

ENVIRONMENTAL QUESTIONNAIRE

BORROWER: _____

CURRENT PROPERTY OWNER: _____

PROPERTY ADDRESS: _____

(include Street, City, State & Zip)

ALL the following questions must be answered by the CURRENT property owner:

(No answers may be left blank, please provide as much details/dates as possible.)

1. Describe the current use(s) of the Property: _____

2. Describe the intended use(s) of the Property: _____

3. Describe in detail **ALL** the past use(s) of the Property & time period of the past use(s). *(If unknown, so state):*

Dates: _____

Dates: _____

Dates: _____

Dates: _____

Did any of the past, present or intended use(s) of the property involve an Environmental sensitive Industry? _____

If yes, please explain in detail: _____

4. Describe in detail the current & past use(s) of **ALL** adjoining property & the time period of the use(s). *(If unknown, so state):*

Dates: _____

Dates: _____

Dates: _____

Dates: _____

Did any of the past or present use(s) of the **adjoining** properties involve an Environmental sensitive Industry? _____

If yes, please explain in detail: _____

5. If the Property or Adjoining Property is/was used for Warehouse/Light Industrial purposes, describe the materials stored and/or industry conducted: _____

6. Are there, or have there ever been, any of the following facilities occupying the property OR adjoining Properties?

Gas Station	YES	NO	If yes, WHEN/WHERE? _____
Hazardous Waste Generator	YES	NO	If yes, WHEN/WHERE? _____
Manufacturing Facility	YES	NO	If yes, WHEN/WHERE? _____
Dry Cleaner	YES	NO	If yes, WHEN/WHERE? _____

7. Have you ever received, or do you have knowledge of any environmental site assessment, notice of violation, or other information from any governmental agency, environmental consultant, or public, private, or non-profit group that addresses environmental issues on the property or adjoining properties *(i.e. Phase I, Phase II, etc.)*? YES NO

If yes, please describe and attach copies: _____

8. Are there, or have there ever been, any of the following on or beneath the property or adjoining properties?

a. Underground Storage Tank(s) YES NO If yes, HOW MANY/WHERE? _____

b. Above Ground Storage Tank(s) YES NO If yes, HOW MANY/WHERE? _____

If you checked YES to either a or b above, continue answering questions c through l below:

c. Have the tank(s) been removed? YES NO

d. Are the tank(s) registered? YES NO

e. What is/was the tank's contents? _____

f. When was the tank installed? _____

g. Have the tank(s) been integrity tested? YES NO If yes, HOW MANY? _____

h. Has there ever been any evidence of leaking? YES NO
If yes, describe corrective action taken: _____

i. Are the tank(s) covered by a separate insurance policy? YES NO

j. Are the tank(s) covered by a state fund? YES NO

k. For AGST'S ONLY: Is there secondary containment? YES NO

l. Are they in compliance with 1998 EPA standards? YES NO

If you answered 'Yes', please note the following may need to be provided:

- 1) Complete Phase I, II and III Reports, if available;
- 2) Integrity Tests and/or Certificates of Tank Compliance by local, state or federal agencies;
- 3) If a tank has been removed, you need verification of the removal and a sign off that the soil was not polluted. If the soil was tainted, a Certificate of No Further Action is needed.

9. Is there any present or past evidence of contamination or potential contamination of this property or of any adjoining properties?
(If yes, please explain in detail) _____

Please note: Sources of contamination may include, but are not limited to, the following: (1) damaged or discarded automotive or industrial batteries; (2) pesticides, paints or other chemicals stored in individual containers greater than 5 gallons in volume or 50 gallons in the aggregate; (3) chemicals in industrial drums or sacks; (4) pits, ponds or lagoons used for waste disposal or storage; (5) fill dirt from a contaminated or unknown source; (6) underground or aboveground storage tanks; (7) vent pipes, fill pipes or access ways indicating a fill pipe protruding from the ground; (8) flooring drains or walls within a facility that are stained by substances other than water and/or are emitting noxious odors; (9) clarifiers, pits or sumps; (10) dry wells.

10. Is there any known past, threatened or pending lawsuits or administrative proceedings concerning a release or threatened release of hazardous substances at the property or at any adjoining properties? (If yes, please explain in detail)

11. Are there, or have there been, any regulatory actions by any governmental entity for environmental conditions at the property or any adjoining properties? (If yes, please explain)

12. Is lead-based paint, asbestos or polychlorinated biphenyls (PCBs) present at the property? (If yes, please explain)

Seller or Current Owner's remarks (must include remarks on the property & adjoining properties):

I hereby acknowledge that I have responded to the above questions to the best of my knowledge:

Seller or Current Owner: _____ (Printed Name & Title)

By: _____ (Signature) _____ (Date)

Site Operator of remarks (if different from owner) (must include remarks on the property & adjoining properties from on-site manager):

I hereby acknowledge that I have reviewed the above answers & that they are accurate to the best of my knowledge:

Site Operator: _____ (Printed Name & Title)

By: _____ (Signature) _____ (Date)

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LENDER INSTRUCTIONS: The following shall be used as a guide to determine if a Phase I or Phase II audit is needed, and is to be completed during an on-site inspection by the lender where Commercial real estate is to be taken as collateral. Discussions with the applicant, as well as local regulatory authorities, can identify facility abuse. If YES on any point, conduct a Phase I audit.

ALL (7) the following statements must be answered by the LENDER (or its authorized agent):

PROPERTY ADDRESS: _____
(include Street, City, State & Zip)

1. I have reviewed Page 1 & 2, discussed and agree with the Seller/Current Owner's findings: YES NO
(Determine the prior, current and planned uses for the property. If any of these uses involves an operation that used or uses toxic chemicals, conduct a Phase I audit. Discussions with current/prospective owners can help identify uses.)

2. To the best extent possible, I have determined the prior, current & planned uses of all adjoining property: YES NO
(If any of these uses involves an operation that used or uses toxic chemicals, conduct a Phase I audit. Discussions with current/prospective owners, as well as a visual checks, can help identify uses.)

3. The adjoining properties include (please list ALL adjoining businesses & their location to the collateral property):

4. I have conducted a visual inspection of the facility, (preferably accompanied by current owners): YES NO
The following observations may trigger the need for a Phase I audit:
a. any evidence that chemicals are used in the operation of the facility
b. discarded chemical containers
c. waste piles of any type (ask about buried waste and the presence of underground storage tanks)
d. evidence of distressed vegetation or non-vegetative areas
e. oily films on standing water
f. discolored soils
g. unusual odors

5. To the best extent possible, I have determined that the applicant has all relevant environmental permits and/or notifications in place: YES NO
(If not, conduct a Phase I audit. Local regulatory authorities could be consulted for assistance on requirements.)

6. To the best extent possible, I have determined whether the facility has ever been involved in: YES NO
a. any citations, claims or complaints regarding environmental problems
b. any notices of violations
c. any environmental clean-up actions

7. LENDER'S remarks (must include remarks on the inspection of the property & adjoining properties):

*****PLEASE NOTE: IF A PHASE I, II, III AUDIT IS CONDUCTED SBA / DAKOTA CDC MUST BE LISTED AS AN ENTITY ENTITLED TO RELY ON THE FINDINGS. Please contact Dakota CDC for an example Reliance Letter to be completed on letterhead of Environmental Professional or Environmental Professional's Firm*****

I acknowledge that I have read this questionnaire, and have responded to the issues and questions posed therein to the best of my knowledge.

(Lending Institution's Name)
By: _____ (Signature & Title) _____ (Date)