**Section 365.1001 Environmental Assessment**

Prior to the making of a Loan under the Program, the Authority shall require the Applicant to conduct or authorize the Authority to cause to be conducted on the Applicant's behalf a Phase I environmental assessment review, certified to the Authority, of the proposed Development undertaken by an environmental consultant approved in advance by the Authority. The Authority may, at its election, commission such assessment. The environmental assessment shall, at a minimum, consist of a review of historic activities on the Real Estate and current conditions of the Real Estate which identify potential violations of applicable environmental laws. If the results of the Phase I environmental assessment disclose the presence of any hazardous substance as described at Section 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. 9601(14)), or any other adverse environmental conditions, as determined by the Authority, then the Authority may deny the Application or the funding of the Loan. The Authority may elect, as a condition to further review of the Application or to the making of the Loan, as the case may be, that the Applicant shall conduct or authorize the Authority to conduct on the Applicant's behalf a Phase II comprehensive environmental assessment certified to the Authority by an environmental consultant approved in advance by the Authority. This Phase II assessment may consist of sampling, lab analysis and an estimate of the magnitude of environmental problems, as well as costs involved in site cleanup. The Applicant shall pay the costs of all such assessments, and the costs may, at the sole discretion of the Authority, be payable out of Loan proceeds.