

**PHASE I ENVIRONMENTAL
SITE ASSESSMENT REPORT**

**RICHARD'S HOME CENTER
& LUMBER, INC.
105 KISCO AVENUE
MOUNT KISCO, NEW YORK 10549**

**TEAM ENVIRONMENTAL
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1.0 EXECUTIVE SUMMARY

Team Environmental Consultants, Inc. (TEAM), was authorized by Community Mutual Savings Bank to conduct a Phase I Environmental Assessment (Due Diligence Survey) of a commercial property located at 105 Kisco Avenue in Mount Kisco, New York. TEAM's Phase I Environmental Site Assessment (ESA) was conducted in general conformance with ASTM Practice E 1527-05 (Standard Practice for Phase I ESA Process) guidelines. The objective of this effort was to identify significant environmental impairments and liabilities associated with the subject property. The scope of work included the following main tasks: 1) Review of readily available regulatory information; 2) Performance of site/regulatory interviews and a walk-through property inspection; 3) Review of a federal/state environmental database report; and 4) Documentation of findings in a Phase I ESA report.

Based on the property setting and current commercial site use, availability of a municipal water supply, review of available information, performance of Phase I ESA interviews, and findings of the property walk-through inspection, no significant and immediate environmental liability issues or "recognized environmental conditions" associated with the subject property were identified.

2.0 PROPERTY DESCRIPTION

2.1 Site Description

The subject property is located along the southeastern side of Kisco Avenue, approximately one-half mile east of the Saw Mill River Parkway, in the Village and Town of Mount Kisco, Westchester County, (Figures 1 and 2). The site is bordered to the northeast by a multi-tenanted commercial structure (115 Kisco Avenue), to the southeast by a former railroad freight house structure (presently used by the subject property for building materials storage purposes) and an active railway way (Metro North Harlem Line), to the southwest by Railroad Avenue and commercial properties, and to the northwest by Kisco Avenue, commercial business (John Hobby Jr. Plumbing & Heating and Hobby's Pool Supply & Service - 76 Kisco Avenue), undeveloped wooded property, and a paved parking area associated with an adjoining multi-tenanted structure (120 Kisco Avenue). The site topography is generally level and at grade with Kisco Avenue. Photographs obtained during the performance of the property walk-through inspection are presented within Attachment A.

The rectangular shaped 1.14-acre (~150' x 325') property is operated as a retail/wholesale hardware store and lumber yard (Richard's True Value Home Center and Richard's Lumber and

Building Materials Center). The site is improved with a two-story (slab on grade) building and a one-story open sided lumber/building materials storage structure. According to Village/Town of Mount Kisco Tax Assessor records, the two-story wood frame masonry block building has a footprint area of 8,181-ft² (~81' x 101') and was constructed during 1970-1971. The ground floor level houses product display and sales counters (retail hardware store), sales and dispatchers offices, loading dock (northeastern section of building), storage areas, utility rooms, and restrooms. The second story contains a building supply (wood products) storage area, administrative offices, file storage section, and restroom facilities. No elevator service is provided. The unheated open sided wood frame lumber/building materials storage building (~25' x 160') is not provided with utility services. An outdoor lumber and building supply storage yard is located within the northeastern portion of the site. A paved employee parking area for approximately fifteen vehicles is situated within the southwestern section of the property. An adjoining commercial parcel (Tax Lot 5) located to the southeast is used for storage purposes (former railroad freight house structure and outdoor area). The authorized Phase I ESA scope of work did not include inspection of this property. According to property owner, Paul Carozza, no major building renovation work or site construction activities are planned.

The site is located within a Village/Town of Mount Kisco zoning class GC (General Commercial) district. According to Phase I ESA interviews, the property has been provided with a municipal water supply, sanitary waste treatment service, and natural gas connection since construction. Electrical service and natural gas are supplied to the area by Consolidated Edison Utilities (ConEd). The building is heated and cooled by roof mounted natural gas fired equipment. The loading dock and second story warehouse areas are heated by ceiling mounted natural gas fired blower assemblies. No site or regulatory information concerning the current onsite presence of any underground petroleum storage tanks was available during performance of the Phase I ESA. Non-hazardous solid waste is removed by a private hauler. Utility connections are located underground.

2.2 Site History

Information obtained from the Village/Town of Mount Kisco Tax Assessor's Office indicates the subject property (Tax Map Section 69.65, Block 2, Lot 4) to have been acquired by Richard's Home Center & Lumber, Inc. in February of 1988 (Liber 9124, Page 253). Previous property owners have reportedly included L.B.R. Realty Corp. (1976-1988), L.B. Richard's Company, Inc. (1970-1976), and Mount Kisco Urban Renewal Agency (1966-1970). No previously conducted title searches or file documentation detailing historic property ownership was available for TEAM

review. None of the documented former owners on record appear to have been an industrial concern that would be expected to have utilized the property for the storage, usage, or disposal of industrial chemicals or hazardous materials.

Review of Village/Town of Mount Kisco Building Department file records indicated the issuance of Building Permit No. 2576 on October 26, 1970 to L.B.R., Inc. for construction of an "Office Building." A Certificate of Occupancy (No. 2018) was issued on June 30, 1971 to L.B. Richard's, Inc. for an "Office and Lumber Yard." Inspection of historic Sanborn Fire Insurance Maps (Section 2.4) identified the subject property to have been historically used as a telephone company "pole & reel" storage yard (1910), millwork and woodworking facility (1925-1949), and an auto sales & service business (1925-1932). The northeastern portion of the site appears to have formerly contained several private residences. All former site structures (including neighboring commercial and residential buildings located along Kisco Avenue) were demolished in the mid to late-1960's as part of an urban renewal project. No documentation pertaining to the demolition of these buildings was identified during TEAM's review of Building Department files. No information as to historic use of the subject parcel for large scale industrial or manufacturing purposes (i.e., activities that would be expected to have routinely produced regulated hazardous materials or waste products) was available.

2.3 Aerial Photograph Review

Aerial photographs of the subject property location were reviewed by TEAM to assist with the evaluation of historic site use and to identify issues of potential environmental concern. Aerial photographs of the site vicinity were obtained from an on-line TerraServer USA (June 1993) and Google Earth (March 2007) web sites. Both figures identify the current site structures and outdoor lumber and building supply storage areas. Adjacent properties appear to be used for commercial purposes. The scale and clarity of these photographs precluded an in-depth inspection of the subject property for visual evidence of environmental impairment (e.g., aboveground petroleum storage tanks, fuel dispensing pumps, illegal dumping). Copies of referenced photographs are presented in Attachment B.

2.4 Sanborn Fire Insurance Map Review

Sanborn Fire Insurance Maps were obtained for the Kisco Avenue property vicinity for the years 1910, 1916, 1925, 1932, 1949, and 1971. Inspection of these figures was difficult and limited due to poor map clarity and the absence of readily identifiable property boundaries. None of the maps identify historic property use for large scale industrial or manufacturing purposes (i.e., operations

that would be expected to have routinely produced regulated hazardous materials or waste products) or the onsite presence of any aboveground bulk petroleum storage tanks. Review of these historical maps are summarized in the following table. Copies of referenced figures are presented in Attachment C.

MAP DATE	SUBJECT PROPERTY USE	ADJOINING PROPERTY USE
1910	The property is shown to be used as a New York Telephone Company "Pole & Reel Storage" yard. Also located onsite is a two-story building (no use indicated), private residences, and a coal/wood storage shed.	Neighboring parcels found to the northeast contain private residences, restaurant, and an oil company storage building.
1916	The site contains a large commercial structure (building use could not be determined due to poor clarity), two-story building (printing), private residences, and a coal/wood storage shed. An underground gasoline storage tank (750-gallon capacity) is found along the southwestern property border with Kisco Avenue.	Neighboring properties located to the northeast contain private residences, and a Standard Oil Company storage building and aboveground bulk fuel storage tank.
1925	The site contains a number of attached buildings which are operated as "The Builders Millwork Company." Site structures are noted to be used for auto sales & service (built 1917), woodworking, painting, and storage of lumber and coal. A gasoline tank is found along the southwestern property border with Kisco Avenue.	Properties located to the northeast contain private residences (several of these structures may be associated with the subject property), shed, stable, and railroad tool house.
1932	The site contains a number of attached buildings which are operated as a woodworking company and auto sales & service business. A gasoline tank is found along the southwestern property border with Kisco Avenue.	Properties located to the northeast contain private residences and "stores." Several of these structures may be associated with the subject property. Also found to the northeast is a Young & Halstead Company facility (coal and building materials business).

MAP DATE	SUBJECT PROPERTY USE	ADJOINING PROPERTY USE
1949	The site contains a number of attached buildings which are operated as a woodworking company. A gasoline tank is found along the southwestern property border with Kisco Avenue.	Properties located to the northeast contain private residences and "stores." Several of these structures may be associated with the subject property. Also found to the northeast is a Young & Halstead Company facility (coal and building materials business).
1971	The present two-story building (noted to have been built in 1971) is shown. Also identified is a lumber storage structure and an office & storage building (no longer located onsite).	Properties located to the northeast are shown to be undeveloped. Adjoining parcel to the southeast contains a Young & Halstead Company operated "N.Y.C. Freight House."

No site or regulatory information concerning the presence/removal of the Sanborn Fire Insurance map identified gasoline storage tank was available during performance of the Phase I ESA. As indicated earlier, all onsite and neighboring structures found along Kisco Avenue were demolished in the mid to late-1960's as part of an urban renewal project. The present two-story building is noted on the 1971 map as having been constructed in 1971. The gasoline tank is not shown on this figure. Property owner, Paul Carozza (Richard's Home Center & Lumber, Inc.), informed TEAM that he has been associated with the subject property since 1980. He was unaware of the current or former onsite presence of any underground petroleum storage tanks (USTs). TEAM's inspection of the referenced gasoline UST location (present parking lot entrance within the southwestern portion of the site along Kisco Avenue) revealed no visible evidence of suspected fill ports or vent pipes. Identified within this property area (Kisco Avenue sidewalk) was an underground utility vault, natural gas piping, and electrical service connections (see Attachment A Photographs No. 19-20). Based on these observations and review of available information, the current onsite presence of this tank appears unlikely.

2.5 User Provided Information

No previously prepared title records, Phase I or II Environmental Site Assessment (ESA) reports, information concerning environmental liens, property use limitations, valuation reduction based on environmental issues, or commonly known/reasonably ascertainable information that is material to recognized environmental conditions in connection with the subject site was provided to TEAM during performance of the Phase I ESA.

3.0 SITE INSPECTION

On February 22, 2010, TEAM together with Guy Forzano (Richard's Home Center & Lumber), conducted an inspection of accessible sections of the buildings and surrounding property. The authorized scope of work did not include performance of any field sampling activities (e.g., asbestos, soil, radon, or groundwater) or completion of a formal regulatory compliance audit, as it would relate to the use, handling, storage, permitting, or disposal of regulated materials and waste products. A listing of Phase I ESA interview and information sources is presented within Attachment D.

3.1 Property Inspection

The inspection of accessible property surrounding the site buildings (difficult and limited due to the presence of parked/moving vehicles, vegetation, stored lumber and building materials, and partial snow/ice cover) revealed no unusual odors or visual evidence of significant surface stains that could be indicative of leaking petroleum storage tanks, chemical spills, or industrial waste disposal. No PCB-labeled electrical equipment, suspected underground petroleum storage tank fill ports or vent pipes, water supply or groundwater monitoring wells, or industrial waste storage or disposal facilities within the exterior property confines were observed. Located along the southeastern (rear) side of the two-story building was a propane tank storage area (barbeque grill tank exchange) and two 500-gallon capacity aboveground storage tanks (ASTs). Both ASTs (diesel fuel and kerosene) were equipped with product dispensing pumps. The tanks were noted to be in generally good condition. No petroleum odors or visual evidence of surface stains were identified proximate to this area. Property owner and business operator, Paul Carozza, was unaware of the current or former onsite presence of any underground petroleum storage tanks.

Stormwater collection drains, which reportedly discharge to the municipal sewer system, were identified at various locations within the paved parking areas. No unusual odors or visual evidence of staining were noted in the vicinity of inspected drains. No surface water bodies or significant freshwater wetland habitat areas were observed within or adjacent to the subject property confines. The authorized scope of work did not include performance of formal wetland or flood plain delineation surveys.

3.2 Building Inspection

The inspection of accessible interior areas within the two-story structure (difficult due to the presence of furnishings, equipment, stored/displayed materials, and ongoing business activities)

revealed no unusual odors or visual evidence of PCB-labeled electrical equipment, aboveground petroleum or chemical storage tanks, unmarked waste storage containers, chemical spillage or surface stains, floor drains, sump pump drainage systems, exposed mold, or industrial waste storage areas. Generally good housekeeping practices were observed.

No exposed suspected friable asbestos containing materials (e.g., pipe wrap, electrical, or boiler insulation) were observed during the walk-through inspection. Due to the age of the building, asbestos containing materials (ACM) may be associated with the structure. No information concerning the performance of asbestos inspection or abatement operations associated with historic building renovation efforts was available. The authorized scope of work did not include performance of a formal asbestos or lead-based paint inspection or sampling survey.

4.0 RECORD REVIEW AND DOCUMENTATION

4.1 Regulatory Review - Village/Town of Mount Kisco

To obtain information concerning issues of potential environmental concern, TEAM conducted a review of available Village/Town of Mount Kisco Building Department file records pertaining to the 105 Kisco Avenue property. Review of provided documentation identified various building permit applications, issued building permits and certificates of occupancy, planning board minutes, site plans for proposed site development work, sign permits, propane tank installation information (never installed), site plans for former onsite residences, contractor insurance certificates, and assorted regulatory/property owner correspondence. No regulatory file information concerning historic property development, demolition of former site structures, or the current/former onsite presence of any underground petroleum storage tanks was available. Interviewed Building Department representatives were unaware of any issues of environmental concern associated with the Kisco Avenue property.

4.2 Regulatory Review - NYSDEC/Westchester County Health Department

The requested Phase I ESA time frame precluded submittal of a Freedom of Information Legislation (FOIL) request to Region 3 of the New York State Department of Environmental Conservation (NYSDEC) or Westchester County Health Department Office of Environmental Health Risk Control, which administers the NYSDEC Petroleum Bulk Storage Program in Westchester County (estimated three to five week time period to obtain access to available files, if maintained).

4.3 Federal and State Database Report

TEAM has obtained an Environmental FirstSearch Network (EFSN) Site Assessment Report which provides information concerning the target property and those sites located within an ASTM established radius and listed in any of the following Federal and State databases:

- National Priority List (NPL);
- Resource Conservation and Recovery Information System (RCRIS);
- New York State/Tribal Brownfield Sites (BROWNFIELD);
- New York State Spills Database (SPILLS);
- Comprehensive Environmental Response, Compensation, and Liability System (CERCLIS);
- CERCLIS “No Further Remedial Action Planned” Sites (NFRAP);
- New York State Registry of Inactive Hazardous Waste Disposal Sites (STATE);
- Emergency Response Notification System (ERNS);
- New York Leaking Storage Tanks (LUST);
- New York State DEC Voluntary Cleanup Program (VCP);
- New York Active Solid Waste Facility Register (SWL); and
- New York Registered Bulk Storage Tanks (UST/AST).

The EFSN Database Report presented in Attachment E, identifies no NPL, CERCLIS, NFRAP, ERNS, STATE, VCP, or BROWNFIELD sites within the ASTM established survey radius. One SWL, eleven LUST, and thirty-five SPILLS sites are found within a one-quarter to one-half mile distance. The subject 105 Kisco Avenue property (Richard’s Lumber) is identified in the SPILLS Database. The Spill Date is referenced as October 8, 1997 (“soil samples indicated strong odors of petroleum at back portion of property” - NYSDEC Spill No. 97-08149). The issued Spill Number was indicated to have been “closed” on February 23, 2006. No documentation pertaining to this incident was available for TEAM review. According to Phase I ESA interviews, this “back portion of property” is found within the adjacent tax parcel (Lot 5) which is presently used for storage purposes. The closest LUST site (Bedford Thayer Industries) is found approximately 300-feet to the northeast at 135 Kisco Avenue. The Spill Date is listed as January 16, 1988 (No. 2 fuel oil tank failure - NYSDEC Spill No. 87-08829). The remedial status is noted to be “closed.” The SWL site (Mount Kisco Solid Waste Landfill) is situated approximately 2,000-feet to the southwest.

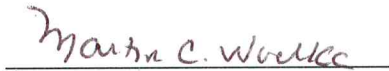
As the subject property is serviced with a municipal water supply, the proximity of EFSN identified sites would not appear to impact or pose significant environmental liabilities with respect to present commercial site use or water quality issues.

5.0 CONCLUSIONS

Based on the property setting and current commercial site use, availability of a municipal water supply, review of available information, performance of Phase I ESA interviews, and findings of the property walk-through inspection, no significant and immediate environmental liability issues or "recognized environmental conditions" associated with the 105 Kisco Avenue property were identified. No additional environmental site investigations are recommended at this time.

6.0 LIMITATIONS

The conclusions stated are based on the limits of the investigation described herein. TEAM can offer no assurances and assumes no responsibility for site conditions or activities which were outside the scope of the inquiry requested. It should be understood that TEAM has relied on the accuracy of documents, oral information, and other material and information provided by sources documented in this report. There can be no assurance, and TEAM offers no assurance, that site conditions do not exist or could not exist in the future which were undetected and which could lead to liability in connection with the site. Similarly, past and present activities on the site indicating potential environmental concerns may not have been discovered by TEAM's inquiries. TEAM was not authorized to perform any follow-up environmental field investigations pertaining to site observations and historic property use. The Phase I Environmental Site Assessment was prepared for reliance by Community Mutual Savings Bank and to the best of our knowledge, is complete and accurate.

A handwritten signature in dark ink, reading "Martin C. Wodka", is written over a horizontal line.

Martin C. Wodka
President