

What is an Environmental Transaction Screen?

An Environmental Transaction Screen may be utilized to meet due diligence needs in certain instances in place of a [Phase I Environmental Site Assessment \(ESA\)](#) or a [Records Search with Risk Assessment \(RSRA\)](#). A Transaction Screen is a more thorough environmental evaluation than a RSRA; however, similar to a RSRA, a Transaction Screen is not compliant with the U.S. EPA's Brownfield guidance regarding All Appropriate Inquiry (AAI), which a Phase I ESA would comply with. Nevertheless, the scope of a Transaction Screen may be sufficient to address environmental due diligence requirements for some projects. For example, the U.S. Small Business Administration (SBA) may accept a Transaction Screen to support financing activities under select circumstances. Additionally, some financial institutions not utilizing SBA-backed financing may also accept a Transaction Screen as an appropriate level of environmental due diligence depending on specific factors such as loan amount and perceived risk.

An Environmental Transaction Screen includes many components of the Phase I ESA process, including a review of available historical and physical setting information, an interview with knowledgeable personnel, and a site reconnaissance of the property. In contrast to a Phase I ESA, a Transaction Screen does not include a review of regulatory records associated with the property and nearby properties. Further, the average Transaction Screen can be completed in about one week, while a Phase I ESA takes several weeks to complete. The site inspection component of the Transaction Screen represents the most significant additional assessment step not included in the RSRA process.

If any Potential Environmental Concerns (PECs) are identified during the course of an Environmental Transaction Screen, then the process will conclude and a Phase I ESA will be recommended to further investigate the PECs. In accordance with SBA guidance, no further assessment of the property would be recommended for a property of low environmental risk.

An Environmental Transaction Screen may be an efficient and cost-effective way to satisfy your environmental due diligence requirements under appropriate circumstances.

Envirologic's staff approaches projects with the end in mind, implementing the appropriate scope of environmental assessment (whether that be an Environmental Transaction Screen, a RSRA, a Phase I ESA, or another method of assessment) to meet the client's needs, ensure an efficient due diligence process, and support the overall project timeline.

If you have questions regarding Envirologic's [due diligence services](#) or whether an Environmental Transaction Screen could be utilized for your site assessment project, please contact our Manager of Due Diligence Services, Erik Peterson, by phone at (800) 272-7802 or by [email](#).