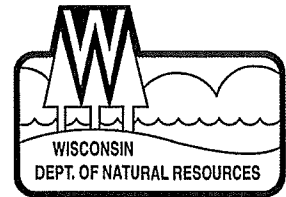


State of Wisconsin
DEPARTMENT OF NATURAL RESOURCES
2300 N. Dr. Martin Luther King, Jr. Drive
Milwaukee WI 53212-3128

Scott Walker, Governor
Cathy Stepp, Secretary
Telephone 608-266-2621
Toll Free 1-888-936-7463
TTY Access via relay - 711



April 25, 2013

*Commercial
Seal*

Certified No.: 7010 1670 0002 3141 3354

Brown Street, LLC
Attn: Mr. Paul Marks
400 West Erie Street, Suite 401
Chicago, IL 60654

Subject: Environmental Contamination at the Property Located at 301 East Brown Street,
Milwaukee, WI

FID: 341065230
BRRTS: 03-41-373872
Case Track No.: 2012-SEEE-023

Dear Mr. Marks:

On March 20, 2013, the Wisconsin Department of Natural Resources ("the Department") sent you a letter notifying you that a deed affidavit would be filed at the Milwaukee County Deeds Office if, the Department didn't receive information on the hiring of an environmental consultant to investigate the contamination found onsite, a work plan, start date for the investigation, or the results of the ability-to-pay process.

To date, the Department has not received any of the requested information. Therefore, enclosed you will find the draft deed affidavit that will be filed on the property after 30-days on receipt of this letter.

If you have any questions or comments, please feel free to contact me at the above address or at (414) 263-8644. Please refer to the FID number at the top of this letter in any future correspondence. Future correspondence should be sent directly to the Remediation and Redevelopment Environmental Program Assistant Vicky Stovall (414-263-8688) at the above address.

Sincerely,

John J. Hnat, P.G., C.P.G.
Project Manager/Hydrogeologist
Southeast Region
Remediation and Redevelopment

Enclosure: Draft Deed Affidavit for 301 East Brown Street, Milwaukee, WI

C: Saji Villoth – WDNR SER HQ Enforcement
WDNR SER Files

Document Number

NOTICE OF CONTAMINATION

Legal Description of the Property:

Certified Survey Map No. 7294 in SE ¼ of NE ¼ Sec 20 & SW a/4 of NW ¼ Sec 21-7-22 Lot 2 & VAC W Brown St & N Hubbard St ADJ

STATE OF WISCONSIN,

COUNTY OF Milwaukee

Recording Area

Name and Return Address:

John J. Hnat, CPG, PG
Wisconsin Dept. of Natural Resources
2300 Dr M L King Dr
Milwaukee, WI 53212

3531512100

Parcel Identification Number (PIN)

I, Pamela A. Mylotta, being first duly sworn, state that:

1. I am a Remediation and Redevelopment Program Supervisor, employed by the Wisconsin Department of Natural Resources (hereinafter "the Department") at its Southeast Regional Office in Milwaukee, Wisconsin.
2. John J. Hnat, Project Manager/Hydrogeologist, employed by the Wisconsin Department of Natural Resources at its Southeast Regional Office in Milwaukee, Wisconsin, has personal knowledge of the facts herein set forth and believes the same to be true.
3. On October 7, 2002, the Department received a hazardous substance release notification from STS Consultants for the site located at 301 East Brown Street Milwaukee, Wisconsin ("the Property") owned by Brown Street III, LLC 20 West Hubbard Chicago, Illinois. Laboratory analysis indicates groundwater contamination above Chapter NR 140, Wisconsin Administrative Code, groundwater quality standard for trichloroethene (0.864 parts per billion) that is greater than the Department's Preventative Action Limit ("PAL"). Soil contamination above Chapter NR 720, Wis. Adm. Code, Tables 1 or 2, for lead (156 to 404 parts per million, (ppm)), ethylbenzene (5,880 parts per billion (ppb)), xylenes (18,900 ppb), naphthalene (19,500 ppb) and polycyclic aromatic hydrocarbons ("PAHs") above the suggested generic residual contaminant levels for groundwater and direct contact pathways. Exhibit "A" indicates the locations of the soil borings and groundwater monitoring well sampling locations.
4. On October 31, 2002, the Department sent a Responsible Party letter to Brown Street III, LLC describing their legal responsibilities. The letter directed the Responsible Party to follow all statutes and codes to investigate and remediate this discharge into the environment per Section 292.11(3) Wis. Stats, Chapters NR 700 through NR 746, Wis. Adm. Code, and Chapter NR 140, Wis. Adm. Code.

In Re: Property Located in the
City of Milwaukee, Milwaukee County, Wisconsin
Described above.

5. On January 14, 2003, the Department received a site investigation report from STS Consultants recommending that an applicable remedy to address the direct contact pathway consisting of covering the impacted soils in-place, which may represent a performance standard remedy that would meet the requirements of Section NR 720.19(2) Wis. Adm. Code. STS Consultants requested a review of this document by the Department.
6. On February 7, 2003, the Department sent a reply letter to Brown Street II, LLC describing the Department's position on the site investigation, PAL exemption for TCE, and historical fill site requirements. The Department determined that additional investigation and documentation would be required for the lead, PAH, and TCE contamination both in the soil and groundwater, additional information for the TCE exemption determination, and information on requesting an exemption to build on a historical landfill site.
7. On August 5, 2010, the Department sent a letter to Brown Street III, LLC reminding them of their responsibilities to investigate and remediate the Property. Additional site investigation and/or remediation have not been completed on this Property since 2002.
8. On December 22, 2012, the Department issued a Notice of Noncompliance letter (Certified Letter No. 7010 1670 0002 3141 2852) to Brown Street III, LLC, requesting a 30-day response to submit the environmental consultant's information that would be investigating and remediation of the site. There was no response to this letter.
9. On July 25, 2012, the Department issued a Notice of Violation to Brown Street III, LLC stating that they were in violation of state hazardous substance remediation laws under Chapter 292, Wis. Stats., and Chapter NR 716, Wis. Adm. Code, for the Property. A conference was to be held at the Southeast Regional Headquarters in Milwaukee, Wisconsin, to discuss the issues for the Property on August 8, 2012.
10. On July 31, 2012, the Department rescheduled the enforcement conference requested by Brown Street III, LLC to September 12, 2012 at the Southeast Regional Headquarters.
11. On September 12, 2012, Brown Street III, LLC requested that the conference be rescheduled until September 26, 2012. The conference was rescheduled until October 10, 2012 as a telephone conference.
12. On October 10, 2012, the Department sent to Brown Street III, LLC an ability to pay information letter with disclosure forms to be filed by Brown Street III, LLC per the outcome of the telephone conference. To date, there hasn't been a response to this letter, nor has there been any additional site investigation and remediation of then Property.
13. On March 20, 2013, the Department sent to Brown Street III, LLC a certified letter (No.: 7010 1670 0002 3141 3002) requesting that they forward the name of their environmental consultant, a work plan, start date for the investigation, or the results of the ability-to-pay determination. Brown Street III, LLC had 30-days on receipt of the certified letter to respond to this letter. To date, Brown Street III has not provided this information to the Department.
14. Current and future property owners will be required to complete a site investigation and remediation of this property as required in the Department Chapter NR 700, Wis. Adm. Code, series and any

In Re: Property Located in the
City of Milwaukee, Milwaukee County, Wisconsin
Described above.

applicable guidance's issued by the Department.

15. The Department believes that the above-described contamination currently found in the soil and groundwater on the Property with the above legal description will require subsequent purchasers of the Property to maintain a cap under 292.12, Wis. Stats., to prevent exposure to contaminated soil and infiltration into the groundwater.

Pamela A. Mylotta

Subscribed and sworn to before me this _____ day of _____, 20__.

Notary Public, State of Wisconsin

My commission expires on:

This document was drafted by the Wisconsin Department of Natural Resources, Remediation and Redevelopment, Southeast Region Headquarters.

Exhibit "A"

FID: 341065230

BRRTS: 03-41-373872

Tax Key: 3531512100

EAST BROWN STREET

APPROXIMATE LOCATION
OF FORMER SOLVENT
STORAGE AREA

NORTH HUBBARD STREET

AREA OF FORMER
BOILER/ENGINE
ROOM STS-1 STS-2
(BASEMENT) STS-3 STS-4
MW-1 MW-2
MW-3

FORMER LOCATION OF
SHOE FACTORY
(RAZED LATE 1970'S)

SUBJECT
SITE
BUILDING

NORTH KILLIAN PLACE

INDUSTRIAL
BUILDING

INDUSTRIAL
BUILDING

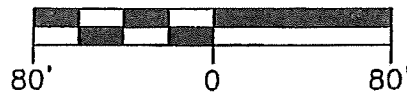
INDUSTRIAL
BUILDING

EAST RESERVOIR AVENUE

LEGEND:

- STS-1 - HYDRAULIC PROBE LOCATION
- ⊕ MW-1 - MONITORING WELL LOCATION

SCALE IN FEET



STS Consultants Ltd.
Consulting Engineers
11425 W. Lake Park Dr.
Milwaukee, WI 53224
414.359.3030

FIGURE 2
SAMPLING LOCATIONS
301 EAST BROWN STREET
MILWAUKEE, WISCONSIN

DESIGNED BY	MOM	8-7-02
DRAWN BY	CMS	8-7-02
APPROVED BY	MOM	8-7-02
CADFILE	SCALE	
0587185EA002	AS SHOWN	
STS PROJECT NO.	FIGURE NO.	
0587185EA	2	