historically utilized as the "Hud Ford" automobile dealership; a large freight elevator present on the southwest façade of the building was utilized to raise cars to showrooms on the upper floors.

Current use of the adjacent property to the west as an auto repair facility represents a REC.

7.0 ADDITIONAL SERVICES

7.1 Radon

Radon is a colorless, odorless radioactive gas that results from the natural breakdown of uranium minerals in soil, rock, and water, which subsequently enters the atmosphere. It can concentrate in buildings, entering through cracks and other penetrations of a building foundation. Some areas are more likely to have elevated concentrations of radon than others, reflecting subsurface lithologic conditions.

The USEPA maintains a recommended radon action level of 4.0 picoCuries per liter (pCi/L). According to the USEPA Radon Zone Map, the Subject Property is located in Zone 3, which indicates a predicted average indoor radon screening level less than 2 pCi/L. According to the EDR Report, 31 radon tests have been conducted in Bronx County with results indicating that 96 percent of living areas and 42 percent of basements have radon concentrations less than 4 pCi/L, which is the USEPA action level for mitigation. Based on this data, it is unlikely that elevated levels of radon gas are present at the Subject Property.

7.2 ACM, LBP and PCBs

A formal survey to identify asbestos-containing material (ACM), lead-based paint (LBP) and/or PCB-containing material was not conducted as part of this Phase I ESA. Based on the construction date of the existing building at the Subject Property (1996), it is likely that various building components contain significant quantities of ACM, LBP, and/or PCBs.

8.0 DEVIATIONS AND DATA GAPS

8.1 Deviations

Langan has performed a Phase I ESA of the Subject Property utilizing a standard of good commercial and customary practice that is consistent with the ASTM E1527-13. Significant deviations were not made to the above referenced standards.

8.2 Data Gaps

To address data gaps, additional sources of information may be consulted. According to ASTM E 1527-13, Section 8.3.2.3, "historical research is complete when either: (1) the objectives in 8.3.1 through 8.3.2.2 are achieved; or (2) data failure is encountered. Data failure occurs when all standard historical sources that are reasonably ascertainable and likely to be useful have been reviewed and yet the objectives have not been met. If data failure is encountered, the report shall document the failure and, if any of the standard historical sources were excluded, give the reasons for the exclusion." This Phase I ESA was completed with the following data gaps:

• Complete responses to FOIL/FOIA requests have not been received.

The above listed data gap is not expected to impact the overall conclusions of this Phase I ESA. If information becomes available which alters the conclusions of this Phase I, an addendum will be issued.

9.0 FINDINGS, CONCLUSIONS, AND OPINIONS

This Phase I ESA was conducted in accordance with the American Society for Testing Materials (ASTM) Practice E1527-13 (Standard Practice for ESA: Phase I ESA Process), which also satisfies the USEPA All Appropriate Inquiry (AAI) Rule needed to qualify for the bona fide prospective purchaser liability protections available under the Comprehensive Environmental Response Compensation and Liability Act (CERCLA). The objective of this Phase I ESA was to identify RECs, HRECs, or CRECs, as defined in ASTM E1527-13, in connection with the Subject Property. The following RECs were identified:

REC 1 – Historical Site Operations

The Subject Property was operated as a rail yard between 1935 and 1951 and iron works foundry in 1891. Activities associated with the iron works foundry and treated rail ties from the rail yard may have resulted in releases of PCBs, metals, or hazardous materials that impacted the soil, soil vapor and/or groundwater at the Subject Property. Treated rail ties may still exist at the Subject Property and may need to be disposed of during future construction.

REC 2 – Current and Historical Operations of Surrounding Properties

The adjoining up-gradient properties to the northeast were historically used as a filling station (1946-2003) and a drainpipe and fireproof material manufacturing facility. The adjoining cross-gradient property to the southeast was an auto repair (2000-2014). An adjacent property located about 150 feet to the southwest is an auto repair (2000-present). Migration of contaminants from these adjoining and surrounding properties have the potential to impact the soil vapor and/or groundwater at the Subject Property.

REC locations are shown on Figure 3.

Non-Scope Considerations and BERs

Environmental issues or conditions that do not meet the definition of a REC but present a material environmental or environmentally-driven impact on the business associated with the current or planned use of the Subject Property are considered BERs. The following non-scope considerations/BERs were identified:

Historic Fill: Based on the urban density of the area, it is likely that the subject site area
contains historic urban fill which is typically characterized by elevated concentrations of
PAHs and metals. The presence of fill will require implementation of soil handling and
management procedures to address excavation, reuse, handling, and possible offsite
disposal of this material if the Subject Property were to be redeveloped.

Non-ASTM Environmental Consideration

A formal survey to identify ACM, LBP and/or PCB-containing material was not conducted as part of this Phase I ESA. Based on the construction date of the current building at the Subject Property (1996), it is unlikely that various building components contain ACM, LBP, and/or PCBs.

10.0 REFERENCES

The following references were reviewed as part of this Phase I ESA:

- Baskerville, Charles A., United States Geologic Survey, Bedrock and Engineering Geologic Maps of New York County and Parts of Kings and Queens Counties, New York, dated 1987.
- 2. Environmental Data Resources, Inc., Inquiry Number: 5624812.11, April 17, 2019. Aerial Photo Decade Package.
- 3. Environmental Data Resources, Inc., Inquiry Number: 5624812.5, April 17, 2019. City Directory Abstract.
- 4. Environmental Data Resources, Inc., Inquiry Number: 5624812.4, April 17, 2019. Historical Topographic Map Report.
- 5. Environmental Data Resources, Inc., Inquiry Number: 5624812.2s, April 17, 2019. Radius Map with GeoCheck.
- 6. Environmental Data Resources, Inc., Inquiry Number: 5624812.3, April 17, 2019. Sanborn Map Report.
- 7. Environmental Data Resources, Inc., Inquiry Number: 5624812.7S, April 17, 2019. Environmental Lien and AUL Search.
- 8. Environmental Protection Agency, New York USEPA Map of Radon Zones. https://www.epa.gov/sites/production/files/2014-08/documents/new_york.pdf
- 9. New York City Department of Buildings, Building Information System, http://www.nyc.gov/html/dob/html/bis/bis.shtml, retrieved March 19, 2019.
- 10. New York City Department of Finance, ACRIS Document Search, https://a836-acris.nyc.gov/DS/DocumentSearch/Index.
- 11. New York City Planning Commission. March 13, 2019. Zoning Map 6a.
- 12. NYC OASIS Maps: http://www.oasisnyc.com/map.aspx.
- 13. New York State Department of Environmental Conservation, Environmental Remediation Databases, https://www.dec.ny.gov/cfmx/extapps/derexternal/index.cfm?pageid=1.

Principal

11.0 STATEMENT OF QUALIFICATIONS AND SIGNATURES

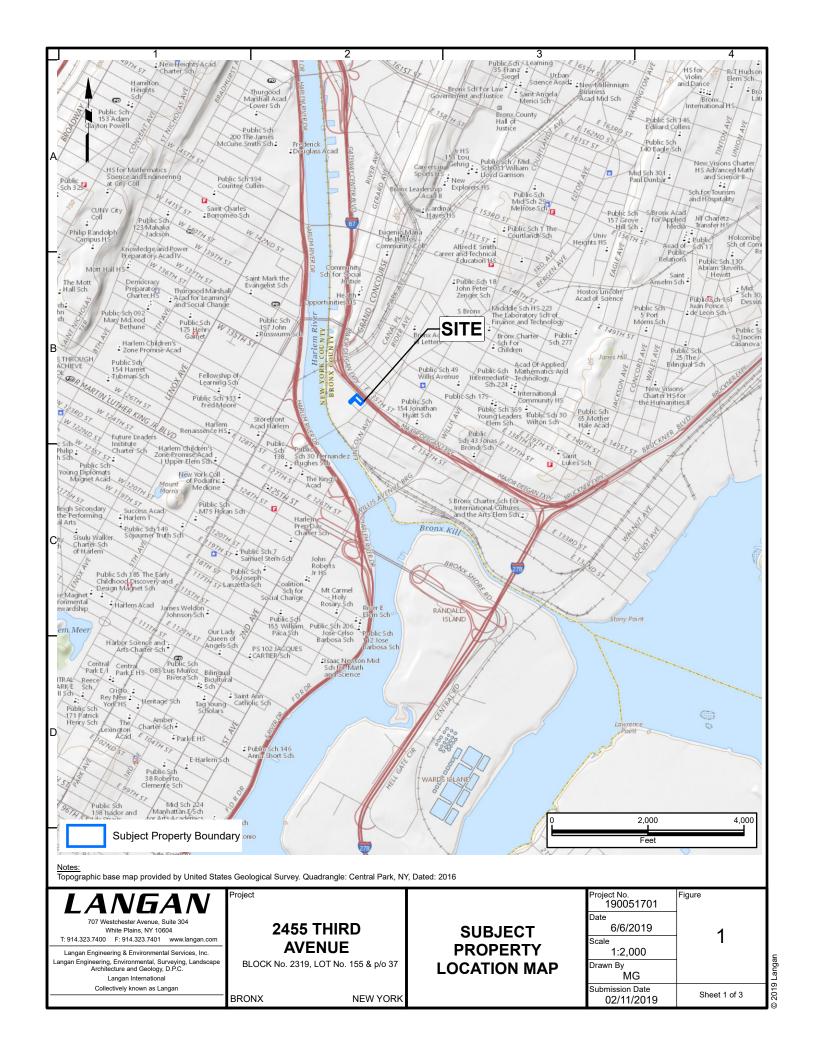
Langan declares that, to the best of its professional knowledge and belief, the personnel who performed this Phase I ESA meet the definition of Environmental Professional as defined in Subsection 312 10 of 40 CFR 312 and that they have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the Subject Properties. They have developed and performed the Phase I ESA in conformance with the standards and practices set forth in ASTM Practice E1527-13, which also satisfies the USEPA AAI Rule. Resumes outlining the qualifications of the Environmental Professionals who performed this Phase I ESA are provided in Appendix N.

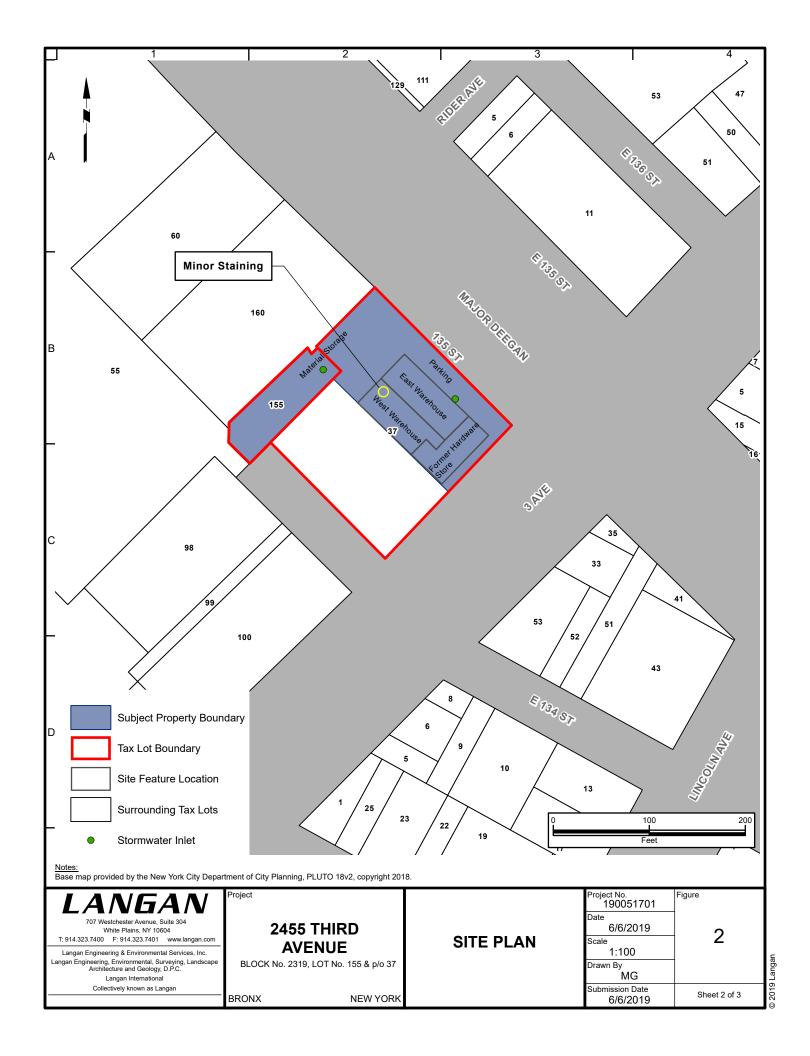
Langan Engineering, Environmental, Surveying, Landscape Architecture, and Geology, D.P.C.

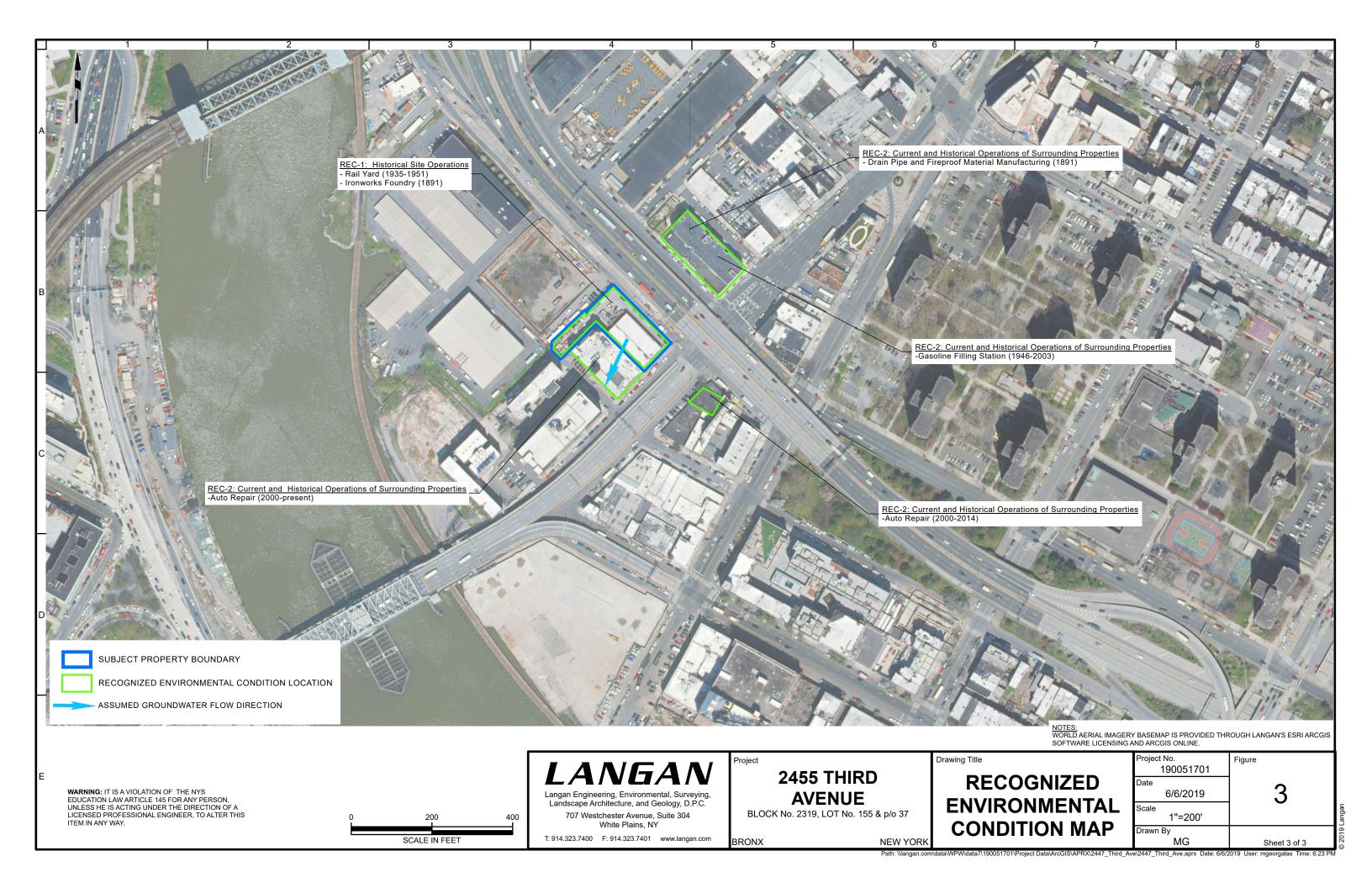
Ilkay Cam-Spanos Senior Project Manager

Steven Ciambruschini, PG





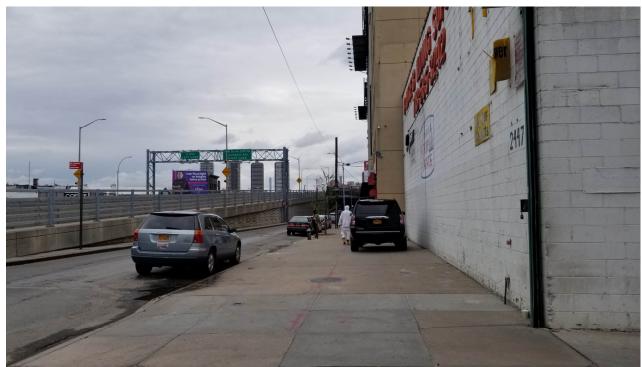




APPENDIX A SITE RECONNAISSANCE PHOTOGRAPHS



Photograph 1: View of the Subject Property from 135th Street, facing southeast.



Photograph 2: View of the eastern Subject Property boundary along Third Avenue, facing southwest.



Photograph 3: View of northern Subject Property boundary along 135th Street, facing southeast



Photograph 4: View of the southeastern adjoining properties across Third Avenue, facing southwest.



Photograph 5: View of the eastern adjoining Third Avenue and Third Avenue Bridge ramp, facing southeast.



Photograph 6: View of the intersection of 135th Street and Third Avenue. Major Deegan Expressway is elevated above 135th Street, facing southeast.



Photograph 7: View of the northern adjoining property across 135th Street (2477 Third Avenue), facing north.



Photograph 8: View of western adjoining property (198 East 135th Street), facing north.



Photograph 9: View of concrete parking area on the Subject Property along 135th street, facing north.



Photograph 10: View of stormwater inlet in concrete parking area along 135th Street, facing north.



Photograph 11: View of material storage on concrete on the northwestern portion of the Subject Property, facing west.



Photograph 12: View of material storage on concrete on the northwestern portion of the Subject Property, facing west.



Photograph 13: General view of warehouse storage, facing west.



Photograph 14: General view of warehouse storage, facing north.



Photo 15: General view of chemical storage in the warehouse, facing north.



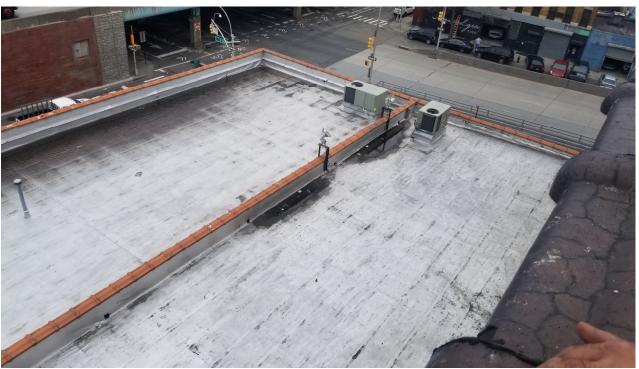
Photograph 16: View of de minimus staining observed within the warehouse.



Photograph 17: General view of former building supply store interior, facing north.



Photograph 18: General view of former building supply store interior, facing east.



Photograph19: General view of building supply store rooftop, facing southeast.