10/31/2025

Darrin Domingo

EDI Consultants Inc

ddomingo@edi-consultants.com

This Letter of Engagement confirms the selection of your environmental firm to develop a report to assist Harvest Small Business Finance, LLC (“Finance Company”) in making a credit decision in a real estate transaction, subject to the following terms and conditions:

Loan Name: Temp

Intended Users: The report must be addressed to Harvest Small Business Finance and the U.S. Small Business Administration.

Property Address: 321 ret street

Property Contact: temp, temp

Report Type: Phase 1

Fee: $5000

Delivery Date: On or Before 11/14/2025

**Important!** Please review Exhibit A for Phase I Assessments and Exhibit B for Transaction Screens. Bulleted items included in the exhibits are required elements of reports submitted to the Finance Company. Invoices should be directed to the Credit Officer assigned below. Please submit the electronic copy, including appendices and photographs to William O’Donnell, wodonnell@harvestcref.com.

Please review the attached exhibits and additional documentation (if provided) and call the Property Contact for information necessary to begin.

For environmental policy questions or to discuss RECs identified as part of the assessment, please contact William O’Donnell, Credit Analyst at (949) 354-3409.

Please sign below and return the executed engagement letter within three (3) days of receipt.

Sincerely,

William O’Donnell

William O’Donnell

Credit Analyst

Harvest Small Business Finance

\*\*\*Acknowledgment of Receipt and Acceptance of Assignment\*\*\*

By acknowledging the receipt of this letter, you agree to the terms of the assignment and the stated delivery date.

Environmental Contractor:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Print Name Date

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature

*Please sign and return by email.*

**EXHIBIT “A”**

**PHASE I ENVIRONMENTAL SITE ASSESSMENTS**

**INSTRUCTIONS TO THE ENVIRONMENTAL CONTRACTOR**

Environmental Site Assessments shall comply with ASTM 1527-13; 40 CFR 312 for All Appropriate Inquiries; and Harvest Small Business Finance Credit Guidelines. In order to assist environmental contractors, our report requirements are summarized below. Please review and confirm the following items have been addressed in the report prior to submittal to the Finance Company. Reports not in compliance with the following will be returned to consultants for appropriate revision.

The Phase I Environmental Site Assessment shall include, but not be limited to, the following:

* The environmental consultant carries minimum of $1,000,000 of Errors and Omissions insurance coverage.
* Report is entitled, “**PHASE I ENVIRONMENTAL SITE ASSESSMENT.**”
* The actual physical address(es) observed by the Environmental Professional are identified in the report.
* Please include Loan Name on Report Title page.
* Report format follows ASTM 1527-13 Appendix X4.
* Database list searches **shall be** provided by a third party service. EDR Reports are preferred. Standard environmental record source search distances shall be in compliance with ASTM E 1527 – 13 Section 8.2.1.
* The Environmental Professional meets the minimum educational and experience requirements set forth in the EPA Final Rule, 40 CFR 312 et seq., Standards and Practices for All Appropriate Inquiries, including:

1. A current Professional Engineer or Professional Geologist license or registration and the equivalent of three years of full-time relevant experience; or

2. A license or certification to perform environmental inquiries and the equivalent of three years of full-time relevant experience; or

3. A BS or higher degree from an accredited institution of higher education in a relevant discipline of engineering, environmental science or earth science and the equivalent of five years of full-time relevant experience; or

4. Have the equivalent of ten years of full-time relevant experience.

* Resumes or curriculum vitae (CVs) of environmental professionals involved with the job have been provided as an appendix.
* Data gaps are identified. According to 40 CFR 312.10 data gaps for the information collected for the inquiry affect the ability of the environmental professional to identify conditions indicative of releases or threatened releases of hazardous substances on, at, or to the subject property, as well as comments regarding the significance of these data gaps. The presence or absence of data gaps, and their associated ranges shall be noted in the report.
* The user of the assessment (Finance Company) has no specific prior knowledge of cleanup liens, activity or land use limitations, specialized user knowledge, information about the fair market value, site history, or current site activities. Valuation and environmental information is being collected as part of due diligence measures for the associated transaction.
* An environmental cleanup lien search is not required by the environmental consultant as part of this investigation. Title searches are being conducted concurrently with environmental due diligence work.
* The report shall describe all identified uses, justify the earliest date identified (for example, records showed no development of the property prior to the specific date), and explain the reason for any gaps in the history of use (for example, data failure). Standard historical sources include: aerial photographs, fire insurance maps, property tax files, title records, topographic maps, street directories, building department records, etc.
* Qualifications and signature of the environmental professional(s). The environmental professional must place the following statements in the document and sign the document:

“[I,We] declare that, to the best of [my, our] professional knowledge and belief, [I, we] meet the definition of Environmental Professional as defined in 40 CFR 312.10 of this part.”

“[I, We] have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. [I, We] have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.”

* Conclusions – The report shall include a conclusions section that summarizes all Recognized Environmental Conditions connected with the property. The report shall include one of the following statements:

“We have performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527 of [insert address or legal description], the property. Any exceptions to, or deletions from, this practice are described in Section [ ] of this report. This assessment has revealed no evidence of recognized environmental conditions in connection with the property,” or

“We have performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527 of [insert address or legal description], the property. Any exceptions to, or deletions from, this practice are described in Section [ ] of this report. This assessment has revealed no evidence of recognized environmental conditions in connection with the property except for the following: (list).”

* Recommendations – If a report recommends that additional subsurface investigation is required to address RECs, a specific scope should be included.

The purpose of additional Phase II investigation is to confirm the presence or absence of suspected hazards, estimate the nature and extent of contamination and to provide the basis for a preliminary assessment of the cost of corrective or preventative action at a site. Environmental professionals should draw upon their experience and scientific background to render an opinion about the need for additional investigation. Please refrain from inclusion of multiple investigation options and recommend only the most appropriate scope to address REC(s). The investigation scope should be restricted to the approach and analytical methods currently acceptable to local oversight agencies in order to avoid costly duplication of effort. Phase II investigations with soil or groundwater sampling should propose analytical methods that target hazardous substances or petroleum compounds that drive environmental risk decisions. Use of outdated analytical methods or those that target generic groups of compounds shall be avoided. In addition, analytical proposals that target single compounds and avoid detection of potential breakdown products, or other likely contaminants of concern shall be avoided.

* Photographs of the site and adjacent properties are included in the report appendix.
* Report was prepared for electronic submission including all appendices and supporting documentation.

FORECLOSURE: Phase I Environmental Site Assessments

* For foreclosure scenarios, please provide detail on hazardous or regulated material containers onsite and do a simple inventory to approximate quantities of the materials. In the event foreclosure proceeds, Harvest Small Business Finance may have these materials removed prior to transfer. Please obtain the name and number of any disposal vendor currently working with the site.
* For foreclosure scenarios, delay agency, database search, and historical data requests until contact has been confirmed with the site contact. **Please attempt to arrange a site visit as a first step in the process.** If access cannot be confirmed, please notify the credit officer at Harvest Small Business Finance of the situation. Their name and number can be found on the engagement letter. If they are unable to assist with site access through additional calls and coordination, the engagement will be put on hold until a court-appointed receiver or similar resolution can be arranged. If access can be promptly arranged, please proceed with the assessment process.
* Reports with site access limitations will not be accepted without advance written discussion between the Environmental Reviewer and the environmental consultant.

Additional Environmental Conditions for Childcare Centers

* Specific additional environmental assessments must be performed for Child-Occupied Facilities. Such facilities must undergo a lead risk assessment and also testing for lead in drinking water at all taps and fountains potentially used as a drinking water source for children. All lead assessments must be conducted in conformance with U.S. Environmental Protection Agency (EPA) regulations at 40 CFR 745 and U.S. Department of Housing and Urban Development (HUD) Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing Second Edition, July 2012. The results of these assessments must be submitted to the SBA. Disbursement will not be authorized unless the risk of lead exposure to infants and small children has been sufficiently minimized.

**EXHIBIT “B”**

**LIMITED ENVIRONMENTAL DUE DILIGENCE:**

**TRANSACTION SCREEN PROCESS**

**INSTRUCTIONS TO ENVIRONMENTAL CONTRACTOR**

Transaction Screens shall comply with ASTM 1528-06 and Harvest Small Business Finance Credit Guidelines. In order to assist environmental contractors, our report requirements are summarized below. Please review and confirm the following items have been included in the report prior to submittal to the Finance Company. Reports not in compliance with the following will be returned to consultants for appropriate revision.

Transaction Screens shall include, but not be limited to, the following scope of work:

* The environmental consultant carries minimum of $1,000,000 of Errors and Omissions insurance coverage.
* Report is entitled, “**LIMITED ENVIRONMENTAL DUE DILIGENCE: TRANSACTION SCREEN PROCESS**.”
* Please include Loan Name on Report Title page.
* Completion of the transaction screen questionnaire as provided in ASTM 1528 – 06 by owner of the property.
* Completion of the transaction screen questionnaire as provided in ASTM 1528 – 06 by the occupant of the property.
* Transaction Screens ***must*** be performed by an Environmental Professional.
* Site observations
* Adjoining property observations
* Government database list searches inquiry as provided in ASTM 1528 – 06 Section 6, Question 21. Database list searches should be searched in accordance with the transaction screen questionnaire, question 21. The database list search should be reviewed for relevant information and considered for potential environmental concerns. EDR Reports are preferred.
* Reasonably ascertainable government information [information that is (1) publicly available, (2) obtainable from its source within reasonable time and cost constraints, and (3) practically reviewable].
* One of two reasonably ascertainable data sources shall be examined: fire insurance maps showing the property or local street directories in accordance with ASTM 1528 – 06 Section 10.2.1 and 10.2.2 of the Standard.
* The user of the transaction screen (Finance Company) has no specific prior knowledge of current site activities or former use.
* Provide a conclusion regarding the absence or presence of potential environmental concerns.
* Photographs of the site and adjacent properties should be included in the report appendix.
* Report was prepared for electronic submission with all appendices and supporting documentation.