

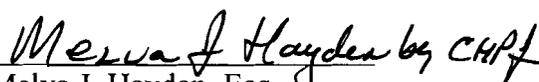
which time, Judge Gunning agreed to issue an Order to extend ADR for an additional month until May 24, 2008. On May 13, 2008, the third and final ADR session was held. The parties have made significant progress towards settlement of this matter as follows: (1) EPA has reviewed extensive documentation Respondent submitted regarding renovation work it completed at the subject properties that may have reduced the risk of exposure to lead-based paint for which possible reductions in the penalty may be given in addition to those reductions allowed under the ERP for cooperation and avoidance of litigation; (2) Respondent has reviewed and is continuing to search its records and lease documents to determine if further reductions may be given for: (a) units where no children under 6 years of age reside and/or where all tenants in the unit are 18 years or over, (b) units where Respondent did make the proper lead-based paint disclosures, but which leases were not available to EPA when the initial inspection was conducted due to non-EPA litigation Respondent was engaged in, and (c) verification by Respondent that window replacement had been accomplished prior to complaint issuance.

On May 7, 2008, EPA submitted to Respondent's Counsel a Draft Consent Agreement and Final Order (Draft CA/FO) for settlement discussion purposes. Respondent's Counsel will meet with Audubon's principals to discuss the Draft CA/FO and performance of an abatement SEP.

Demonstrated by the foregoing, the parties have made and continue to make significant progress towards settlement of this matter. The parties, therefore, will request at the appropriate time an extension of time to submit Prehearing Exchanges when the case is placed back on the litigation docket to allow the parties time to finalize the CA/FO.

Dated: May 23, 2008
New York, New York

Respectfully Submitted,


Melva J. Hayden, Esq.
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In the Matter of Audubon Communities Management, LLC
Docket No. TSCA-02-2007-9168

CERTIFICATE OF SERVICE

I certify that the foregoing Status Report, dated May 23, 2008 was sent this day in the following manner to the addressees below:

Original by Hand:

Ms. Karen Maples
Regional Hearing Clerk
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New York, NY 10007-1866

Copy by Facsimile &
Pouch Mail:

Honorable Barbara A. Gunning
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Dated: MAY 23 2008

New York, NY

