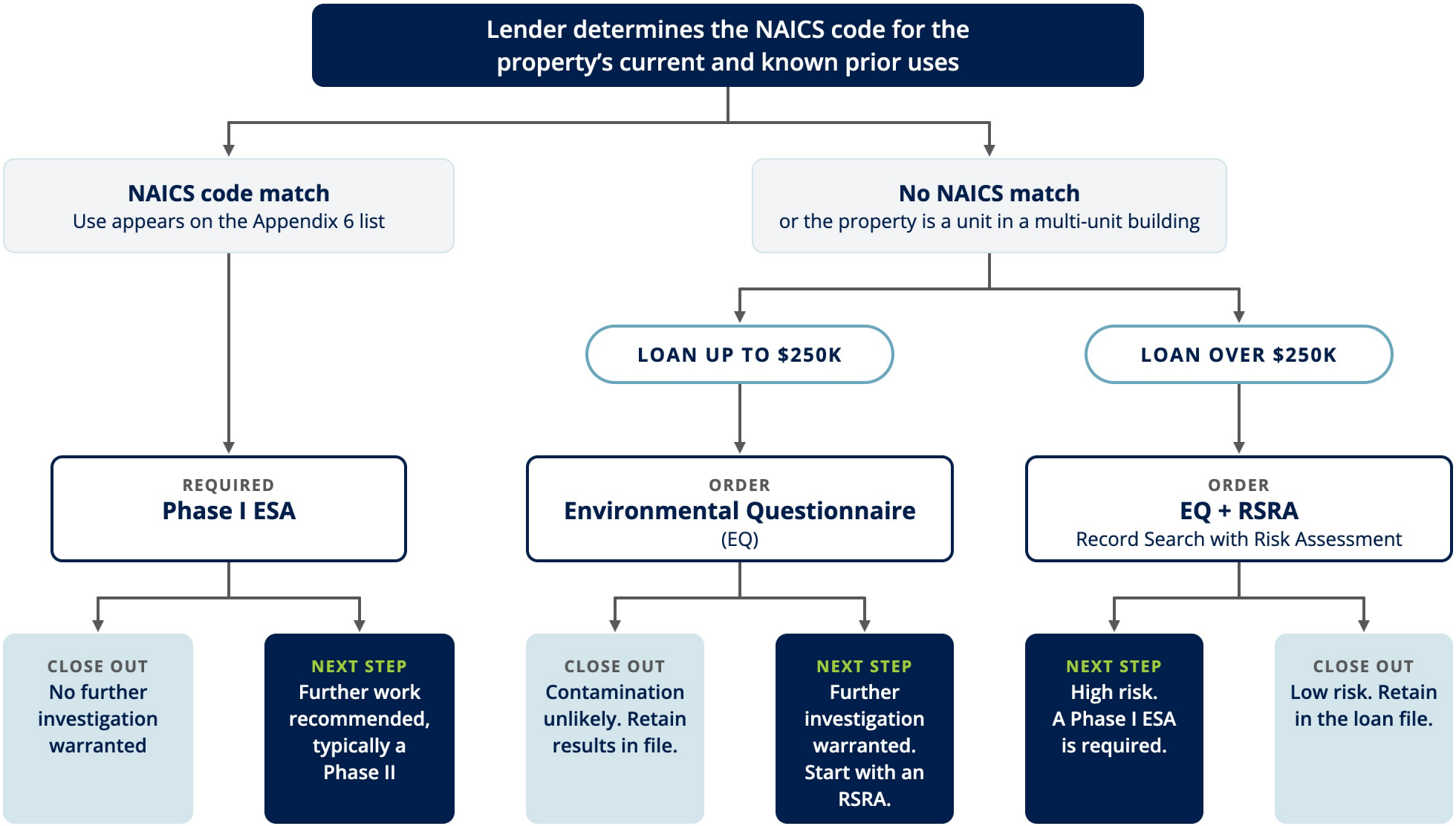
Steps of Environmental Investigation

CREtelligent®



Retain every report in the SBA loan file. EQ, TSA, RSRA and Phase I reports must be dated within one year of the SBA loan number's issuance. Definitions and special-use facilities: page 2.

Next step: further work required

Close out: retain results in the loan file

Key Requirements and Special-Use Facilities

SPECIAL-USE FACILITIES

Extra steps regardless of path

Child-occupied facilities

Facilities constructed before 1978 must undergo a lead risk assessment, plus testing for lead in drinking water at all taps and fountains potentially used as a drinking-water source for children.

Drycleaners

Prudent lending practices dictate, and SBA requires, a Phase I followed by a Phase II Environmental Site Assessment for any property with onsite dry-cleaning facilities, current or historical, that uses, used or likely used chlorinated and/or petroleum-based solvents.

Gas stations

Phase I ESA and documentation of regulatory compliance (tank and equipment testing).

DEFINITIONS AND RULES

What every file needs

Reliance Letter

All Transaction Screens (TSAs), Phase I and Phase II ESAs must be accompanied by the Reliance Letter found in **Appendix 5** of SOP 50 10 8.1.

Environmental Questionnaire (EQ)

The EQ must be completed or reviewed by a lender that has made at least one site visit to the property and a good-faith effort to interview the current owner or operator. If the current owner or operator will not sign the EQ, it cannot be used, and the lender must at minimum obtain a Transaction Screen.

TSA as a starting point

Used for car-wash-only facilities, or when the lender chooses a TSA in lieu of an RSRA.

NAICS code match

A match of the property's current and known prior uses to the list of environmentally sensitive industries in **Appendix 6** of SOP 50 10 8.1.

Report timeframes

EQ, TSA, RSRA and Phase I reports must be dated within one year of the date of issuance of the SBA loan number and carry the appropriate SBA Reliance Letters when required. Lead risk assessments and lead testing in drinking water are required for each new loan and must be conducted within one year of the SBA loan number's issuance.

Environmental definitions

See **Appendix 4** of SOP 50 10 8.1.

SOURCE: SBA SOP 50 10 8.1 · APPENDICES 4, 5 AND 6

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