

DCH ENVIRONMENTAL CONSULTANTS LP

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May 19, 2005
Project No. 50405

Partners Bank of Texas
8450 FM 1960 Bypass
Humble, TX. 77338

Attention: Mr. Johnny Brooks

RE: Environmental Transaction Screen
23771 FM 1314
Porter, TX

Dear Mr. Brooks:

DCH Environmental Consultants LP (DCH) conducted an Environmental Transaction Screen for the above referenced project. The work was completed in accordance with the scope of work outlined in our proposal and applicable requirements of ASTM Standard E1528-00. This project was authorized on April 18, 2005.

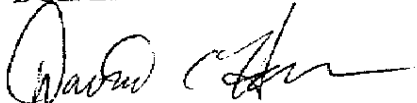
DCH and its employees will not materially benefit from this project in any other way than receiving a fee for the environmental assessment.

DCH has prepared this report in a professional manner using that degree of skill and care exercised for similar projects under similar conditions by reputable and competent environmental consultants.

We appreciate the opportunity to assist you on this project. Please call if you have any questions or we can be of further assistance.

Sincerely,

DCH Environmental Consultants LP



David C. Hamren
President

DCH:ww

Copies: 3 Partners Bank of Texas
1 File

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1.0 EXECUTIVE SUMMARY

DCH Environmental Consultants LP (DCH) conducted an Environmental Transaction Screen for Partners Bank of Texas on a property located at 23771 FM 1314 in Porter, Texas.

The purpose of this Transaction Screen was to evaluate the potential for environmental impacts to the subject site as a result of current or past, on-site/off-site activities, surface or subsurface contamination, chemical spills, surface discharges, airborne discharges, the presence of underground or above ground storage tanks, hazardous materials use or storage, or any other recognized environmental condition or activity that could have resulted in detrimental environmental impact(s) to the subject property.

The following findings and conclusions were drawn from the investigation:

- The subject site fronts on the north side of F.M. 1314, which is a two lane paved roadway that uses roadside ditch drainage. The subject property is a developed parcel of land that contains two abandoned concrete slabs, a wooden building set on piers, a mixed concrete and gravel parking and access driveway, and a pond in the northeast corner of the site.
- There were no signs of potential Environmental Issues on the subject property.
- One (1) Leaking Underground Storage Tank (LUST) site was identified within a ½ mile radius of the subject property. It is unlikely this site would affect the subject property.
- Two (2) Underground Storage Tank (UST) sites were identified within a ¼ mile radius of the subject property. It is unlikely these sites would affect the subject property.

Based upon **DCH's** site investigation of the subject property, surrounding properties, regulatory agency records review and inquiries, interviews, and historical research, no other direct evidence was found indicating recognized environmental conditions exist at the subject site.

This Summary may not be used alone. The report must be read in its entirety.

1.1 INTRODUCTION

This Environmental Transaction Screen was authorized by Mr. Johnny Brooks on April 18, 2005. This report was prepared for Partners Bank of Texas for their use.

1.2 SCOPE OF WORK

The following summarized scope of work comprises **DCH's** standard Transaction Screen program completed in general accordance with applicable American Society for Testing and Materials (ASTM) Standard E 1528-00 including:

- Conduct an on-site reconnaissance to visually observe the subject site and identify, by physical evidence, the presence of possible adverse environmental conditions;
- Coordinate with key on-site personnel and property representatives (if available) to obtain information relevant to the subject site and adjoining properties;
- Identify immediately adjacent properties' current uses and status to ascertain their potential to act as sources of off-site contamination;
- Review relevant Local, State and Federal regulatory agency databases to determine past violations, hazardous waste spills, and/or other reported environmental incidents that may have occurred at the subject site or in the immediate vicinity of the property. The search distance will conform to the ASTM Standard Practice E1527-00 radius for each database;
- If a federal superfund site is identified within a ¼ mile of the subject site, existing files for that site available from the public library will be reviewed and summarized;
- Conduct interviews with owners or occupants of adjacent facilities, local residents and/or public officials knowledgeable of the subject site and vicinity;
- Prepare a written report summarizing our investigations and findings. Included in the report are any suspected environmentally degrading conditions as well as recommendations for further investigations if necessary.

1.3 LIMITATIONS

The information contained in this report summarizes conditions as found on the date that the representative for **DCH Environmental Consultants LP (DCH)** was present at the site. **DCH** does not represent that the site contains no latent conditions beyond that observed at the time of the site visit. The process, procedures, terminology and methodologies for this Phase I ESA were generally consistent with those prescribed in *ASTM E 1528-00*. However, it should be noted that no environmental site assessment can wholly eliminate uncertainty regarding the potential for recognized environmental conditions in connection with a property. Performance of this practice is intended to reduce, but not eliminate, uncertainty regarding the potential for recognized environmental conditions in connection with a property, and the practice recognizes reasonable limits of time and cost. Reasonable variations from the information presented in this report are assumed. This report does not constitute a comprehensive characterization or compliance audit. This ESA did not include inquiry into conditions or features not specifically identified or discussed herein. Physical condition either has been determined by inspection, or is based upon information provided by others. Any unknown or hidden conditions existing at the time of inspection could alter our opinion. If future conditions encountered are significantly different from those presented in this report, **DCH Environmental Consultants LP** should be notified immediately to evaluate it.

This report has been prepared for the benefit of Partners Bank of Texas. The information in this report, including all exhibits and attachments, may not be used by any other party without the expressed written consent of Partners Bank of Texas and/or **DCH**.

1.4 PROJECT ASSESSOR

Mr. David Hamren, P.G. - Project Manager, has a Bachelor of Science Degree in Geology (Indiana State University - 1983) and Construction Engineering Management (University of Houston - 1991). He has also participated in the Masters Program of Geology at the University of Houston. Mr. Hamren is a Licensed Professional Geoscientist (Geology) in the State of Texas (License # 6565), and a Licensed Asbestos Management Planner/Inspector in the State of Texas (License # 205106). Mr. Hamren has broad experience in environmental assessments including; field inspections, sampling using appropriate scientific methods, and evaluating site activities or conditions against a framework of pertinent local, state, and federal regulations. He has more than 15 years experience in this field and has prepared several hundred inspections and investigations. His background includes; environmental site assessments and transaction screens, geological investigations including faulting along the Gulf Coast, asbestos inspections, hazardous material mitigation, oil field and land planning studies, formerly a licensed Texas Real Estate Broker, field and laboratory work for geotechnical and materials testing, logging, spill response actions, and other environmental studies. He regularly coordinates projects and actions with the Texas Commission on Environmental Quality including the Voluntary Clean Up Program, the United States Army Corps of Engineers, and the Texas Rail Road Commission. Mr. Hamren regularly conducts asbestos inspections and has prepared numerous asbestos operations and management plans for commercial structures. Mr. Hamren's wetlands experience includes determinations, delineations, and designing mitigation for federally protected wetlands. He has been responsible for the acquisition of both Individual and Nationwide Permits for his clients.

2.0 BACKGROUND

2.1 LOCATION OF PROJECT

The project is located at 23771 FM 1314 in Porter, Montgomery County, Texas.

The subject site is found on Key Map Number 295H .

2.2 TOPOGRAPHIC/SURFACE HYDROLOGY REVIEW

The USGS 7.5 Minute Series Topographic Map of the PPP Quadrangle (1982) indicates the subject site is approximately 100 feet above Mean Sea Level (MSL) with a level to southward sloping topography.

Surface water runoff is toward the lake onsite and toward FM 1314 to the south. Regional drainage is generally to the south toward the San Jacinto.

A copy of this map is presented in the Photographs and Illustrations section of this report.

2.3 LOCAL LAND USE

The subject site is in an area of mixed commercial and residential properties.

There were no suspected landfills or facilities discharging to surface waters observed along, adjacent to, or within ½ mile of the subject site.

2.4 LOCAL AND REGIONAL GEOLOGY/ HYDROLOGY

The subject site is located within the Beaumont Formation. Deposits of this formation are characterized as low to high plasticity clays with included lenses, layers, and remnant channels consisting of silts and sands.

Soils along the subject site are part of the Urban Land Complex. Urban land consists of soils that support buildings and other urban structures that have covered or altered the soils so that classification is not practical. Urban land consists of small areas that have been altered by cutting, filling, and grading. Fill material has altered the soil in places.

Groundwater in Montgomery County generally flows toward regional drainage, in this case the south toward the San Jacinto River. The main drinking water aquifers are the Chicot and Evangeline. These typically are 300 feet to 1400 feet below the surface. Several groundwater tables and hard clay layers isolate the aquifers from near surface hydrocarbon contamination. Copies of the major and minor aquifers of Texas are presented in the Photographs and Illustrations section of this report.

3.0 RECORDS REVIEW

3.1 REGULATORY AGENCY LISTINGS

Local, state and federal databases were researched for regulated sites within the ASTM radius for each database. Regulated facilities and the databases under which they are registered are listed below. A complete Regulatory Report is presented in the Appendix.

Database	Radius (Miles)	Site	1/8	1/4	1/2	1/2>	ZIP	Total
State Superfund	1.00	0	0	0	0	0	-	0
NPL	1.00	0	0	0	0	0	-	0
CERCLIS	0.50	0	0	0	0	-	-	0

Database	Radius (Miles)	Site	1/8	1/4	1/2	1/2>	ZIP	Total
NFRAP	0.25	0	0	0	-	-	-	0
RCRA TSD Corraacts	1.00	0	0	0	0	0	-	0
RCRA TSD Non-Corraacts	0.50	0	0	0	0	-	-	0
RCRA Generator	0.25	0	0	0	-	-	-	0
LPST	0.50	0	1	0	0	-	-	1
PST	0.25	0	2	0	-	-	-	2
ERNS	0.25	0	0	0	-	-	-	0
Spills	0.25	0	0	0	-	-	-	0
Landfills	0.50	0	0	0	0	-	-	0
VCP	0.50	0	0	0	0	-	-	0
Totals		0	3	0	0	0	0	3

3.1.1 LUST

DCH researched the Texas Commission on Environmental Quality (TCEQ) Leaking Underground Storage Tank (LUST) database to determine if any Underground Storage Tanks have been registered at the subject property or adjacent properties.

One LUST site was identified within a ½ mile radius of the subject property.

MAP ID #1

DISTANCE/DIRECTION: 0.14 E

SITE ID: 114768

ZIPPS FOOD STORE

23870 W FM 1314

PORTER 77365

PRIORITY CODE: (4.1) GROUNDWATER IMPACTED, NO APPARENT THREATS OR IMPACTS TO RECEPTORS

STATUS CODE: (2) SITE ASSESSMENT

This site is actively being monitored and investigated. Only four monitor wells were put in on the property (Usually there are more for groundwater impact). No additional delineation of groundwater contaminants, is necessary at this time. The consultant has asked for closure of the site however the TCEQ wants more items addressed. This site is and has been actively investigated. They are close to closure on it. It is unlikely that this site would impact the subject property.