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State of New Hampshire

OFFICE OF LEGISLATIVE BUDGET ASSISTANT
State House, Room 102
Concord, New Hampshire 03301

STEPHEN C. SMITH, CPA
Director, Audit Division
(603) 271-2785

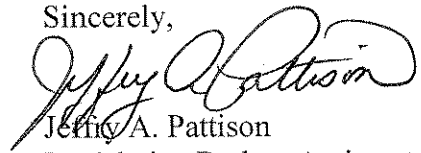
July 28, 2015

To Members of the Long Range Capital
Planning and Utilization Committee

The Long Range Capital Planning and Utilization Committee, as established by RSA 17-M, of which you are a member, will hold a regular business meeting on **Tuesday, August 4, 2015, at 11:00 a.m.** in Room 201 of the Legislative Office Building.

Please find attached information to be discussed at this meeting

Sincerely,


Jeffry A. Pattison
Legislative Budget Assistant

JAP/pe
Attachments

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE
AGENDA

Tuesday, August 4, 2015 at 11:00 a.m. in Room 201 of the Legislative Office Building

- (1) **Acceptance of Minutes** of the May 27, 2015 meeting
- (2) **Old Business:**
- (3) **New Business:**

RSA 4:39-b Approval of State Agency Leases Exceeding 5 Years:

LRCP 15-029 New Hampshire Employment Security – request approval of a ten-year lease agreement, effective September 1, 2015, with Brady Sullivan Keene Properties, 670 Commercial Street, Manchester, NH 03101, for 4,960 square feet of space to be provided in an existing building located at 149 Emerald Street, Keene, NH, with occupancy and rental payments commencing three (3) months later (providing time for fit-up) on November 1, 2015 with an end date of October 31, 2025, for a total lease cost of \$883,800, for the schedule of annual rent as specified in the request dated July 6, 2015

RSA 4:39-c Disposal of Highway or Turnpike Funded Real Estate:

LRCP 15-030 Department of Transportation – request authorization to sell an access point (ingress only) through the Limited Access Right-of-Way of NH Route 11 in the Town of Gilford directly to Gilford Airport Plaza, LLC for \$36,100, which includes a \$1,100 Administrative Fee, subject to the conditions as specified in the request dated July 20, 2015

RSA 4:40 Disposal of Real Estate:

LRCP 15-031 New Hampshire Employment Security – request approval for the sale of N.H. Employment Security owned property located at 10 West Street, Concord, NH to Riverbend Community Mental Health, Inc. for \$1,300,001 plus a \$1,100 Administrative Fee, and allow negotiations within the Committee's current policy guidelines, subject to the conditions as specified in the request dated July 22, 2015 (Original approval (LRCP 12-042) granted September 18, 2012, and subsequently amended (LRCP 12-059) on November 27, 2012)

- (4) **Miscellaneous:**
- (5) **Informational:**
- (6) **Date of Next Meeting and Adjournment**

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

MINUTES

May 27, 2015

The Long Range Capital Planning and Utilization Committee met on Wednesday, May 27, 2015 at 11:15 a.m. in Room 201 of the Legislative Office Building.

Members in attendance were as follows:

Representative Gene Chandler
Representative John Cloutier
Representative David Danielson
Representative Mark McConkey
Representative Katherine Rogers, Alternate
Senator David Boutin
Senator Regina Birdsell
Senator Nancy Stiles
Meredith Telus, Governor's Office

Michael Connor, Department of Administrative Services

Representative Chandler called the meeting to order at 11:15 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Senator Boutin, seconded by Representative Danielson, that the minutes of the March 26, 2015 meeting be accepted as written. MOTION ADOPTED.

NEW BUSINESS:

RSA 4:39-c DISPOSAL OF HIGHWAY OR TURNPIKE FUNDED REAL ESTATE:

LRCP 15-011 Department of Transportation – On a motion by Senator Boutin, seconded by Senator Stiles, that the Committee approve the request of the Department of Transportation, Bureau of Right-of-Way, to transfer a 0.22 +/- of an acre parcel of State owned land located on the easterly side of NH Route 125 in Kingston to Magnusson Farm, LLC in exchange for Magnusson Farm, LLC transferring to the Department a 0.17 +/- of an acre parcel, and further request to waive payment of \$625.00 to the State, as well as reduce the Administrative Fee to be assessed from \$1,100.00 to \$500.00, subject to the conditions as specified in the request dated May 8, 2015. MOTION ADOPTED.

LRCP 15-012 Department of Transportation – On a motion by Senator Stiles, seconded by Senator Boutin, that the Committee approve the request of the Department of Transportation, Bureau of Right-of-Way, to sell a 2,050 +/- square foot State owned parcel located on the northerly side of US Route 302 in the Town of Littleton directly to Michael Bijolle for \$14,100.00, which includes a \$1,100.00 Administrative Fee, with the condition that Mr. Bijolle agree to formally deed to the Department his access right to US Route 302 from his abutting parcel, and for the Department to limit the access to US Route 302 from the parcel owned by Michael Bijolle, as shown on Littleton Tax Map 77, Lot 11, subject to the conditions as specified

in the request dated May 8, 2015. MOTION ADOPTED.

LRCP 15-019 Department of Transportation – On a motion by Senator Boutin, seconded by Senator Birdsell, that the Committee approve the request of the Department of Transportation, Bureau of Right-of-Way, to sell a 0.5 +/- of an acre parcel of State owned land located on the west side of US Route 202 in the Town of Hancock directly to Robert M. and Patricia C. Magie for \$5,100.00 which includes a \$1,100.00 Administrative Fee, with no access to US Route 202, subject to the conditions as specified in the request dated May 13, 2015. MOTION ADOPTED.

RSA 4:40 DISPOSAL OF REAL ESTATE:

LRCP 15-008 New Hampshire Fish and Game Department – On a motion by Representative Rogers, seconded by Senator Stiles, that the Committee approve the request of the New Hampshire Fish and Game Department to convey a 0.79 acre easement for impacts associated with the replacement of the Sewall's Falls Bridge in Concord at no cost, and assess a \$1,100.00 Administrative Fee, subject to the conditions as specified in the request dated April 17, 2015. MOTION ADOPTED.

LRCP 15-028 Department of Administrative Services – On a motion by Senator Boutin, seconded by Representative Cloutier, that the Committee approve the request of the Department of Administrative Services, on behalf of the New Hampshire Liquor Commission, to enter into a marketing agreement with Nautilus Realty Group LLC, allowing negotiations within the Committee's current policy guidelines, for a term of one (1) year to sell a single-story concrete block retail building with approximately 10,748 square feet of space and approximately 4.898 acres of land located at 417 South Broadway (NH Route 28) in the Town of Salem for \$3,500,000.00 plus a \$1,100.00 Administrative Fee, subject to the conditions as specified in the request dated May 15, 2015. MOTION ADOPTED.

RSA 228:57-a LEASING CERTAIN PORTIONS OF RAILROAD PROPERTIES:

LRCP 15-009, 15-010, 15-013, 15-014, 15-015, 15-016, 15-017, 15-020, 15-021, 15-022, 15-023, 15-024, 15-025, 15-026, and 15-027 Department of Transportation – On a motion by Representative Danielson, seconded by Senator Boutin, that the Committee approve as a block the fifteen (15) requests as submitted by the Department of Transportation, Bureau of Rail and Transit. MOTION ADOPTED. [LRCP 15-009 Department of Transportation – request to renew a lease for an additional five (5) year period, effective July 1, 2015, for 75 feet of railroad frontage along Lake Winnisquam for a private, non-commercial dock with a pedestrian grade crossing on the State-owned Concord to Lincoln railroad corridor in Belmont to Stephen F. Pearson at \$33.05 per linear foot per year, for the lease fee of \$2,478.75 per year, plus \$50.00 per year for a private pedestrian grade crossing, for a total of \$2,528.75 per year for five years, with no Administrative Fee, subject to the conditions as specified in the request dated April 8, 2015. (Previous approval was granted by the Long Range Capital Planning and Utilization Committee (LRCP 10-009) on April 13, 2010), LRCP 15-010 Department of Transportation – request to renew a lease for an additional five (5) year period, effective July 1, 2015, for 75 feet of railroad frontage along Mascoma Lake for a private, non-commercial dock with a pedestrian grade crossing on the State-owned Northern Railroad corridor in Enfield to Ann and

Dick Corr at \$33.05 per linear foot per year, for the lease fee of \$2,478.75 per year, plus \$50.00 per year for a private pedestrian grade crossing, for a total of \$2,528.75 per year for five years, with no Administrative Fee, subject to the conditions as specified in the request dated April 8, 2015. (Previous approval was granted by the Long Range Capital Planning and Utilization Committee (LRCP 10-010) on April 13, 2010), LRCP 15-013 Department of Transportation – request to renew a lease for an additional five (5) year period, effective September 1, 2015, for 1,351 feet of railroad frontage along Lake Winnepesaukee to maintain a dock structure with private pedestrian at-grade and electrical utility crossings on the State-owned Concord to Lincoln railroad corridor in the Town of Meredith to Lake Ridge at Meredith Bay Association at \$33.05 per linear foot per year, for the lease fee of \$44,650.55 per year, plus \$100.00 per year for private pedestrian at-grade and electric utility crossings, for a total of \$44,750.55 per year for five years, with no Administrative Fee, subject to the conditions as specified in the request dated May 13, 2015. (Previous approval was granted by the Long Range Capital Planning and Utilization Committee (LRCP 10-025) on April 13, 2010), LRCP 15-014 Department of Transportation – request to retroactively renew a lease for an additional five (5) year period, effective May 1, 2015, for 280 feet of railroad frontage along Lake Winnepesaukee to maintain a mooring field on the State-owned Concord to Lincoln railroad corridor in Meredith to The Grouse Point Club at \$33.05 per linear foot per year, for the lease fee of \$9,254.00 per year for five years, with no Administrative Fee, subject to the conditions as specified in the request dated May 13, 2015. (Previous approval was granted by the Long Range Capital Planning and Utilization Committee (LRCP 10-023) on April 13, 2010), LRCP 15-015 Department of Transportation – request to renew a lease for an additional five (5) year period, effective July 1, 2015, for 58 feet of railroad frontage along Lake Winnepesaukee to maintain a dock with a private pedestrian grade crossing on the State-owned Concord to Lincoln railroad corridor in the Town of Meredith to East Bluff Highlands Association at \$33.05 per linear foot per year, for the lease fee of \$1,916.90 per year, plus \$50.00 per year for a private pedestrian grade crossing, for a total of \$1,966.90 per year for five years, with no Administrative Fee, subject to the conditions as specified in the request dated May 13, 2015. (Previous approval was granted by the Long Range Capital Planning and Utilization Committee (LRCP 10-026) on April 13, 2010), LRCP 15-016 Department of Transportation – request to renew a lease for an additional five (5) year period, effective July 1, 2015, for 75 feet of railroad frontage along Lake Waukegan to maintain a dock with a private pedestrian grade crossing on the State-owned Concord to Lincoln railroad corridor in the Town of Meredith to Paul and Emiliette Beaudoin at \$33.05 per linear foot per year, for the lease fee of \$2,478.75 per year, plus \$50.00 per year for a private pedestrian grade crossing, for a total of \$2,528.75 per year for five years, with no Administrative Fee, subject to the conditions as specified in the request dated May 13, 2015. (Previous approval was granted by the Long Range Capital Planning and Utilization Committee (LRCP 10-024) on April 13, 2010), LRCP 15-017 Department of Transportation – request to retroactively renew a lease for an additional five (5) year period, effective May 1, 2015, for 200 feet of railroad frontage along Lake Winnepesaukee for a mooring field on the State-owned Concord to Lincoln railroad corridor in Laconia to The South Down Club at \$33.05 per linear foot per year, for the lease fee of \$6,610.00 per year for five years, with no Administrative Fee, subject to the conditions as specified in the request dated May 13, 2015. (Previous approval was granted by the Long Range Capital Planning and Utilization Committee (LRCP 10-011) on April 13, 2010), LRCP 15-020 Department of Transportation – request to renew a lease for an additional five (5) year period, effective July 1, 2015, for 75 feet of railroad frontage along Paugus Bay for a private, non-commercial dock with a pedestrian at-grade crossing on the State-owned Concord to Lincoln railroad corridor in Laconia to Breakwater Condominium Unit Owners' Association at \$33.05 per linear foot per year, for the lease fee of \$2,478.75 per year, plus \$50.00 per year for the private pedestrian at-grade crossing, for a total of \$2,528.25 per year for five years, with no Administrative Fee, subject to the conditions as specified in the request dated May 20, 2015. (Previous approval was granted by the Long Range Capital Planning and Utilization Committee (LRCP 10-016) on

April 13, 2010), LRCP 15-021 Department of Transportation – request to renew a lease for an additional five (5) year period, effective July 1, 2015, for 75 feet of railroad frontage along Paugus Bay for a private, non-commercial dock with pedestrian at-grade and electrical utility crossings on the State-owned Concord to Lincoln railroad corridor in Laconia to David and Carol Zogopoulos at \$33.05 per linear foot per year, for the lease fee of \$2,478.75 per year, plus \$100.00 per year for the private pedestrian at-grade and electric utility crossings, for a total of \$2,578.75 per year for five years, with no Administrative Fee, subject to the conditions as specified in the request dated May 20, 2015. (Previous approval was granted by the Long Range Capital Planning and Utilization Committee (LRCP 10-020) on April 13, 2010), LRCP 15-022 Department of Transportation – request to renew a lease for an additional five (5) year period, effective July 1, 2015, for 50 feet of railroad frontage along Paugus Bay for a private, non-commercial dock with pedestrian at-grade and electrical utility crossings on the State-owned Concord to Lincoln railroad corridor in Laconia to William P. Ratcliffe at \$33.05 per linear foot per year, for the lease fee of \$1,652.50 per year, plus \$100.00 per year for the private pedestrian at-grade and electric utility crossings, for a total of \$1,752.50 per year for five years, with no Administrative Fee, subject to the conditions as specified in the request dated May 14, 2015. (Previous approval was granted by the Long Range Capital Planning and Utilization Committee (LRCP 10-017) on April 13, 2010), LRCP 15-023 Department of Transportation – request to retroactively renew a lease for an additional five (5) year period, effective May 1, 2015, for 50 feet of railroad frontage along Paugus Bay for a private, non-commercial dock with pedestrian at-grade and electrical utility crossings on the State-owned Concord to Lincoln railroad corridor in Laconia to Michael and Elizabeth Hurley at \$33.05 per linear foot per year, for the lease fee of \$1,652.50 per year, plus \$100.00 per year for the private pedestrian at-grade and electric utility crossings, for a total of \$1,752.50 per year for five years, with no Administrative Fee, subject to the conditions as specified in the request dated May 14, 2015. (Previous approval was granted by the Long Range Capital Planning and Utilization Committee (LRCP 10-019) on April 13, 2010), LRCP 15-024 Department of Transportation – request to retroactively renew a lease for an additional five (5) year period, effective May 1, 2015, for 50 feet of railroad frontage along Paugus Bay for a private, non-commercial dock with pedestrian at-grade and electrical utility crossings on the State-owned Concord to Lincoln railroad corridor in Laconia to Raymond Spinosa at \$33.05 per linear foot per year, for the lease fee of \$1,652.50 per year, plus \$100.00 per year for the private pedestrian at-grade and electric utility crossings, for a total of \$1,752.50 per year for five years, with no Administrative Fee, subject to the conditions as specified in the request dated May 14, 2015. (Previous approval was granted by the Long Range Capital Planning and Utilization Committee (LRCP 10-015) on April 13, 2010), LRCP 15-025 Department of Transportation – request to retroactively renew a lease for an additional five (5) year period, effective May 1, 2015, for 50 feet of railroad frontage along Paugus Bay for a private, non-commercial dock with pedestrian at-grade and electrical utility crossings on the State-owned Concord to Lincoln railroad corridor in Laconia to Paul and Cynthia Gillis at \$33.05 per linear foot per year, for the lease fee of \$1,652.50 per year, plus \$100.00 per year for the private pedestrian at-grade and electric utility crossings, for a total of \$1,752.50 per year for five years, with no Administrative Fee, subject to the conditions as specified in the request dated May 14, 2015. (Previous approval was granted by the Long Range Capital Planning and Utilization Committee (LRCP 10-014) on April 13, 2010), LRCP 15-026 Department of Transportation – request to retroactively renew a lease for an additional five (5) year period, effective May 1, 2015, for 50 feet of railroad frontage along Paugus Bay for a private, non-commercial dock with pedestrian at-grade and electrical utility crossings on the State-owned Concord to Lincoln railroad corridor in Laconia to Anthony and Barbara DeStefano at \$33.05 per linear foot per year, for the lease fee of \$1,652.50 per year, plus \$100.00 per year for the private pedestrian at-grade and electric utility crossings, for a total of \$1,752.50 per year for five years, with no Administrative Fee, subject to the conditions as specified in the request dated May 14, 2015. (Previous approval was granted by the Long Range Capital Planning and Utilization Committee (LRCP 10-013) on April 13,

2010), and LRCP 15-027 Department of Transportation – request to lease 50 feet of railroad frontage along Paugus Bay for a private, non-commercial dock with pedestrian at-grade and electrical utility crossings on the State-owned Concord to Lincoln railroad corridor in Laconia to DPM Realty Trust at \$33.05 per linear foot per year, for the lease fee of \$1,652.50 per year, plus \$100.00 per year for the private pedestrian at-grade and electric utility crossings, for a total of \$1,752.50 per year for five years, with a five year renewal provision, and assess a \$1,100.00 Administrative Fee, subject to the conditions as specified in the request dated May 15, 2015. (Previous approval was granted by the Long Range Capital Planning and Utilization Committee (LRCP 10-021) on April 13, 2010, however the agreement was terminated)]

INFORMATIONAL:

The informational materials were accepted and placed on file.

DATE OF NEXT MEETING AND ADJOURNMENT:

The next regular meeting of the Long Range Capital Planning and Utilization Committee is at the Call of The Chair.

A motion was made by Senator Boutin that the meeting adjourn. (Where upon the meeting adjourned at 11:21 a.m.)

Representative John R. Cloutier, Clerk



New Hampshire
Employment
Security

www.nhes.nh.gov

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ADMINISTRATIVE OFFICE

45 SOUTH FRUIT STREET
CONCORD, NH 03301-4857

LRCP 15-029



GEORGE N. COPADIS, COMMISSIONER

RICHARD J. LAVERS, DEPUTY COMMISSIONER

July 6, 2015

The Honorable Gene Chandler, Chairman
Long Range Capital Planning and Utilization Committee
L.O.B. – Room 201
Concord, NH 03301

REQUESTED ACTION

Pursuant to NH RSA 4:39-b, the Department of Employment Security (the "Tenant"), requests approval of the attached ten-year lease agreement with Brady Sullivan Keene Properties, 670 Commercial Street, Manchester, NH 03101 (the "Landlord") for 4,960 square feet of space to be provided in an existing building located at 149 Emerald Street, Keene, NH. The effective date of the agreement will be September 1, 2015, with occupancy and rental payments commencing three (3) months later (providing time for fit-up) on November 1, 2015, and expiring ten (10) years later on October 31, 2025.

EXPLANATION

The Department wishes to enter into the enclosed ten-year lease agreement. Approval of the proposed lease will authorize the "fit-up" and provision of a new Employment Security Keene Local Office space within an existing, single story multi-tenant commercial/industrial facility, located at 149 Emerald Street, Keene, NH. Upon completion of renovation, approximately 4,960 square feet of fully "wheelchair accessible" office space will be provided and will include an open office area for staff, conference rooms, a staff lounge and a client entrance and waiting area. The proposed space will replace the current Employment Security Keene Local Office, located at 109 Key Road, Keene, NH.

The Department initiated a Request for Proposal (RFP) in an effort to determine the current market rate per square foot in the Keene area and to search for new office space. Responses were received for two locations:

- Key Road Associates: Offered 4,800 square feet of office space starting at \$20.19 per square foot escalating annually to a final per square rate of \$22.00 in year ten.
- Brady Sullivan Keene Properties: Offered 4,960 square feet of office space at \$17.82 per square foot throughout the ten-year term of the lease.

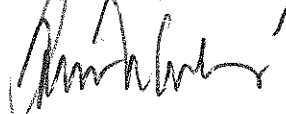
Both proposals were evaluated to determine which proposal most closely matched the specified criteria at the lowest cost.

Brady Sullivan Keene Properties offered the most attractive offer for a ten-year lease for 4,960 square feet of renovated office space located at 49 Emerald Street, Keene, NH. The ten-year lease was offered at \$883,800 total for the entire term, \$88,380 annually, which is \$17.82 per square foot.

Key Road Associates (the current landlord) offered a ten-year lease for 4,800 square feet of renovated office space located at 109 Key Road, Keene, NH. The ten-year lease was offered at \$1,012,560 total for the entire term, starting at \$96,912 for the first year, which is \$20.19 per square foot, escalating throughout the ten-year term to a final annual lease cost of \$105,600, which is \$22.00 per square foot.

The Office of the Attorney General has reviewed and approved this lease agreement; your favorable consideration is requested.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "George N. Copadis", written over a horizontal line.

George N. Copadis
Commissioner

Attachment A: Rental Schedule

Rent for Tenant's Ten Year Term:

Effective Dates	Cost Per SF	Annual Cost	% Increase
11/01/2015 – 10/31/2016	\$17.82	\$88,380.00	
11/01/2016 – 10/31/2017	\$17.82	\$88,380.00	0%
11/01/2017 – 10/31/2018	\$17.82	\$88,380.00	0%
11/01/2018 – 10/31/2019	\$17.82	\$88,380.00	0%
11/01/2019 – 10/31/2020	\$17.82	\$88,380.00	0%
11/01/2020 – 10/31/2021	\$17.82	\$88,380.00	0%
11/01/2021 – 10/31/2022	\$17.82	\$88,380.00	0%
11/01/2022 – 10/31/2023	\$17.82	\$88,380.00	0%
11/01/2023 – 10/31/2024	\$17.82	\$88,380.00	0%
11/01/2024 – 10/31/2025	\$17.82	\$88,380.00	0%
TOTAL		\$883,800.00	

STATE OF NEW HAMPSHIRE
DEPARTMENT OF ADMINISTRATIVE SERVICES
BUREAU OF PLANNING AND MANAGEMENT
STANDARD LEASE AGREEMENT

1. Parties to the Lease:

This indenture of Lease is made this 24th day of June 2015, by the following parties:

1.1 The Lessor (who is hereinafter referred to as the "Landlord") is:

Name: Brady Sullivan Keene Properties

(individual or corporate name)

State of Incorporation: NH

(if applicable)

Business Address: Brady Sullivan Properties, 670 Commercial Street

Street Address (principal place of business)

Manchester

NH

03101

(603) 622-6223

City

State

Zip

Telephone number

1.2 The Lessee (who is hereinafter referred to as the "Tenant") is: THE STATE OF NEW HAMPSHIRE,
acting by and through its Director or Commissioner of:

Department Name: New Hampshire Employment Security

Address: 45 South Fruit Street, (Tobey Building)

Street Address (official location of Tenant's business office)

Concord,

NH

03301

(603) 229-4412

City

State

Zip

Telephone number

WITNESSETH THAT:

2. Demise of the Premises:

For and in consideration of the rent and the mutual covenants and agreements herein contained, the Landlord hereby demises to the Tenant, and the Tenant hereby leases from the Landlord, the following premises (hereinafter called the "Premises") for the Term, (as defined herein) at the Rent, (as defined herein) and upon the terms and conditions hereinafter set forth:

Location of Space to be leased: 149 Emerald Street, (Center at Keene) Suites Y & V1

(street address, building name, floor on which the space is located, and unit/suite # of space)

Keene

NH

03431

City

State

Zip

The demise of the premises consists of: 4,960 square feet

(provide square footage of the leased space)

The Demise of this space shall be together with the right to use in common, with others entitled thereto, the hallways, stairways and elevators necessary for access thereto, and the lavatories nearest thereto. "Demise Documentation" has been provided which includes accurate floor plans depicting the Premises showing the extent of the space for the Tenants' exclusive use and all areas to be used in common with others, together with site plan showing all entrance to the Premises and all parking areas for the Tenant's use; these documents have been reviewed, accepted, agreed-to and signed by both parties and placed on file, and shall be deemed as part of the lease document.

3. Effective Date; Term; Delays; Extensions; and Conditions upon Commencement:

3.1 Effective Date: The effective dates of Agreement shall be:

Commencing on the 1st day of September, in the year 2015, and ending on the
31st day of October, in the year 2025, unless sooner terminated
in accordance with the Provisions hereof.

Landlord Initials: BSK

Date: 6/24/15

3.2 Occupancy Term: Occupancy of the Premises and commencement of rentals payments shall be for a term (hereinafter called the "Term") of Ten (10) year(s) commencing on the 1st day of November in the year 2015, unless sooner terminated in accordance with the Provisions hereof.

3.3 Delay in Occupancy and Rental Payment Commencement: In the event of the Effective Date of the Agreement being prior to that which is set forth for Occupancy Term in 3.2. herein, commencement of the Tenant's occupancy of the Premises and payment of rent shall be delayed until construction and/or renovation of the Premises is complete and a copy of the "Certificate of Occupancy" (if said certificate is required by the local code enforcement official having jurisdiction) for the Premises has been delivered to the Tenant; the parties hereto agree this shall be upon the date set forth in 3.2 Occupancy Term herein. Upon this date the Tenant shall commence payment of rent in conformance with the terms and conditions herein and as set forth in the Schedule of Payments included and attached hereto as "Exhibit A". Notwithstanding the foregoing, commencement of occupancy and rental payments shall be further conditioned upon all other terms and conditions set forth in the Agreement herein.

A) "Completion" defined as "Substantial Completion": Notwithstanding anything contained in the Agreement to the contrary, it is understood and agreed by both Parties that "complete" shall mean "substantially completed". "Substantial Completion" is defined as no leasehold improvement deficiencies that would unreasonably adversely affect the Tenant's occupancy and/or business operations, nor would the installation or repairs of such deficiencies unreasonably adversely affect the Tenant's business operation. Notwithstanding the foregoing, nothing shall relieve the Landlord from their responsibility to fully complete all agreed renovations set forth or attached hereto.

3.4 Extension of Term: The Tenant shall have the option to extend the Term for (*number of options*) N/A Additional term(s) of N/A year(s), upon the same terms and conditions as set forth herein. Notice from the Tenant exercising their option to extend the term shall be given by the Tenant delivering advance Written notice to the Landlord no later than thirty (30) days prior to the expiration of the Term, or any extensions thereof.

3.5 Conditions on the Commencement and Extension of Term:

Notwithstanding the foregoing provisions, it is hereby understood and agreed by the parties hereto that this lease and the commencement of any Term, and any amendment or extension thereof, is conditioned upon its' approval by the Governor and Executive Council of the State of New Hampshire and, in the event that said approval is not given until after the date for commencement of the Term, the Term shall begin on the date of said approval. In the event that said approval request is denied, then this Lease shall thereupon immediately terminate, and all obligations hereunder of the parties hereto shall cease.

4. Rent:

4.1 Rent: During the Term hereof and any extended Term, the Tenant shall pay the Landlord annual rent (hereinafter called the "Rent") payable in advance at the Landlord's address set forth in Section 1 above, in twelve equal monthly installments. The first such installment shall be due and payable on the following date: (*insert month, date and year*) November 1, 2015

The rent due and payable for each year of the term, and any supplemental provisions affecting or escalating said rent or specifying any additional payments for any reason, shall be as set forth in a Schedule of Payments made a part hereto and attached herein as "Exhibit A".

4.2 Taxes and other Assessments: The Landlord shall be responsible for, and pay for, all taxes and other assessment(s) applicable to the Premises.

Landlord Initials: hag

Date: 6/24/15

5. **Conditional Obligation of the State:**

Notwithstanding any provisions of this Lease to the contrary, it is hereby expressly understood and agreed by the Landlord that all obligations of the Tenant hereunder, including without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the Tenant be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the Tenant shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Lease in whole or in part immediately upon giving the Landlord notice of such termination. The State shall not be required to transfer funds from any other account in the event funding for the account from which the "rent" specified for the lease herein is terminated or reduced. It is further expressly understood and agreed by the Landlord that in the event the State of New Hampshire makes available State owned facilities for the housing of the Tenant the Tenant may, at its' option, serve thirty (30) days written notice to the Landlord of its intention to cancel the Lease in whole or in part. Whenever the Tenant decides to cancel the Lease in whole or in part under this Section the Tenant shall vacate all or part of the Premises within a thirty (30) day period. The Lease to the portion of the Premises vacated shall henceforth be canceled and void, while the Lease to the portion of the Premises still occupied shall remain in effect, with a pro rata abatement of the rent made by the parties hereto.

6. **Utilities:** *Select one of the following standard clauses specifying the party(s) responsible for the provision of utilities indicating the applicable clause with an "x". If neither clause provides an adequate or accurate explanation provide a detailed explanation as a "Special Provision" in "Exhibit D" herein.*

- ☐ The Landlord shall furnish all utilities and the Tenant shall remit reimbursement for their provision no later than thirty (30) days after receipt of Landlord's copy of the utility invoice(s). Any exceptions to the forgoing specifying certain utilities which the Landlord will provide with no reimbursement payment from the Tenant shall be listed in the space below:

Exceptions: _____


OR:

- ☒ The Landlord shall at their own and sole expense furnish all utilities, the Tenant shall make no reimbursement. Any exceptions to the forgoing specifying certain utilities that the Tenant shall be responsible for arranging and making direct payment to the provider thereof shall be listed in the space below:

Exceptions: Tenant shall be solely responsible for provision and cost of: telecommunications,
data services, and security system installation and service.

6.1 General Provisions: The Landlord agrees to furnish heat, ventilation and air-conditioning to the Premises in accordance with current industry standards as set forth by the American Industrial Hygiene Association or AIHA and the American Society of Heating, Refrigeration and Air-Conditioning Engineers, Inc. or ASHRAE during the Tenant's business hours, the indoor air temperature of the Premises shall range from 68° F to 75° F during the winter, and 69° F to 76° F in the summer; if humidity control is provided relative humidity in the Premises shall range from 30% to 60%. During the Tenant's business hours heating, ventilation and air-conditioning shall also be provided to any common hallways, stairways, elevators and lavatories which are part of the building to which the Premises are a part. The Tenant agrees that provision of heating, ventilation and air-conditioning is subject to reasonable interruptions due to the Landlord making repairs, alterations, maintenance or improvements to the system, or the infrequent occurrence of causes beyond the Landlord's control. All Heating and Ventilation Control systems and filters shall be cleaned and maintained by the Landlord in accordance with ASHRAE and AIHA standards, and in conformance with the provisions of Section 8 "Maintenance and Repair" herein, and in a manner sufficient to provide consistent compliance with the State of New Hampshire's Clean Indoor Air Standards" (RSA 10:B). If the premises are not equipped with an air handling system that provides centralized air-conditioning or humidity control the provisions set forth herein regarding these particular systems shall not apply.

6.2 Sewer and Water Services: The Landlord shall provide and maintain in good and proper working order all sewer and water services to the Premises. Provision of said services shall include payment of all charges, expenses or fees incurred with provision of said services. All sewer and water services shall be provided and maintained in conformance with all applicable regulatory laws and ordinances.

Landlord Initials: 

Date: _____

6.3 Electrical and Lighting: The Landlord shall furnish all electrical power distribution, outlets and lighting in compliance with the most current National Electrical Code standards. Lighting fixtures throughout the Premises shall be capable of providing illumination levels in accordance with ANSI/IES Standards for Office Lighting in effect on the date of commencement of the term herein. Lighting for exterior areas and other applications shall conform to the recommended levels in the current IES Lighting Handbook in effect on the date of commencement of the term herein.

7. Use of Premises:

The Tenant shall use the premises for the purpose of:

Providing reemployment and unemployment services as a NH Works American Job Center
Location servicing the greater Keene region.

and for any other reasonable purposes that may arise in the course of the Tenant's business.

8. Maintenance and Repair by the Landlord:

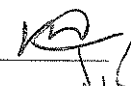
8.1 General Provisions: The Landlord shall at its own expense, maintain the exterior and interior of the Premises in good repair and condition, including any "common" building spaces such as parking areas, walkways, public lobbies, and restrooms, and including all hallways, passageways, stairways, and elevators which provide access to the Premises. The Landlord agrees to make any and all repairs and perform all maintenance to the Premises or any appurtenance thereto, which may become necessary during the Term or any extension or amendment of the Term. These repairs and maintenance requirements shall be fulfilled whether they are ordered by a public authority having jurisdiction, requested by the Tenant, or are dictated by reasonable and sound judgment, and include but are not limited to: The repair, and if necessary the replacement of any existent roof, walls, floors, doors and entry ways, interior finishes, foundations, windows, sidewalks, ramps and stairs, heating, air-conditioning and ventilation systems, plumbing, sewer, and lighting systems, and all operating equipment provided by the Landlord. Maintenance shall also include timely and consistent provision of any and all pest control which may become necessary within the Premises. Maintenance to areas or equipment which provide compliance with the Federal "American's with Disabilities Act" (ADA) and/or any State or Municipal codes or ordinances specifying requirements for architectural barrier-free access shall be performed regularly and with due diligence, in order to ensure continuity of compliance with all applicable regulations. The Landlord shall meet with the Tenant upon request and as necessary to review and discuss the condition of the Premises.

8.2 Maintenance and Repair of Broken Glass: The Landlord shall replace any and all structurally damaged or broken glass the same day that they are notified by the Tenant, or the damage is observed. In the event that the Landlord is unable to procure and/or install the replacement glass within the same day, they shall notify the Tenant in writing prior to the close of business that day, providing an explanation as to the cause of the delay and the date the damage will be corrected. In the instance of delayed repair, the Landlord shall remove the damaged or broken glass the same day it is noticed or reported, and secure the opening and/or damaged area to the satisfaction of the Tenant.

8.3 Recycling: The Landlord shall cooperate with the Tenant to meet the requirements for waste reduction and recycling of materials pursuant to all Federal, State, and Municipal laws and regulations which are or may become effective or amended during the Term.

8.4 Window Cleaning: The Landlord shall clean both the exterior and interior surfaces of all windows in the Premises annually. Window cleaning shall be completed no later than July 1st of every year.

8.5 Snow Plowing and Removal: The Landlord shall make best efforts to provide for rapid and consistent ice and snow plowing and/or removal from all steps, walkways, doorways, sidewalks, driveway entrances and parking lots, including accessible parking spaces and their access aisles, providing sanding and/or salt application as needed. Plowing and/or removal shall be provided prior to Tenant's normal working hours of 8:00 a.m. each work weekday, however, additional work shall be provided as needed during the Tenant's working hours if ice accumulates or if more than a 2" build-up of snow occurs. Best efforts shall be made to provide and maintain bare pavement at all times. In addition to the foregoing, the Landlord shall provide plowing and/or ice and snow removal service with diligence sufficient to maintain availability of the number of Tenant parking spaces designated in the Agreement herein for the Tenant's use, clearing said spaces within twelve (12) hours of snow

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and/or ice accumulations. The Landlord shall sweep and remove winter sand and salt deposited in the above referenced areas by no later than June 1st of each year.

8.6 Parking Lot Maintenance: Landlord shall maintain and repair all parking lot areas, walks and access ways to the parking lot; maintenance shall include paving, catch basins, curbs, and striping. Provision of parking lot maintenance shall include but not be limited to the following:


- A) Inspect pavement for cracks and heaves semi-annually. Monitor to identify source of cracking, if excessive moisture is found under pavement surfaces due to poor drainage, remove pavement, drain properly, and replace with new pavement.
- B) Re-stripe the parking lot at least once every three (3) years or as necessary to maintain clear designation of spaces, directional symbols and access aisles.
- C) Maintain all parking lot and exterior directional signage, replacing signs as necessary when substantially faded, damaged or missing.

8.7 Site Maintenance: Landlord shall maintain and provide as follows:

- A) The Landlord shall maintain all lawns, grass areas and shrubs, hedges or trees in a suitable, neat appearance and keep all such areas and parking areas free of refuse or litter. Any graffiti shall be promptly removed.
- B) The Landlord shall maintain and repair all exterior lighting fixtures and bulbs, providing same day maintenance and repair when possible.
- C) The Landlord shall clean and wash all exterior cleanable/washable surfaces and repaint all painted surfaces, including remarking painted lines and symbols in the parking lot and access lanes thereto, once every three years, except where surfaces are in disrepair in advance of this time frame, which case it shall be required on a more frequent basis.
- D) The Landlord shall regularly inspect and maintain the roof, including cleaning of roof drains, gutters, and scuppers on a regular basis, and timely control and removal of snow and ice build-up. Flashings and other roof accessories shall be observed for signs of deterioration with remedy provided prior to defect. If interior leaks are detected, the cause shall be determined and a solution implemented as quickly as possible to prevent damage to interior finishes and fixtures. Landlord shall inspect roof seams annually, especially at curbs, parapets, and other places prone to leaks, investigate any ponding, etc. All work on the roof shall be conducted so as to maintain roof warranty.

8.8 Heating Ventilation and Air Conditioning (HVAC): The HVAC system in the Premises shall be maintained regularly and with due diligence in order to ensure continuous compliance with the standards set forth by the State of New Hampshire NH "Clean Indoor Air" act (RSA 10:B) and in accordance with current industry standards set forth by the "American Industrial Hygiene Association" (AIHA) and the "American Society of Heating, Refrigeration and Air-Conditioning Engineers, Inc." (ASHRAE). All HVAC air filters shall be replaced on a semi-annual basis; and the air filters used in the HVAC system shall provide the greatest degree of particulate filtration feasible for use in the Premise's air handling system. All HVAC condensate pans shall be emptied and cleaned on a semi-annual basis. The Landlord shall keep a written record of the dates the required semi-annual HVAC maintenance is provided, submitting a copy of this record to the Tenant on the annual anniversary date of the agreement herein. Any moisture incursions and/or leaks into the Premises shall be repaired immediately, this shall include the repair and/or replacement of any HVAC component which caused the incursion, and the replacement of any and all interior surfaces which have become moisture laden and cannot be dried in entirety to prevent possible future growth of mold.

- A) **Maintenance of Air Quality Standards:** In the event that the referenced statutory requirements for indoor air quality are not met at any time during the term, the Landlord agrees to undertake corrective action within ten (10) days of notice of deficiency issued by the Tenant. The notice shall contain documentation of the deficiency, including objective analysis of the indoor air quality.
- B) Landlord and Tenant agree to meet as requested by either party and review concerns or complaints regarding indoor air quality issues. In the event of any issue not being resolved to the mutual satisfaction of either party within thirty (30) days of such meeting, an independent qualified and licensed professional shall be retained to prepare an objective analysis of air quality, mechanical systems and operations/maintenance procedures. Should the analysis support the complaint of the Tenant, the cost of the report and corrective actions shall be borne by the Landlord. Should the report fail to support any need for corrective action or be the result of changes in occupancy count or space uses by the Tenant from the time of initial occupancy, the cost of the independent consultant shall be borne by the Tenant.

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Date: 

- C) In addition to other provisions of this section, the Landlord hereby agrees to make their best effort to replace any and all malfunctioned HVAC systems or parts the same day that they are notified or observe the damage. In the event that the Landlord is unable to procure and/or install the replacement part, section or unit within said day, the Landlord must notify the Tenant in writing prior to the close of business that day to provide an explanation as to the cause for the delay and the date the deficiencies will be corrected. In this case, the Landlord shall provide temporary air circulation or heat to accommodate the Tenant until the deficiency is remedied.

8.9 Maintenance and Repair of Lighting, Alarm Systems, Exit Signs etc:

Maintenance within the premises shall include the Landlord's timely repair and/or replacement of all lighting fixtures, ballasts, starters, incandescent and fluorescent lamps as may be required. The Landlord shall provide and maintain all emergency lighting systems, fire alarm systems, sprinkler systems, exit signs and fire extinguishers in the Premises and/or located in the building to which the Premises are a part in conformance with requirements set forth by the State of New Hampshire Department of Safety, Fire Marshall's office and/or the requirements of the National Fire Protection Agency (NFPA). Said systems and fire extinguishers shall be tested as required and any deficiencies corrected. A report shall be maintained of all testing and corrections made, with a copy of the report furnished to the Tenant no later than thirty (30) days after each semi-annual update to the report.

8.10 Interior finishes and surfaces:

Any and all suspended ceiling tiles and insulation which becomes damp and/or water marked shall be replaced (tiles shall match existing in texture and color) no later than three (3) days from the date the damage or water incursion is reported by the Tenant or observed by the Landlord. The Landlord shall clean and wash all interior washable surfaces and repaint all interior painted surfaces in colors agreeable to the Tenant at least once every five years, except where surfaces are in disrepair in which case it shall be required on a more frequent basis.


8.11 Janitorial Services: Provision of janitorial services to the Premises shall be as described below, and as specified in a schedule of services that shall be attached as "Exhibit B" hereto.

☐ Janitorial Services shall be provided by the Landlord, as defined and specified in the schedule of services attached as Exhibit B hereto.

OR:

☒ Janitorial Services shall be provided by the Tenant, as defined and specified in the schedule of services attached as Exhibit B hereto.

8.12 Failure to Maintain, Tenant's Remedy: If the Landlord fails to maintain the Premises as provided herein, the Tenant shall give the Landlord written notice of such failure. If within ten (10) calendar days after such notice is given to the Landlord no steps to remedy the condition(s) specified have been initiated, the Tenant may, at their option, and in addition to other rights and remedies of Tenant provided hereunder, contract to have such condition(s) repaired, and the Landlord shall be liable for any and all expenses incurred by the Tenant resulting from the Landlord's failure. Tenant shall submit documentation of the expenses incurred to the Landlord, who shall reimburse the Tenant within thirty (30) days of receipt of said documentation of work. If the Landlord fails to reimburse the Tenant within thirty (30) days, the Tenant shall withhold the amount of the expense from the rental payment(s), reimbursing the Landlord only after the cost of any and all repair expenses have been recovered from the Landlord.

Landlord Initials: 

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9. **Manner of Work, Compliance with Laws and Regulations:** All new construction, renovations and/or alterations to existing buildings, hereinafter known as "work" shall conform to the following:

All work, whether undertaken as the Landlord's or Tenant's responsibility, shall be performed in a good workmanlike manner, and when completed shall be in compliance with all Federal, State, or municipal statute's building codes, rules, guidelines and zoning laws. Any permits required by any ordinance, law, or public regulation, shall be obtained by the party (Tenant or Landlord) responsible for the performance of the construction or alteration. The party responsible shall lawfully post any and all work permits required, and if a "certificate of occupancy" is required shall obtain the "certificate" from the code enforcement authority having jurisdiction prior to Tenant occupancy. No alteration shall weaken or impair the structure of the Premises, or substantially lessen its value. All new construction, alterations, additions or improvements shall be provided in accordance with the Tenant's design intent floor plans, specifications, and schedules; which together shall be called the "Tenant's Design-Build Documents". The Tenant's finalized version of the Design-Build Documents shall be reviewed, accepted, agreed-to and signed by both parties and shall be deemed as part of the lease document.

- 9.1 **Barrier-Free Accessibility:** No alteration shall be undertaken which decreases, or has the effect of decreasing, architecturally Barrier-free accessibility or the usability of the building or facility below the standards and codes in force and applicable to the alterations as of the date of the performance. If existing elements, (such as millwork, signage, or ramps), spaces, or common areas are altered, then each such altered element, space, or common area shall be altered in a manner compliant with the Code for Barrier-Free Design (RSA 275 C:14, ABFD 300-303) and with all applicable provisions for the Americans with Disabilities Act Standards for Accessible Design, Section 4.4.4 to 4.1.3 "Minimum Requirements" (for new construction).

- 9.2 **Work Clean Up:** The Landlord or Tenant, upon the occasion of performing any alteration or repair work, shall in a timely manner clean all affected space and surfaces, removing all dirt, debris, stains, soot or other accumulation caused by such work.

Section 9.3: Deleted


- 9.3 ~~**State Energy Code:** New construction and/or additions that add 25% or greater to the gross floor area of the existing building to which the Premises are a part and/or that are estimated to exceed one million (\$1,000,000) in construction costs, or renovations that exceed 25% of the existing gross floor area, shall conform to all applicable requirements of the State of New Hampshire Energy Code.~~

- 9.4 **Alterations, etc.:** The Tenant may, at its own expense, make any alterations, additions or improvements to the premises; provided that the Tenant obtains prior written permission from the Landlord to perform the work. Such approval shall not be unreasonably withheld.

- 9.5 **Ownership, Removal of Alterations, Additions or Improvements:** All alterations, additions or improvements which can be removed without causing substantial damage to the Premises, and where paid for by the Tenant, shall be the property of the Tenant at the termination of the Lease. This property may be removed by the Tenant prior to the termination of the lease, or within ten (10) days after the date of termination. With the exception of removal of improvements, alterations or renovations which were provided under the terms of the Agreement herein, the Tenant shall leave the Premises in the same condition as it was received, ordinary wear and tear excluded, in broom clean condition, and shall repair any damages caused by the removal of their property.

10. New construction, Additions, Renovations or Improvements to the Premises:

The following provisions shall be applicable to the Agreement herein if new construction, improvements or renovations are provided by the Landlord: The Tenant and Landlord have agreed that prior to Tenant occupancy and the commencement of rental payments the Landlord will complete certain new construction, additions, alterations, or improvements to the Premises, (hereinafter collectively referred to as "Improvements") for the purpose of preparing the same for the Tenant's occupancy. Such improvements shall be provided in conformance with the provisions set forth in Section 9 herein and in conformance with the Tenant's Design-Build specifications and plans which shall be reviewed, accepted, agreed-to and signed by both parties and shall be deemed as part of the lease document. It shall be the Landlord's responsibility to provide any and all necessary construction drawings and/or specifications, inclusive (if required for conformance with applicable permitting process) of provision of licensed architectural or engineering stamp(s), and abiding by all review and permitting processes required by the local code enforcement official having jurisdiction. In connection with these improvements the Landlord warrants, represents, covenants and agrees as follows:

Landlord Initials: 

Date: 

10.1 Provision of Work, etc.: Unless expressly otherwise agreed by both parties, all improvements shall be made at the Landlord's sole expense, with said provision amortized into the Rent set forth herein.

A) In the event Tenant has agreed to the Landlord making certain improvements that are not included within those provided at the sole expense of Landlord or not amortized within the Rent, payment shall either be paid in total after Landlord has successfully completed all agreed improvements, or be paid in accordance with a payment schedule which shall withhold a proportion of the total payment until after Landlord has successfully completed the agreed improvements. Tenant's total additional payment and agreed payment schedule shall be set forth in the Agreement herein as a provision within Exhibit A "Schedule of Payments" herein and be listed as a separate section to the Schedule of Payments.


10.2 Schedule for Completion: All improvements shall be completed in accordance with the "Tenant's Design-Build Documents" which shall be reviewed, accepted, agreed-to and signed by both parties and shall be deemed as part of the lease document, and shall be completed on or before the date set forth in section 3.2 herein for commencement of the "Occupancy Term".

10.3 Landlord's Delay in Completion; Failure to Complete, Tenant's Options: If by reason of neglect or willful failure to perform on the part of the Landlord improvements to the Premises are not completed in accordance with the agreement herein, or the Premises are not completed within the agreed time frame, the Tenant may at its' option:

- A) **Termination of Lease:** Terminate the Lease, in which event all obligations of the parties hereunder shall cease; or
- B) **Occupancy of Premises "As is":** Occupy the Premises in its current condition, provided a "certificate of occupancy" has been issued for the Premises by the code enforcement official having jurisdiction, in which event the rent hereunder shall be decreased by the estimated proportionate cost of the scheduled improvements, reflecting the Landlord's failure to complete the improvements. The decreased rent shall remain in effect until such time the landlord completes the scheduled improvements; or
- C) **Completion of Improvements by Tenant:** Complete the improvements at Tenant's own expense, in which case the amount of money expended by the Tenant to complete the improvements shall be offset and withheld against the rent to be paid hereunder; or
- D) **Delay Occupancy:** The date for Tenant occupancy and commencement of rental payments set forth in Section 3.2 herein, shall at the Tenant's option, be postponed until possession of the Premises is given. In such instance the "Schedule of Payments" set forth in Exhibit A herein shall be amended to reflect the delayed inception date of the Tenant's rental and occupancy, with the date for termination also revised to expire the same number or years and/or months thereafter as originally set forth in the Agreement herein. Commencement of the amended Agreement shall be subject to the provisions of paragraph 3.5 herein.

11. Quiet Enjoyment: Landlord covenants and agrees the Tenant's quiet and peaceful enjoyment of the Premises shall not be disturbed or interfered with by the Landlord, or any person claiming by, through or under the Landlord. Routine maintenance or inspection of the Premises shall be scheduled with Tenant at least one week in advance, to occur during a mutually agreeable time frame, and to be negotiated in good faith by both parties. Notwithstanding the provisions of this section, the Tenant agrees and covenants that in the event of an emergency requiring the Landlord to gain immediate access to the Premises, access shall not be denied.

12. Signs: Tenant shall have the right to erect a sign or signs on the Premises identifying the Tenant, obtaining the consent of the Landlord prior to the installation of the signs; such consent shall not be unreasonably denied. All signs that have been provided by the Tenant shall be removed by them, at their own expense, at the end of the Term or any extension thereof. All damage due to such removal shall be repaired by the Tenant if such repair is requested by the Landlord.

Landlord Initials: 

Date: 

13. **Inspection:** Three (3) months prior to the expiration of the Term, the Landlord or Landlord's agents may enter the Premises during all reasonable working hours for the purpose of inspecting the same, or making repairs, or for showing the Premises to persons interested in renting it, providing that such entrance is scheduled at least 24 hours notice in advance with the Tenant. Six (6) months prior to the expiration of the term, the Landlord may affix to any suitable part of the Premises, or of the property to which the Premises are a part, a notice or sign for the purpose of letting or selling the Premises.

See Exhibit D for provisions replacing Section 14 "Assignment and Sublease"

14. **Assignment and Sublease:** ~~This lease shall not be assigned by the Landlord or Tenant without the prior written consent to the other, nor shall the Tenant sublet the Premises or any portion thereof without Landlord's written consent, such consent is not to be unreasonably withheld or denied. Notwithstanding the foregoing, the Tenant may sublet the Premises or any portion thereof to a government agency under the auspices of the Tenant without Landlord's prior consent.~~


15. **Insurance:** During the Term and any extension thereof, the Landlord shall at it's sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance with respect to the Premises and the property of which the Premises are a part: comprehensive general liability insurance against all claims of bodily injury, death or property damage occurring on, (or claimed to have occurred on) in or about the Premises. Such insurance is to provide minimum insured coverage conforming to: General Liability coverage of not less than one million (\$1,000,000) per occurrence and not less than three million (\$3,000,000) general aggregate; with coverage of Excess/Umbrella Liability of not less than one million (\$1,000,000). The policies described herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance and issued by insurers licensed in the State of New Hampshire. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Tenant no less than ten (10) days prior written notice of cancellation or modification of the policy. The Landlord shall deposit with the Tenant certificates of insurance for all insurance required under this Agreement, (or for any Extension or Amendment thereof) which shall be attached and are incorporated herein by reference. During the Term of the Agreement the Landlord shall furnish the Tenant with certificate(s) of renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the policies.

- 15.1 **Workers Compensation Insurance:** To the extent the Landlord is subject to the requirements of NH RSA chapter 281-A, Landlord shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Landlord shall furnish the Tenant proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The Tenant shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for the Landlord, or any subcontractor of the Landlord, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. **Indemnification:** Landlord will save Tenant harmless and will defend and indemnify Tenant from and against any losses suffered by the Tenant, and from and against any and all claims, liabilities or penalties asserted by, or on behalf of, any person, firm, corporation, or public authority:

See Exhibit D for provisions replacing Section 16.1 "Acts or Omissions of Landlord"

- 16.1 **Acts or Omissions of Landlord:** ~~On account of, or based upon, any injury to a person or loss or damage to property, sustained or occurring, or which is claimed to have been sustained or to have occurred on or about the Premises, on account of or based upon the act, omission, fault, negligence or misconduct of the Landlord, its agents, servants, contractors, or employees.~~
- 16.2 **Landlord's Failure to Perform Obligations:** On account of or resulting from, the failure of the Landlord to perform and discharge any of its covenants and obligations under this Lease and, in respect to the foregoing from and against all costs, expenses (including reasonable attorney's fees) and liabilities incurred in, or in connection with, any such claim, or any action or proceeding brought thereon; and in the case of any action or proceeding being brought against the Tenant by reason of any such claim, the Landlord, upon notice from Tenant shall at Landlord's expense resist or defend such action or proceeding.
- 16.3 **Tenant's Acts or Omissions Excepted:** Notwithstanding the foregoing, nothing contained in this section shall be construed to require the Landlord to indemnify the Tenant for any loss or damage resulting from the acts or omissions of the Tenant's servants or employees. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State.

Landlord Initials: 

Date: 

17. Fire, Damage and Eminent Domain: The Tenant and Landlord agree that in the event of fire or other damage to the Premises, the party first discovering the damage shall give immediate notice to the other party. Should all or a portion of the Premises, or the property to which they are a part, be substantially damaged by fire or other peril, or be taken by eminent domain, the Landlord or the Tenant may elect to terminate this Lease. When such fire, damage or taking renders the Premises substantially unsuitable for their intended use, a just and proportionate abatement of the rent shall be made as of the date of such fire, damage, or taking, remaining in effect until such time as the Tenant's occupancy and use has been restored in entirety.

17.1 Landlord's Repair: In the event of damage to the Premises that can be repaired within ninety (90) days:

- A) No later than five (5) days after the date of damage to the Premises, the Landlord shall provide the Tenant with written notice of their intention to repair the Premises and restore its previous condition; and,
- B) The Landlord shall thereupon expeditiously, at their sole expense and in good and workmanlike manner, undertake and complete such repairs that are necessary to restore the Premises to its previous condition.
- C) The Landlord shall provide alternate temporary space for the Tenant until such time that the Premises are restored to a condition that is substantially suitable for the Tenant's intended use. Alternate temporary space is subject to the acceptance of the Tenant. Should said temporary space provide less square footage and/or limited services for the Tenant's use, a proportionate abatement of the rent shall be made.

17.2 Tenant's Remedies: In the event the Premises cannot be repaired within ninety (90) days of said fire or other cause of damage, or the Tenant is unwilling or unable to wait for completion of said repair, the Tenant may, at its sole discretion, terminate the agreement herein effective as of the date of such fire or damage, without liability to the Landlord and without further obligation to make rental payments.

17.3 Landlord's Right To Damages: The Landlord reserves, and the Tenant grants to the Landlord, all rights which the Landlord may have for damages or injury to the Premises, or for any taking by eminent domain, except for damage to the Tenant's fixtures, property, or equipment, or any award for the Tenant's moving expenses.


18. Event of Default; Termination by the Landlord and the Tenant:

18.1 Event of Default; Landlord's Termination: In the event that:

- A) **Tenant's Failure to Pay Rent:** The Tenant shall default in the payment of any installment of the rent, or any other sum herein specified, and such default shall continue for thirty (30) days after written notice thereof; or
- B) **Tenant's Breach of Covenants, etc.:** The Tenant shall default in the observation of or performance of, any other of the Tenant's covenants, agreements, or obligations hereunder and such default is not corrected within thirty (30) days of written notice by the Landlord to the Tenant specifying such default and requiring it to be remedied then: The Landlord may serve ten (10) days written notice of cancellation of this Lease upon the Tenant, and upon the expiration of such ten days, this Lease and the Term hereunder shall terminate. Upon such termination the Landlord may immediately or any time thereafter, without demand or notice, enter into or upon the Premises (or any part thereon) and repossess the same.

18.2 Landlord's Default: Tenant's Remedies: In the event that the Landlord defaults in the observance of any of the Landlord's covenants, agreements and obligations hereunder, and such default shall materially impair the habitability and use of the Premises by the Tenant, and is not corrected within thirty (30) days of written notice by the Tenant to the Landlord specifying such default and requiring it to be remedied, then the Tenant at its option, may withhold a proportionate amount of the rent until such default is cured, or it may serve a written five (5) day notice of cancellation of this Lease upon the Landlord, and upon the expiration of such a five day period the Lease shall terminate. If any such default of the Landlord does not materially impair the habitability and use of the Premises by the Tenant, the Landlord shall cure such default within thirty (30) days of written notice or within a reasonable alternative amount of time agreed upon in writing by Tenant, failing which, Tenant may terminate this Lease upon ten (10) days written notice to Landlord.

18.3 Rights Hereunder: The rights granted under this Section are in addition to, and not in substitution for, any rights or remedies granted herein to the parties, or any rights or remedies at law, or in equity.

Landlord Initials: 

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19. **Surrender of the Premises:** In the event that the Term, or any extension thereof, shall have expired or terminated, the Tenant shall peacefully quit and deliver up the Premises to the Landlord in as good order and condition, reasonable wear, tear, and obsolescence and unavoidable casualties excepted, as they are in at the beginning of the term of this lease, and shall surrender all improvements, alterations, or additions made by the Tenant which cannot be removed without causing damage to the Premises. The Tenant shall remove all of its' personal property surrendering the Premises to the Landlord in broom clean condition.

20. Hazardous Substances:

20.1 **Disclosure:** The Landlord warrants that to their knowledge and belief, the Premises are free of present or potential contamination which may impact the health or safety of the occupants; examples include but are not limited to: hazardous substances such as asbestos, lead and/or mold.

20.2 **Maintenance/Activity Compliance:** In the event hazardous materials are present, the Landlord further warrants that all custodial, maintenance or other activities on the Premises will be conducted in compliance with applicable statutes, regulations and/or accepted protocols regarding the handling of said materials.

20.3 **Action to Remove/Remediate:** The Landlord shall promptly take all actions that may be necessary to assess, remove, and/or remediate Hazardous Substances that are on, or in the Premises or the building to which the Premises is a part. Said action shall be to the full extent required by laws, rules, accepted industry standard protocols and/or other restrictions or requirements of governmental authorities relating to the environment, indoor air quality, or any Hazardous Substance. Notwithstanding the foregoing, the provisions of 20.5 herein regarding Asbestos shall prevail.

20.4 **Non-Permitted Use, Generation, Storage or Disposal:** The Tenant shall not cause or permit Hazardous Substances to be used, generated, stored or disposed of in the Premises or the building to which it is a part. The Tenant may, however, use minimal quantities of cleaning fluid and office or household supplies that may constitute Hazardous Substances, but that are customarily present in and about premises used for the Permitted Use.

20.5 Asbestos:

A) No later than thirty (30) days after the inception of the term herein, the Landlord shall provide the Tenant with the results of an asbestos inspection survey of the Premises and any common areas of the building which may affect the Tenant occupants or its clients. The inspection shall identify all accessible asbestos in these areas of the building and shall be performed by a person certified in accordance with State law and satisfactory to the Tenant. The results of the inspection shall be made a part of the Agreement herein.

B) In the event that asbestos containing material are identified which are in the status of "significantly damaged" or "damaged" (as described in "40 CFR 763") these materials shall be abated in a manner satisfactory to the Tenant, including provision of acceptable air monitoring using Phase Contrast Microscopy.

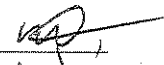
See Exhibit D for provisions replacing Section 20.5 Asbestos (C)

~~C) In the event that asbestos containing materials are identified, but which are not damaged, the Landlord shall install an operations and maintenance program satisfactory to the Tenant which is designed to periodically re-inspect asbestos containing materials and to take corrective action as specified in 20.5 (b) above when appropriate. Results of such re-inspections and all air quality monitoring shall be provided to the Tenant within 14 (fourteen) days of completion.~~

20.6 Material Safety Data Sheets (MSDS)

A) The Landlord shall submit MSDS for any and all materials, including cleaning products, introduced to the Premises to the Tenant prior to use. This will enable the Tenant to review submittals for possible adverse health risks associated with the products.

B) At time of occupancy by the Tenant, the Landlord shall provide the Tenant with MSDS for all products incorporated into the Work. This submittal shall be provided in duplicate form presented in three ring binders, categorized in Construction Standards Institute (CSI) format.

Landlord Initials: 

Date: 

21. Broker's Fees and Indemnification: The Landlord agrees and warrants that the Tenant owes no commissions, fees or claims with any broker or finder with respect to the leasing of the Premises. All claims, fees or commissions with any broker or finder are the exclusive responsibility of the Landlord, who hereby agrees to exonerate and indemnify the Tenant against any such claims.

22. Notice: Any notice sent by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by registered or certified mail, postage prepaid, in a United States Post Office, addressed to the parties at the addresses provided in Section 1 herein.

23. Required Property Management and Contact Persons: During the Term both parties shall be responsible for issuing written notification to the other if their contact person(s) changes, providing updated contact information at the time of said notice.

23.1 Property Management: Notwithstanding the provisions of Section "22 Notice", the Landlord shall employ and/or identify a full time property manager or management team for the Premises who shall be responsible for addressing maintenance and security concerns for the Premises and issuing all reports, testing results and general maintenance correspondence due and required during the Term. The Landlord shall provide the Tenant with the information listed below for the designated management contact person for use during regular business hours and for 24-hour emergency response use.

LANDLORD'S PROPERTY MANAGEMENT CONTACT:

Name: Rob Pearson

Title: Property Manager

Address: 149 Emerald Street, Keene NH 03431 Phone: (603) 716-7301

Email Address: katel@cpmanagement.com

23.2 Tenant's Contact Person: Notwithstanding the provisions of Section "22 Notice", the Tenant shall employ and/or identify a designated contact person who shall be responsible for conveying all facility concerns regarding the Premises and/or receiving all maintenance reports, testing results and general correspondence during the term. The Tenant shall provide the Landlord with the information listed below for the designated contact person.

TENANT'S CONTACT PERSON:

Name: Ernest Liakas

Title: Administrator, NH Employment Security

Address: 45 South Fruit Street, Concord NH 03301 Phone: (603) 229-4412

Email Address: ernest.liakais@NHES.nh.gov

24. Landlord's Relation to the State of New Hampshire: In the performance of this Agreement the Landlord is in all respects an independent contractor, and is neither an agent nor an employee of the State of New Hampshire (the "State"). Neither the Landlord nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

25. Compliance by Landlord with Laws and Regulations/Equal Employment Opportunity:

25.1 Compliance with Laws, etc: In connection with the performance of the Services set forth herein, the Landlord shall comply with all statutes, laws, regulations and orders of federal, state, county or municipal authorities which impose any obligations or duty upon the Landlord, including, but not limited to, civil rights and equal opportunity laws. In addition, the Landlord shall comply with all applicable copyright laws.

A) The Tenant reserves the right to offset from any amounts otherwise payable to the Landlord under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

25.2 Discrimination: During the term of this Agreement, the Landlord shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

25.3 Funding Source: If this Agreement is funded in any part by monies of the United States, the Landlord shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulation of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines of the State of New Hampshire or the United States issued to implement these

Landlord Initials: RP

Date: 6/24/15

regulations. The Landlord further agrees to permit the State or United States access to any of the Landlord's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

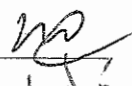
26. Personnel:

The Landlord shall at its' own expense provide all personnel necessary to perform any and/or all services which they have agreed to provide. The Landlord warrants that all personnel engaged in the services shall be qualified to perform the services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

27. Bankruptcy and Insolvency: If the Landlord's leasehold estate shall be taken in execution, or by other process of law, or if any receiver or trustee shall be appointed for the business and property of the Landlord, and if such execution or other process, receivership or trusteeship shall not be discharged or ordered removed within sixty (60) days after the Landlord shall receive actual notice thereof, or if Landlord shall be adjudicated a bankrupt, or if Landlord shall make a general assignment of its leasehold estate for the benefit of creditors, then in any such event, the Tenant may terminate this lease by giving written notice thereof to the Landlord.

28. Miscellaneous:

- 28.1 Extent of Instrument, Choice of Laws, Amendment, etc.:** This Lease, which may be executed in a number of counterparts, each of which shall have been deemed an original but which shall constitute one and the same instrument, is to be construed according to the laws of the State of New Hampshire. It is to take effect as a sealed instrument, is binding upon, inures to the benefit of, and shall be enforceable by the parties hereto, and to their respective successors and assignees, and may be canceled, modified, or amended only by a written instrument executed and approved by the Landlord and the Tenant.
- 28.2 No Waiver or Breach:** No assent by either party, whether express or implied, to a breach of covenant, condition or obligation by the other party, shall act as a waiver of a right for action for damages as a result of such breach, nor shall it be construed as a waiver of any subsequent breach of the covenant, condition, or obligation.
- 28.3 Unenforceable Terms:** If any terms of this Lease, or any application thereof, shall be invalid or unenforceable, the remainder of this Lease and any application of such terms shall not be affected thereby.
- 28.4 Meaning of "Landlord" and "Tenant":** Where the context so allows, the meaning of the term "Landlord" shall include the employees, agents, contractors, servants, and licensees of the Landlord, and the term "Tenant" shall include the employees, agents, contractors, servants, and licensees of the Tenant.
- 28.5 Headings:** The headings of this Lease are for purposes of reference only, and shall not limit or define the meaning hereof.
- 28.6 Entire Agreement:** This Lease embodies the entire agreement and understanding between the parties hereto, and supersedes all prior agreements and understandings relating to the subject matter hereof.
- 28.7 No Waiver of Sovereign Immunity:** No provision of this Lease is intended to be, nor shall it be, interpreted by either party to be a waiver of sovereign immunity.
- 28.8 Third Parties:** The parties hereto do not intend to benefit any third parties, and this agreement shall not be construed to confer any such benefit.
- 28.9 Special Provisions:** The parties' agreement (if any) concerning modifications to the foregoing standard provisions of this lease and/or additional provisions are set forth in Exhibit D attached and incorporated herein by reference.
- 28.10 Incompatible Use:** The Landlord will not rent, lease or otherwise furnish or permit the use of space in this building or adjacent buildings, or on land owned by or within the control of the Landlord, to any enterprise or activity whereby the efficient daily operation of the Tenant would be substantively adversely affected by the subsequent increase in noise, odors, or any other objectionable condition or activity.

Landlord Initials: 

Date: 

IN WITNESS WHEREOF; the parties hereto have set their hands as of the day and year first written above.

TENANT: The State of New Hampshire, acting through its' Department of: _____

New Hampshire Employment Security _____

Authorized by: (full name and title) Arthur W. Sullivan Commissioner

LANDLORD: (full name of corporation, LLC or individual) _____

Brady Sullivan Keene Properties, LLC _____

Authorized by: (full name and title) Arthur W. Sullivan

Signature

Print: Arthur W. Sullivan
Name & Title member manager

NOTARY STATEMENT: As Notary Public and/or Justice of the Peace, REGISTERED IN THE STATE
OF: New Hampshire COUNTY OF: Hillsborough
UPON THIS DATE (insert full date) June 24, 2015, appeared before
me (print full name of notary) Maryann Finocchiaro the undersigned officer personally
appeared (insert Landlord's signature) Arthur W. Sullivan
who acknowledged him/herself to be (print officer's title, and the name of the corporation) member/manager
of Brady Sullivan Keene Properties, LLC and that as such

Officer, they are authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing him/herself in the name of the corporation.

In witness whereof I hereunto set my hand and official seal. (provide notary signature and seal)
Maryann Finocchiaro

MARYANN FINOCCHIARO, Notary Public
My Commission Expires August 22, 2017

APPROVALS:
Recommendation(s) regarding the approval of the Agreement herein issued by the "Architectural Barrier-Free Design Committee" of the "Governors' Commission on Disability" have been set forth in a "Letter of Recommendation" which has been attached hereto and made part of the Agreement herein by reference.

Approved by the Department of Justice as to form, substance and execution:

Approval date: 7/2/15

Approving Attorney: [Signature]

Approved by the Governor and Executive Council:

Approval date: _____

Signature of the Deputy Secretary of State: _____

Landlord Initials: [Signature]
Date: 6/24/15

The following Exhibits shall be included as part of this lease:

EXHIBIT A SCHEDULE OF PAYMENTS

Part I: Rental Schedule: *Insert or attach hereto a schedule documenting all rental payments due during the initial Term and during any extensions to the Term. Specify the annual rent due per year, the resulting approximate cost per square foot, monthly rental payments due, and the total rental cost of the Term. Define and provide methodology for any variable escalation (such as Consumer Price Index escalation) clauses which may be applied towards the annual rent, setting forth the agreed maximum cost per annum and term.*

Rent for the Premises shall be due and payable in accordance with the rental schedule below. The cost per "Square Foot" (SF) documented below is based on the 4,960 demise of the Premises located within tenant Suite "Y" and "V1", and includes the right of Tenants use of all common area parking with no additional charge.

10-YEAR RENTAL SCHEDULE

Year	EFFECTIVE DATES	SQ. FT.	MONTHLY COST	ANNUAL COST	Approx. SF COST	Approx. % INCREASE
1	November 1, 2015 – October 31, 2016	4,960	\$7,365.00	\$88,380.00	\$17.82	
2	November 1, 2016 – October 31, 2017	4,960	\$7,365.00	\$88,380.00	\$17.82	0%
3	November 1, 2017 – October 31, 2018	4,960	\$7,365.00	\$88,380.00	\$17.82	0%
4	November 1, 2018 – October 31, 2019	4,960	\$7,365.00	\$88,380.00	\$17.82	0%
5	November 1, 2019 – October 31, 2020	4,960	\$7,365.00	\$88,380.00	\$17.82	0%
6	November 1, 2020 – October 31, 2021	4,960	\$7,365.00	\$88,380.00	\$17.82	0%
7	November 1, 2021 – October 31, 2022	4,960	\$7,365.00	\$88,380.00	\$17.82	0%
8	November 1, 2022 – October 31, 2023	4,960	\$7,365.00	\$88,380.00	\$17.82	0%
9	November 1, 2023 – October 31, 2024	4,960	\$7,365.00	\$88,380.00	\$17.82	0%
10	November 1, 2024 – October 31, 2025	4,960	\$7,365.00	\$88,380.00	\$17.82	0%
10 YEAR TOTAL				\$883,800.00		

Part II: Additional Costs: *Disclose and specify any additional Tenant costs or payments which are not part of the "rent" set forth in "Part I" above but due and payable under the terms of the Agreement herein. Disclosure to include the dates or time frames such payments are due, and if applicable a "schedule of payments" for any installments to be paid towards the total additional payment.*

Additional payments may be made to the Landlord by the Tenant as unencumbered payments under this agreement for alterations, renovations and modifications to the Premises, up to \$1,000.00 per event, not to exceed a maximum of \$5,000.00 per year, subject to the mutual agreement of both the Landlord and the Tenant and without further approval of the Governor and Council for the duration of this lease agreement.

Landlord Initials: 

Date: 6/24/15

EXHIBIT B

JANITORIAL SERVICES: *specify which party shall be responsible for provision of janitorial services to the Premises (and/or portions of the Premises) during the Term. Specify what those services shall include, and how often they shall be provided. Provide any additional information required for clarification of duties and scheduling.*

- a) The Tenant shall be responsible for provision of Janitorial and Recycling services inside of the demised Premises; while the Landlord shall be responsible for such services to all common areas of the building to which the Premises are a part.
- b) The Tenant or the Tenant's contractor shall provide janitorial services in a timely manner, keeping the Premises in a neat, safe and orderly condition throughout the Term.
 - i) All rubbish and/or recycling materials shall be collected in a timely fashion and removed from the Premises.

EXHIBIT C

Provisions for Architecturally Barrier – Free Accessibility, "Clean Air" compliance, Improvements and Recycling


Part I Architecturally Barrier-Free access to the Premises conforming with all applicable codes and regulations which are in effect as of the date of inception of the Term shall be provided unless otherwise agreed by the parties hereto and agreed by the "Architectural Barrier-Free Design Committee". If Barrier-Free access is deficient it shall be provided after the inception of the Term herein by making certain renovations and/or alterations to the Premises which shall include all recommendations set forth by the State of New Hampshire's "Architectural Barrier-Free Design Committee" (AB Committee) in their "Letter of Recommendation" which has been attached hereto and made part of the Agreement herein by reference. *Specify in text and/or illustrate the manner in which all renovations recommended by the AB Committee will be provided at the Premises. Define which party, the Landlord or Tenant, shall be responsible for providing and funding said renovations and the time frame allowed for completion.*

As set forth in the agreement herein all work provided to the Premises during renovations described in Part III herein shall conform to all applicable codes including but not limited to those pertaining to architecturally barrier-free accessibility. Such renovations shall also include any improvements specifically requested by the State of New Hampshire's Architectural Barrier-Free Design (AB) Committee in their "letter of recommendation" which shall be attached herein.

Part II Certification from the State of New Hampshire Department of Environmental Services ("Environmental Services") stating the Premises comply with the requirements of State of New Hampshire RSA 10:B "Clean Indoor Air in State Buildings" ("clean air") as defined by Chapter Env-A 2200 has either been obtained and a copy of said certification attached herein, or shall be obtained in accordance with the following:

No later than thirty (30) days after the commencement of the Term herein the air quality of the Premises shall be tested in conformance with requirements set forth in Chapter Env-A 2200 in accordance with the requirements of the Agreement herein. *Specify which party – the Landlord or the Tenant- shall schedule and pay for the required testing. In the event of testing results demonstrating the Premises do not conform with all or part of the requirements of Chapter Env-A 2200, specify which party will be responsible for providing and paying for the alterations and repairs necessary to remedy the non-conformity, the time frame to be allowed for providing remedy, and which party shall bear the cost of re-testing and repair required until such time a "certification of compliance" is issued.*

After completion of renovations but prior to Tenant's occupancy, the Landlord at their sole expense shall be responsible for hiring technicians which meet the State of New Hampshire Department of Environmental Services (NHDES) criteria of professional accreditation to perform NHDES "Clean Indoor Air" tests in the Premises as set forth in Administrative Rules Chapter Env – A2200. In accordance with these rules within five (5) days of receipt of the air quality results the Landlord shall submit a copy to the Tenant, and a notarized copy to NHDES, the copy addressed to NHDES shall be delivered to: "Indoor Air Quality Program", Hazen Drive, P.O. Box 95, Concord, NH 03302-0095. In the instance of testing results showing deficiency in any criterion, the Landlord shall consult with the State of New Hampshire and the testing lab that performed the testing to gain their recommendation of "best practice" for provision of remedy, and thereafter implement provision of such remedy through repair/alteration to the Premises. Any and all required repairs or alterations determined to be necessary under this provision shall be completed within a reasonable time frame, in no instance exceeding thirty (30) days after report of the deficiency. After the completion of all repairs the Landlord shall provide air-quality testing for the previously deficient area to prove remedy has been provided, the results shall be sent to the Tenant as proof of conformance. The Landlord shall be obligated to comply with the forgoing protocol until such time the Premises conform to Environmental Services "ENV-A2200" standards.

Landlord Initials: 

Date: 

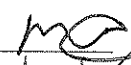
Part III Improvements, Renovations or New Construction ("work"): In the event that the Agreement herein includes provisions for such "work" to be provided, the Tenant's finalized version of Design-Build floor plans, specifications and any supplemental defining documents depicting all "work" shall be reviewed, accepted, agreed-to and signed by both parties and shall be deemed as part of the lease document. The Tenant and the Landlord shall both retain copies of these documents. Tenant shall provide complete copies to the State of New Hampshire, Department of Administrative Services, Bureau of Planning and Management.

1. No later than the date set forth in "3.2 Occupancy Term" herein, the Landlord shall, at the sole expense of the Landlord, substantially complete provision of all required construction and improvements to the Premises delivering it in "turn-key" condition to the Tenant. Scope of improvements shall be as defined in the following documents attached hereto:
 - a. Tenant Design-Build Improvement Specifications for the Premises located at: Center at Keene, 149 Emerald Street, Suite Y & V1, Keene NH, and;
 - b. Tenant's Demise Plan, 1st floor, DWG-1
 - c. Tenant's Design-Build Plan, 1st floor, DWG-2
 - d. Tenant's Parking Layout Sketch, DWG-3
2. The Landlord's minimum obligation regarding provision and fit up of the Premises shall include but not be limited to provision of the level of quality, type of space, configuration, specifications and finishes set forth in the documents listed above, including provision of an interior layout conforming to that which is shown in the Tenant's plans. Notwithstanding the foregoing the Tenant shall allow for reasonable variations if needed in order to accommodate structural and/or mechanical requirements.

Part IV Recycling: The manner in which recycling at the Premises will be implemented and sustained is either documented below or as specified in the attachment hereto titled "Recycling" which shall be made part of the Agreement by reference.

The Tenant or the Tenant's janitorial provider shall bag and remove items for recycling, conveying and depositing them in a community recycling center, collected in the following manner:

1. Approximately once (one time) per week the Tenant's janitorial service provider ("Provider") or staff members shall gather waste products for recycling from the Premises, these items shall be properly sorted and deposited into garbage bags;
2. The Provider shall ascertain the weight of such bags documenting the approximate average weight of full or partially full bags per commodity.
3. Upon each collection the Provider shall document via notation ("tick marks on a clipboard will suffice) the number of bags collected per commodity and whether the bags are full or partially full.
4. At the end of each month the Provider shall tally the number of bags (detailed by full or partially full) collected per commodity and multiply that sum by the average weight of such bags.
5. On a Quarterly basis the Provider shall send the results of these monthly volume tallies to the Tenant's "Contact Person" (listed in section 23.2 herein) in order to provide conformance with State of New Hampshire recycling reporting requirements.

Landlord Initials: 

Date: 

**EXHIBIT D
SPECIAL PROVISIONS**

The parties' agreements concerning modifications or additions to the foregoing standard provisions of this lease shall be as set forth below or attached hereto and incorporated by reference:

SPECIAL PROVISIONS:

- 1) Public Disclosure: RSA 91-A obligates disclosure of contracts (which includes operating leases) resulting from responses to RFPs. As such, the Secretary of State provides to the public any document submitted to G&C for approval, and posts those documents, including the contract, on its website. Further, RSA 9-F:1 requires that contracts stemming from RFPs be posted online. By submitting a proposal and entering into the Agreement herein the Landlord acknowledges and agrees that, in accordance with the above mentioned statutes and policies, (and regardless of whether any specific request is made to view any document relating to this RFP), the lease agreement herein will be made accessible to the public online via the State's website without any redaction whatsoever.
- 2) Federal Debarment, Suspension and Other Responsibility Matters – Primary Covered Transactions: The "List of Parties Excluded From Federal Procurement or Non-procurement Programs" was reviewed and the Landlord was not on the list (see the attached search results). Should Landlord, during the term of this lease agreement, be disbarred, suspended or proposed for debarment, Tenant may continue the lease in existence at the time the Landlord was debarred, suspended, or proposed for debarment unless the Tenant directs otherwise. Should Landlord be debarred, suspended, or proposed for debarment, unless the Tenant makes a written determination of the compelling reasons for doing so, Tenant shall not exercise options, or otherwise extend the duration of the current lease agreement.
- 3) Tenant Insurance: NH Employment Security (the Tenant) shall add the Premises to its current general insurance policy which provides tenant Insurance for various offices statewide. The Tenant shall provide the Landlord proof of such insurance by submitting a copy of the current certification of insurance to the Landlord prior to occupancy of the Premises.

MODIFICATION OF STANDARD PROVISIONS:

Note- text which differs from the original provision is in italics

- A. The standard provisions of Section 14 "Assignment and Sublease" are deleted, replaced by the following:

Section 14 "Assignment and Sublease": This lease shall not be assigned by the Landlord or Tenant without the prior written consent to the other, nor shall the Tenant sublet the Premises or any portion thereof without Landlord's written consent, such consent is not to be unreasonably withheld or denied. Notwithstanding the foregoing, the Tenant may sublet the Premises or any portion thereof to a *government entity or non-government entity provision services consistent with the provisions of section 7 herein* under the auspices of the Tenant without Landlord's prior consent.

- B. The standard provisions of Section 16.1 "Acts or Omissions of Landlord" are deleted, replaced by the following:


Section 16.1 "Acts or Omissions of Landlord": On account of, or based upon, any injury to a person or loss or damage to property, sustained or occurring, or which is claimed to have been sustained or to have occurred on or about the Premises, on account of or based upon the act, omission, fault, negligence or misconduct of the Landlord, its agents, servants, contractors, or employees and, in respect to the foregoing from and against all costs, expenses (including reasonable attorney's fees) and liabilities incurred in, or in connection with, any such claim, or any action or proceeding brought thereon; and in the case of any action or proceeding being brought against the Tenant by reason of any such claim, the Landlord, upon notice from Tenant shall at Landlord's expense resist or defend such action or proceeding

- C. The standard provisions of Section 17.1 (C) "Landlord's Repair" are deleted, replaced by the following:

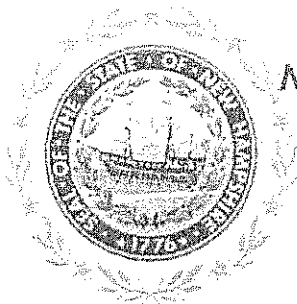
Section 17.1 (C): The Landlord shall provide alternate temporary space for the Tenant until such time that the Premises are restored to a condition that is substantially suitable for the Tenant's intended use. Alternate temporary space is subject to the acceptance of the Tenant. Should said temporary space provide less square footage and/or limited services for the Tenant's use, a proportionate abatement of the rent shall be made.

- D. The standard provisions of Section 20.5 Asbestos (C) are deleted, replaced by the following:

C) In the event that asbestos containing materials are identified, but which are not damaged, the Landlord shall install an operations and maintenance program satisfactory to the Tenant which is designed to re-inspect asbestos containing materials every *three (3) months* and to take corrective action as specified in 20.5 (b) above when appropriate. Results of such re-inspections and all air quality monitoring shall be provided to the Tenant within 14 (fourteen) days of completion.

Landlord Initials: 

Date: 



**New Hampshire
Governor's Commission on Disability**

"Removing Barriers to Equality"



Margaret Wood Hassan, Governor
Paul Van Blarigan, Chair
Charles J. Saia, Executive Director

To the Honorable Governor Maggie Hassan and Members of the Executive Council

Requested Action

RECOMMENDATION REGARDING LEASE APPROVAL

Lessee: NH Employment Security, NH Works, Keene District Office
Location: New lease at: 149 Emerald Street, Suites Y & V1, Keene, NH 03431
Lessor: Brady Sullivan Keene Properties, 670 Commercial Street, Manchester NH 03101
Term: Ten (10) years: Contract commences September 1, 2015 thereafter ninety (90) days for fit-up resulting in: Occupancy/Rental commences December 1 2015, Term expiration November 30, 2025.

In accordance with the administrative rules codified in Adm 610.16 (e) (3), The Governor's Commission on Disability's (GCD) Committee on Architectural Barrier Free-Design (ABFDC) has opined that the leased location referenced above and referred to herein, meets barrier free requirements, subject to the conditions contained in this Letter of Recommendation. The AB Committee respectfully recommends that the subject LEASE of approximately **4,910 square feet** of space be **approved, with the following conditions, as stated herein.**

Upon completion all renovations specified in the Lease agreement and supportive Design-Build Documents must comply with the provisions set forth in this letter and with all applicable building codes, including but not limited to the Code for Barrier-Free Design for the State of New Hampshire and the State Building Code. When applicable (designated by "LAHJ approval required"), renovation plans shall be submitted to the local authority having jurisdiction (i.e., Building Inspector, Code Enforcement Officer) for approval.

Handwritten signature and date: 6/24/15

CONDITIONS: Approval is conditionally recommended by the ABFDC contingent upon all renovations and improvements being provided as specified in the Lessee's lease agreement and design-build specifications and plans, and upon the following:

1. Van Accessible parking and access aisle placement on the "public" side of the building shall be provided as shown in "Option A" of the "Accessible Parking Sketch" presented to the ABFDC during their May 19, 2015 meeting. As which all scheduled renovations the changes to the parking area and path-of-travel to the Lessee's entrances shall be completed prior to occupancy.
2. All proposed revisions to the Lessee's design build plans or specifications shall be submitted for approval by the Architectural Barrier-Free Design Committee (ABFDC) and the local authority having jurisdiction (i.e. the Building Inspector).
3. If Lessor's construction drawings vary from the lessee's design build drawings (presented to and reviewed by the ABFDC) any revisions shall be submitted to the ABFDC at no more than 60% completion for additional plan review.
4. After substantial completion but prior to occupancy the ABFDC shall be notified and welcomed to conduct an accessibility site evaluation visit.

A representative for the Lessee or a designee of the Lessee shall provide the ABFDC proof of completion by photographs and/or paid invoices for the items listed above within forty five (45) days after commencement of the lease occupancy term, and shall certify to the ABFDC that the conditions outlined herein and as set forth in the Lease Agreement and related attachments have been satisfied.

This recommendation is based upon the site-survey completed by Administrative Services and on the assurances of the Lessee's ADA Coordinator. The ABFDC cannot survey all state leased properties however as a safeguard for the State against potential ADA litigation, and to assure access for persons with disabilities, random surveys shall be performed.

Respectfully submitted and approved by the **Architectural Barrier-Free Design Committee,**

Mark Weir (gax)

Mark Weir, Acting Chair

Cc:

Charles J. Saia, Esq., Executive Director
Governor's Commission on Disability

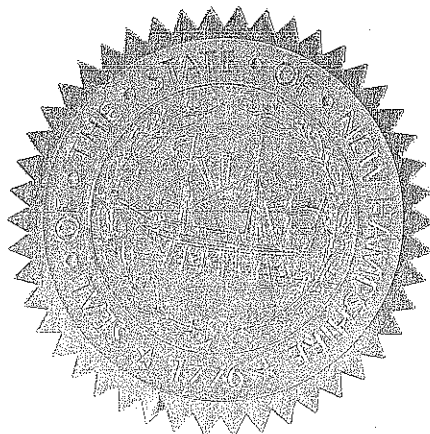
MS
6/24/15

State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Brady Sullivan Keene Properties, LLC is a New Hampshire limited liability company formed on January 14, 2014. I further certify that it is in good standing as far as this office is concerned, having filed the annual report(s) and paid the fees required by law; and that a certificate of cancellation has not been filed.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 24th day of June, A.D. 2015

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

UNANIMOUS WRITTEN CONSENT OF
THE MEMBERS OF
BRADY SULLIVAN KEENE PROPERTIES, LLC

The undersigned being all of the Members of Brady Sullivan Keene Properties, LLC, a New Hampshire limited liability company, (the "Company") in lieu of a meeting of the Members of this Company and pursuant to the authority of the Limited Liability Company, does hereby agree and consent to the following actions:

WHEREAS the undersigned, Members of the Company, have deemed it to be in the best interest of the Company for it to engage in the purchase and sale of various real properties from time to time, refinance transactions, and any and all other matters contemplated in the Company's best interest, upon the terms and conditions set forth in any such agreements to be executed by any of the parties listed below.


NOW, THEREFORE, be it


Authority to Execute Instruments.


RESOLVED, that each of Shane D. Brady, Arthur W. Sullivan, Charles N. Panasis and Benjamin Kelley, and hereby they each are, individually and without the need of joint action, authorized and empowered to execute, in the name and on behalf of the Company, and deliver any and all documents and instruments required to be signed and executed in connection and on behalf of the Company on the terms and conditions as deemed appropriate by the individual acting pursuant thereto, and that the undersigned members hereby ratify and confirm any and all actions taken prior to the date hereof in order to accomplish the same;

FURTHER RESOLVED, that each of Shane D. Brady, Arthur W. Sullivan, Charles N. Panasis and Benjamin Kelley, be, and hereby they are each individually and without the need of joint action, authorized and empowered to executed, in the name and on behalf of the Company, and deliver all such further instruments and documents in the name and on behalf of the Company and under its seal or otherwise, and to pay such expenses, if any, as in his judgment shall be necessary, proper, or advisable in order to more fully carry out the intent and accomplish the purposes of the foregoing resolutions and each of them.

WITNESS the due execution hereof this 1st day of July, 2015.


Arthur W. Sullivan, Member


Shane D. Brady, Member


Charles N. Panasis, Member


Benjamin Kelley, Member



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
2/18/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER FIAI/Cross Ins-Manchester 1100 Elm Street Manchester NH 03101	CONTACT NAME: Karen Shaughnessy PHONE (A/C No. Ext): (603) 669-3218 FAX (A/C No.): (603) 645-4331 E-MAIL ADDRESS: kshaughnessy@crossagency.com
INSURED Brady Sullivan Properties Kevin McLaughlin 670 No Commercial Street #303 Manchester NH 03101	INSURER(S) AFFORDING COVERAGE INSURER A: Travelers Ins. Co. INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES

CERTIFICATE NUMBER: CL142402171

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR VWD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> No Deductible <input checked="" type="checkbox"/> Terrorism included GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC			6308C215631	2/1/2014	2/1/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 5,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			ZUP15S00611	2/1/2014	2/1/2015	EACH OCCURRENCE \$ 25,000,000 AGGREGATE \$ 25,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> Y N/A		YE089D36805 (3a.) FL, MA, NH, RI & VT Arthur Sullivan & Shane & David Brady excluded	12/28/2013	12/28/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

RE: Brady Sullivan Keene Properties LLC, 210 West Street, Colony Mill, Keene NH 03431 & 149 Emerald Street, Center of Keene, Keene NH. Refer to policy for exclusionary endorsements and special provisions.

CERTIFICATE HOLDER

CANCELLATION

NBT Bank, N.A.
ISAOA ATIMA
52 South Broad Street
Norwich, NY 13815

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Grady Crews/KS5

**STATE OF NEW HAMPSHIRE
INTER-DEPARTMENT COMMUNICATION**

(3245-54, 55)

FROM: Charles R. Schmidt, PE
Administrator**DATE:** July 20, 2015**AT:** Dept. of Transportation
Bureau of Right-of-Way**SUBJECT:** Granting of an Access Point in Gilford
RSA 4:39-c**TO:** Representative Gene Chandler, Chairman
Long Range Capital Planning and Utilization Committee**REQUESTED ACTION**

The Department of Transportation, pursuant to RSA 4:39-c, requests authorization to sell an access point (ingress only) through the Limited Access Right-of-Way (LAROW) of NH Route 11 in the Town of Gilford directly to Gilford Airport Plaza, LLC for \$36,100.00 which includes a \$1,100.00 Administrative Fee subject to the conditions as specified in this request.

EXPLANATION

The Department has received a request from Gilford Airport Plaza, LLC requesting to acquire an access point (ingress only) through the Limited Access Right of Way of NH Route 11 to their property located on the Southerly side of NH Route 11 in the Town of Gilford.

Gilford Airport Plaza LLC is the owner of the abutting property on which the Airport Plaza was developed on 40 +/- years ago. Gilford Airport Plaza LLC operates the current facility and is in the process of considering renovation and expansion to the Plaza.

Gilford Airport Plaza LLC have stated that discussions with prospective tenants to come to the plaza have been difficult, due to access to their property being limited to Towns Roads, Old Lake Shore Road and Annis Drive and the parcel not having direct access to the State highway (NH Route 11). The purchasing of an access point (ingress only) from NH Route 11 will attract tenants to and revive this plaza

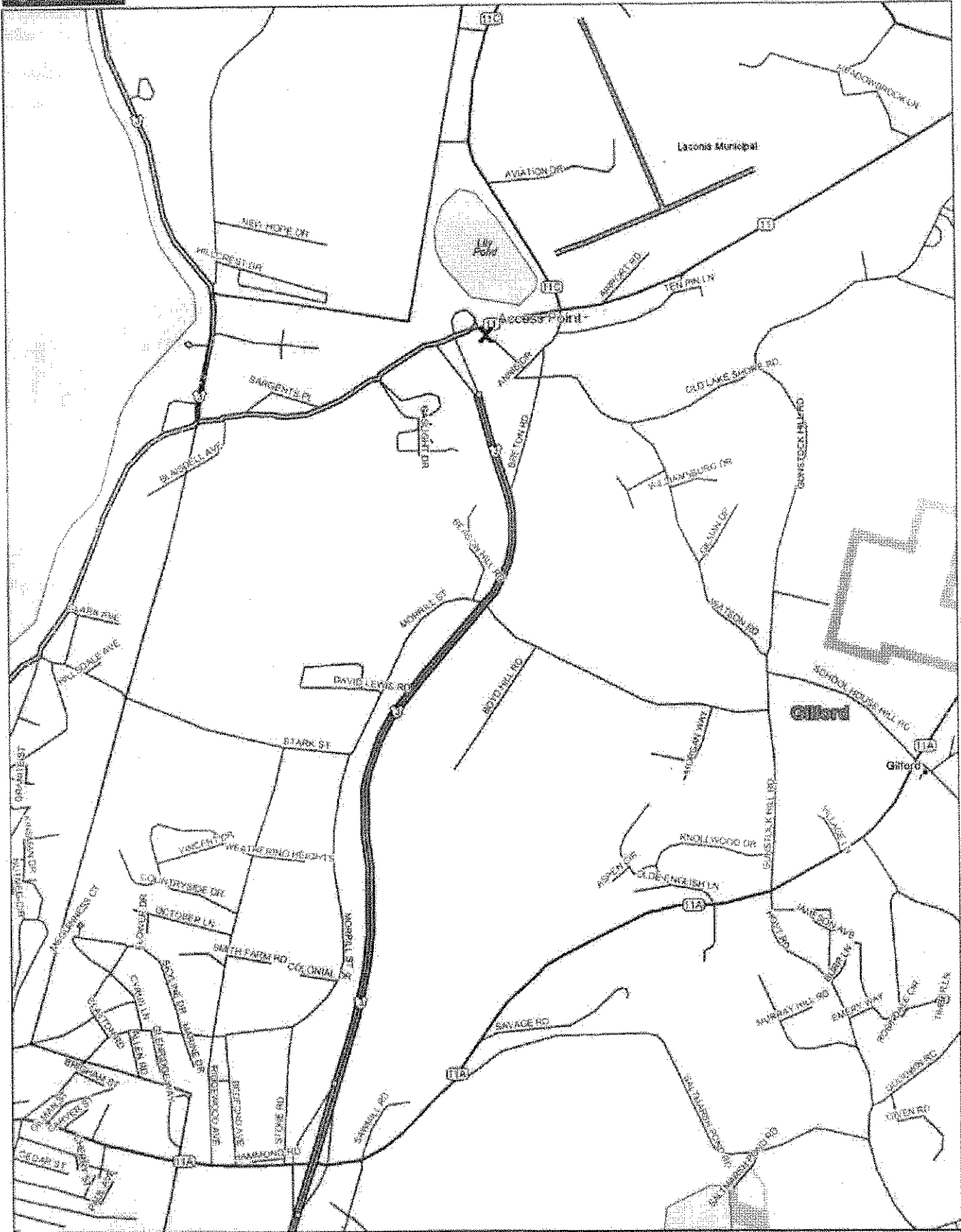
The potential granting of this access point has been reviewed by this Department and it has been determined that the granting of this access point is surplus to our operational needs and interest.

A staff appraiser from this Department completed an opinion of value for the purpose of establishing a contributory value for this requested ingress only access point from NH Route 11. The appraiser researched sales data in Gilford and surrounding towns for her analysis. Based upon the analysis and adjustments of those sales, it was felt that the indicated value for the subject as of March 12, 2015, to be \$35,000.00.

The Department proposes to grant this point of access to Gilford Airport Plaza, LLC for \$36,100.00, which includes an Administrative Fee of \$1,100.00.

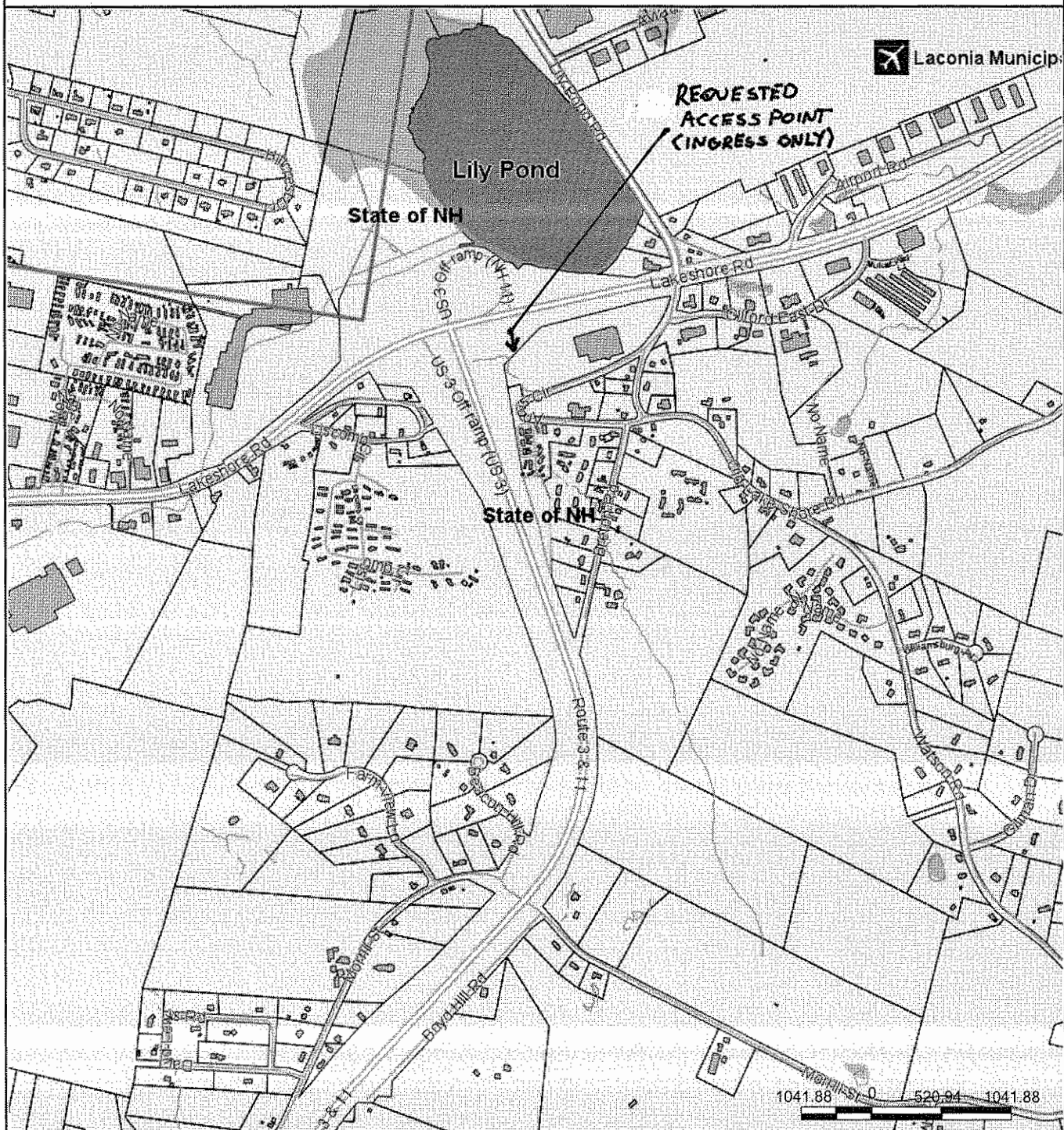
Authorization is respectfully requested for the granting of an access point (ingress only) as outlined above.

CRS/PJM/jjo
Attachments

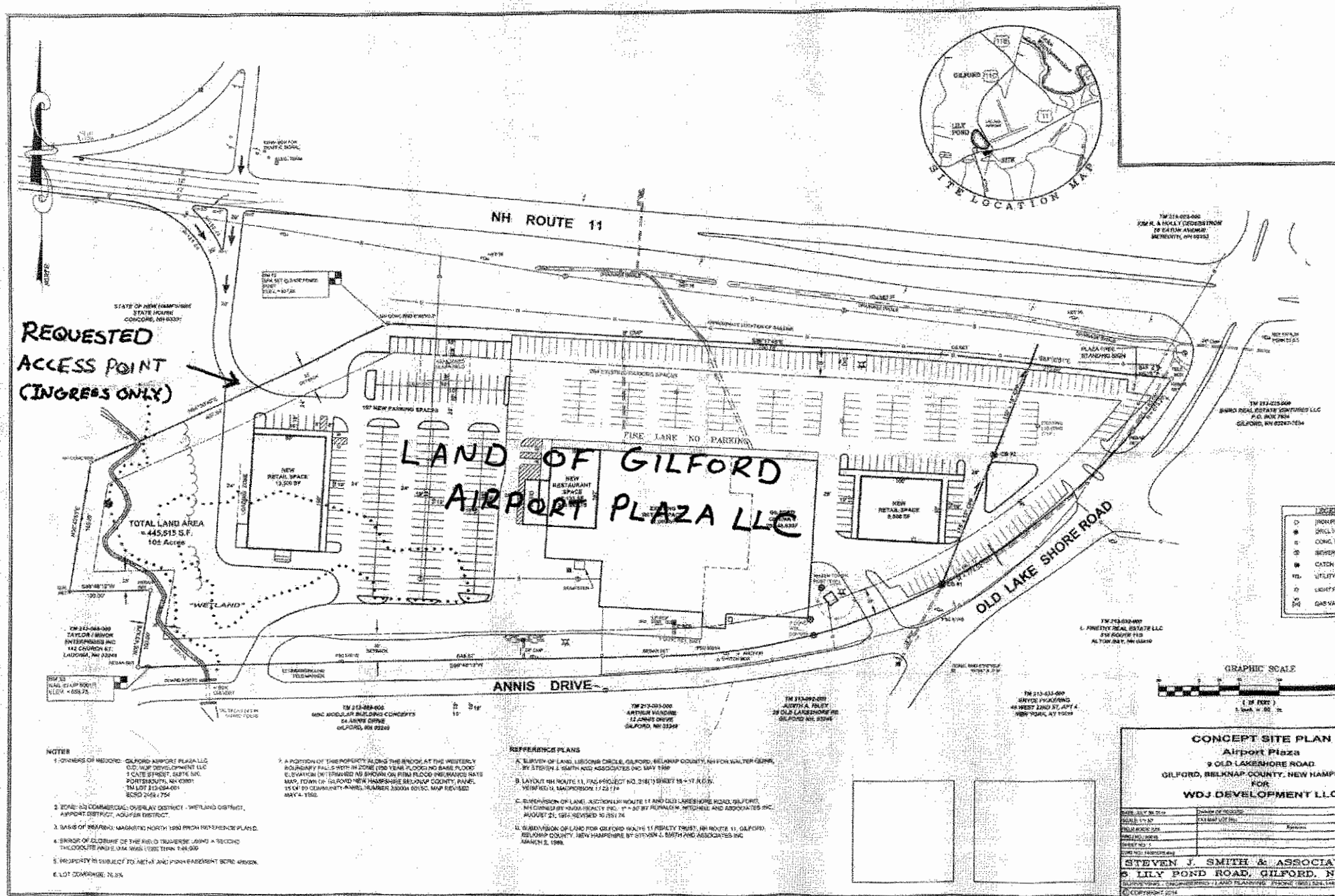


STATE OF NEW HAMPSHIRE
DEPARTMENT OF REVENUE
ADMINISTRATION

MOSAIC PARCEL
MAP SHARING
POOL



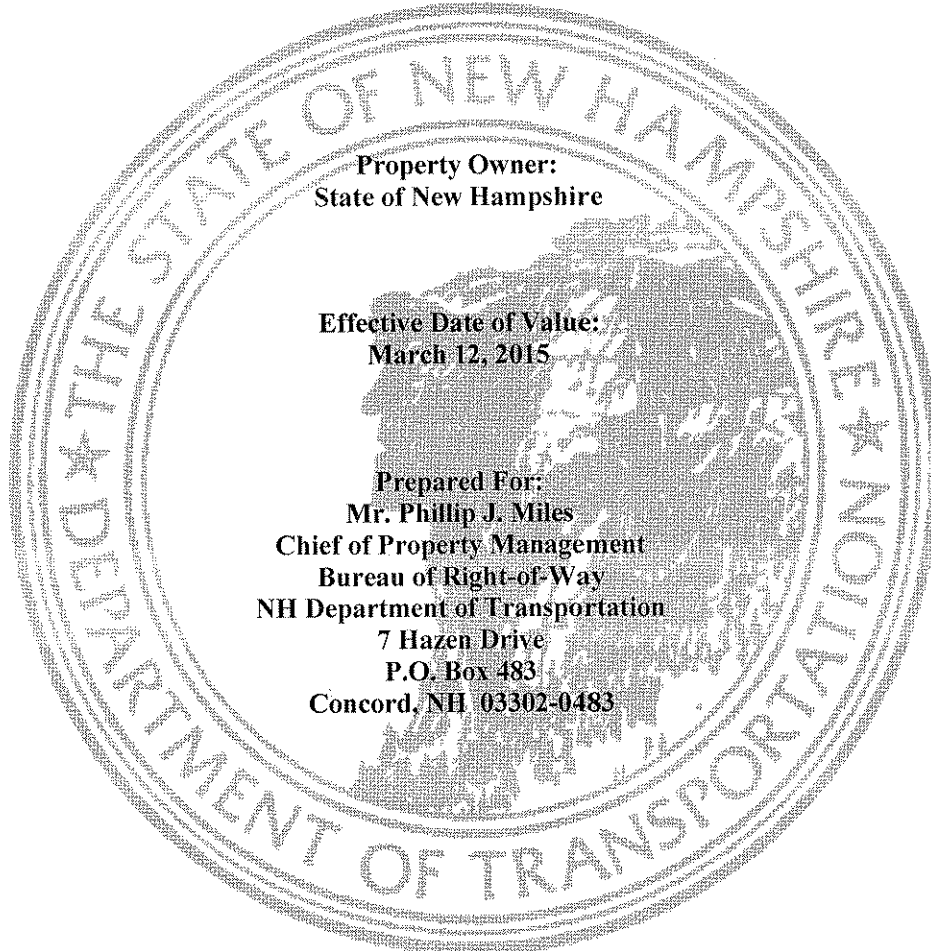
This map was compiled using data believed to be accurate; however, a degree of error is inherent in all maps. This map was distributed "AS-IS" without warranties of any kind, either expressed or implied, including but not limited to warranties of suitability to a particular purpose or use. No attempt has been made in either the design or production of the maps to define the limits or jurisdiction of any federal, state, or local government. Detailed on-the-ground surveys and historical analyses of sites may differ from the maps.



Appraisal Report

of

**An improved 10.00+/- Acre Parcel located at 9 Old Lakeshore Road south of Route 11 and east of the
Laconia Bypass (AKA Route 3 and Daniel Webster Highway),
Gilford, NH**



**Property Owner:
State of New Hampshire**

**Effective Date of Value:
March 12, 2015**

**Prepared For:
Mr. Phillip J. Miles
Chief of Property Management
Bureau of Right-of-Way
NH Department of Transportation
7 Hazen Drive
P.O. Box 483
Concord, NH 03302-0483**

**Prepared By:
Sandra L. Gromoshak, NHCR - 846
Staff Appraiser
NH Department of Transportation
7 Hazen Drive
P.O. Box 483
Concord, NH 03302-0483**

FROM:	Sandra L. Gromoshak, NHCR #846 Staff Appraiser	DATE:	May 28, 2015
TO:	Mr. Phillip J. Miles Chief of Property Management	AT:	NHDOT - Bureau of Right-of-Way Concord Office
THROUGH:	Stephen Bernard Chief Appraiser		
SUBJECT:	Contributory Value of a Potential Ingress Only Access Point from a Limited Access ROW to a Parcel located at 9 Old Lakeshore Road south of Route 11 and east of the Laconia Bypass (AKA Route 3 and Daniel Webster Highway), Gilford, NH		
	Also Identified as Gilford Project 15-17, Parcels 213-094-000, 213-094-001, 213-094-TWR		
	Land Owners: N. Richard Persons Trust & Betty Persons Trust & James M. Annis		
	Building Owners: Gilford Airport Plaza, LLC c/o WJP Development, LLC (land lease)		
	New Cingular Wireless PCS, LLC (wireless equipment lease on the water tower)		

Appraisal Problem: This memo constitutes an appraisal report for the above referenced ingress only access point. The intended recipients and those requesting this report are officials, employees and agents of the Department of Transportation, Bureau of Right of Way.

The purpose of this appraisal is to estimate the contributory value of a potential ingress only access point from a limited access right-of-way to the property located at 9 Old Lakeshore Road south of Route 11 and east of the Laconia Bypass (AKA Route 3 and Daniel Webster Highway), Gilford, NH that is owned by N. Richard Persons Trust & Betty Persons Trust & James M. Annis and Gilford Airport Plaza, LLC c/o WJP Development, LLC. The property is further identified by the Town Assessor as Lots 094-000, 094-001, and 094-TWR on Tax Map 213 and as Parcel 15-17 for Gilford Project. The ingress only access point is valued based on its contribution to the value of the subject land, a 10.00+/- acre parcel of developed land located in Gilford's C – Commercial Zone. The potential ingress only access point would allow access directly from the limited access portion of Route 11, designated as a Class II road in that section, and from the off-ramp of the Laconia Bypass (AKA Route 3 and Daniel Webster Highway) to the subject land. The effective date of value is March 12, 2015.

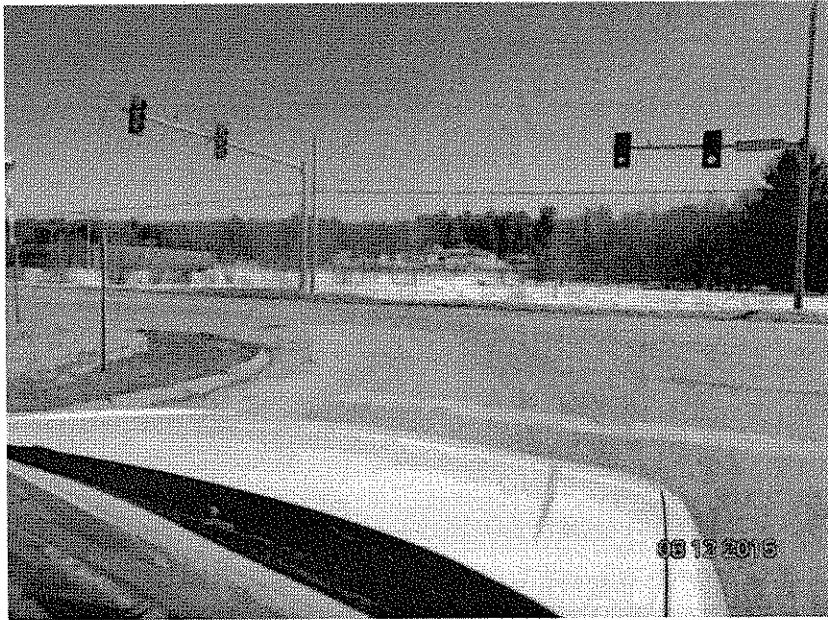
The appraised property consists of 10.00+/- acres of high visibility developed land with 973.44 feet of frontage on Route 11 but no access, 1399.54 feet of combined frontage on Old Lakeshore Road and Annis Drive (with access), and 576.84 feet of frontage on the Laconia Bypass (AKA Route 3 and Daniel Webster Highway), a Controlled Access Highway. The access point is being valued for a potential sale to the owner of the buildings on the subject property in order to allow access from Route 11. The site is currently improved containing a retail plaza (Parcel 213-094-001) and a water tower equipped with wireless equipment (213-094-TWR.) However, this appraisal values the land only to arrive at a contributory value for the proposed access point. Neither the water tower that is rigged to concurrently function as a wireless tower nor the plaza have been included in this valuation.

The attached report summarizes the basis of the value conclusions and provides definitions to specific terms. It also defines the Limiting Conditions, Hypothetical Conditions or Extraordinary Assumptions on which this valuation is based. Based on the data collected and analyzed, in my opinion the contributory value of the proposed ingress only access point as of March 12, 2015 is:

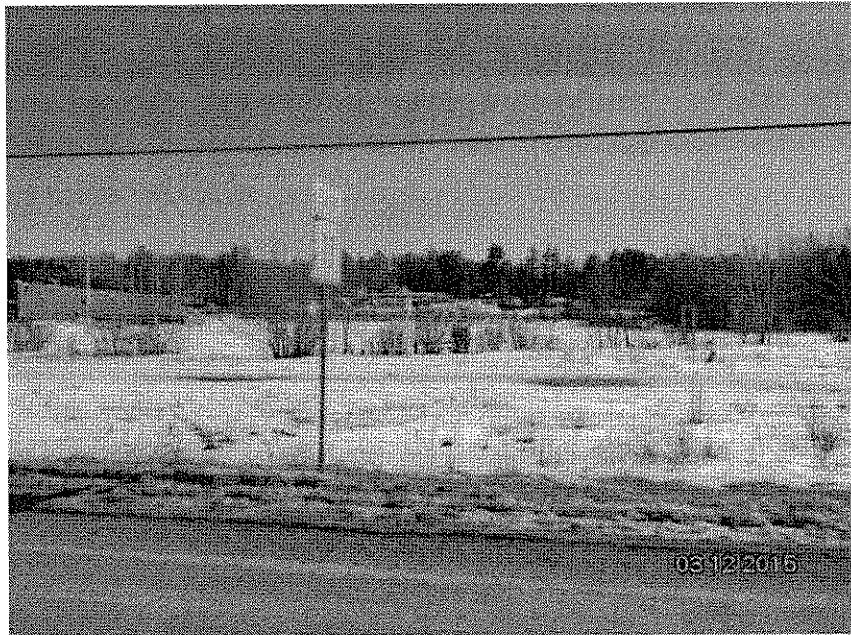
\$35,000

Photographs of the Subject Property

Taken either February 24, 2015 or March 12, 2015 by Laura Davies or Sandra Gromoshak



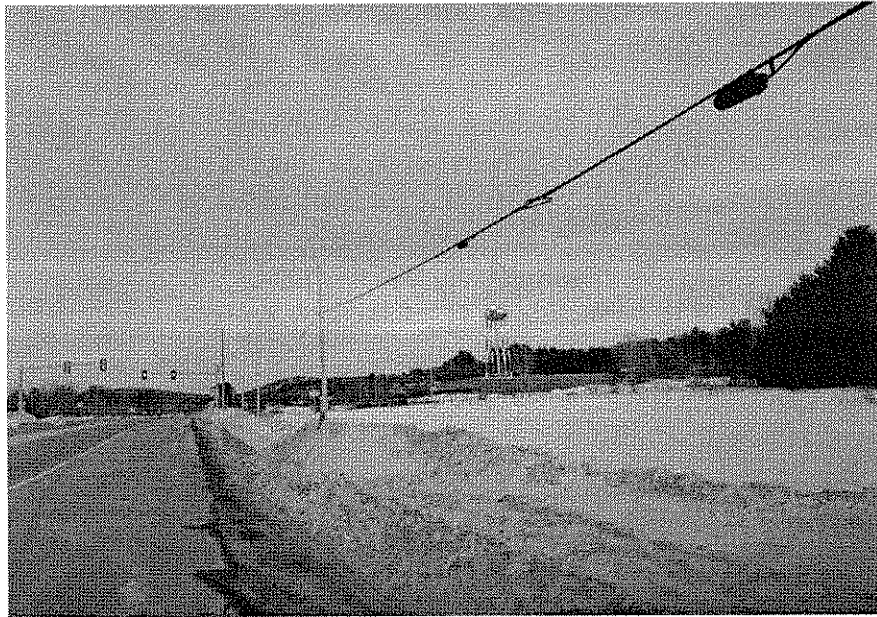
View of subject's lot and Route 11 frontage from the Laconia Bypass off-ramp facing south.



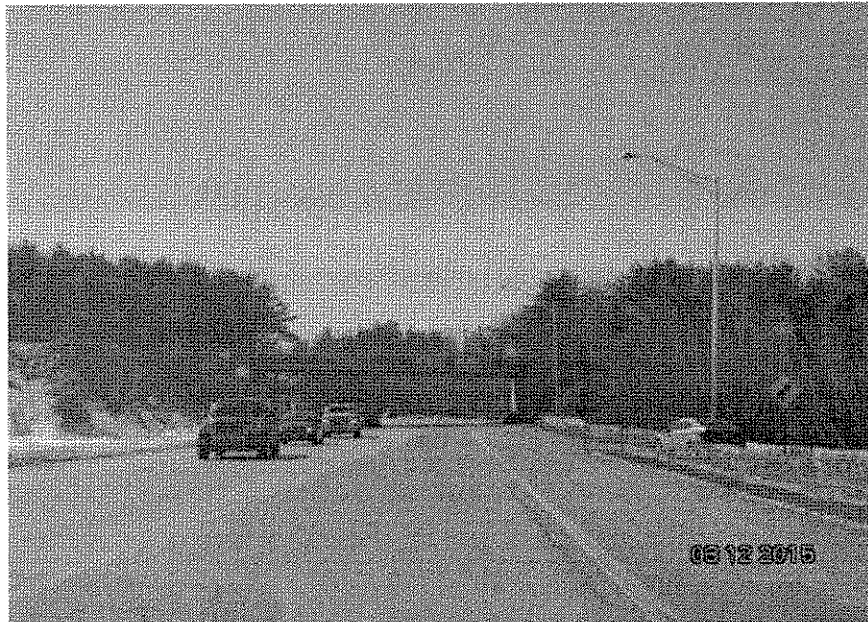
View of subject's lot, facing south, where access point and building expansion are planned.

Photographs of the Subject Property

Taken either February 24, 2015 or March 12, 2015 by Laura Davies or Sandra Gromoshak



View along Route 11 AKA Lakeshore Road, facing east with the subject property at right.



View of Route 11 AKA Lakeshore Road, facing west with the subject property at left and the Laconia Bypass ahead.

Photographs of the Subject Property

Taken either February 24, 2015 or March 12, 2015 by Laura Davies or Sandra Gromoshak



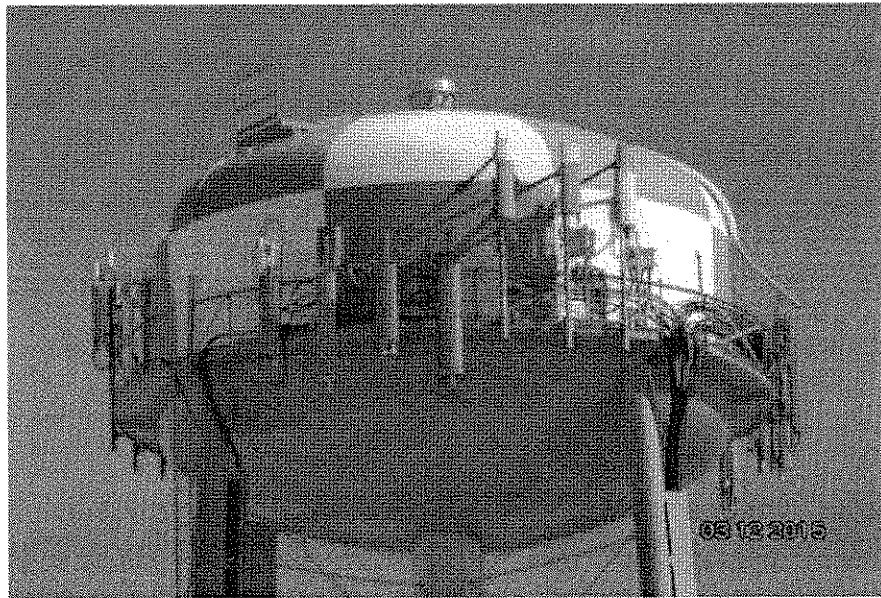
View of Airport Plaza sign on the subject site.



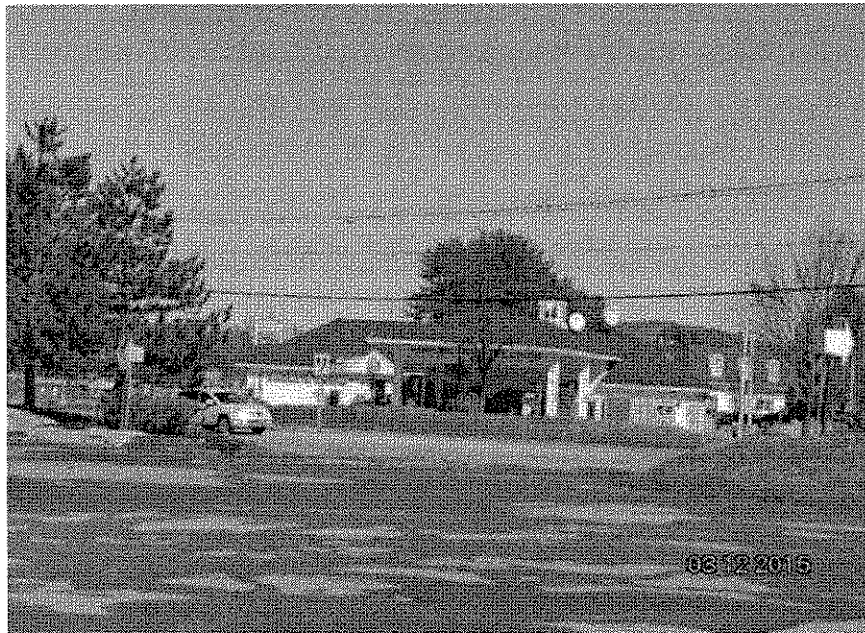
View of the Airport Plaza and the water/cell tower behind it.

Photographs of the Subject Property

Taken either February 24, 2015 or March 12, 2015 by Laura Davies or Sandra Gromoshak



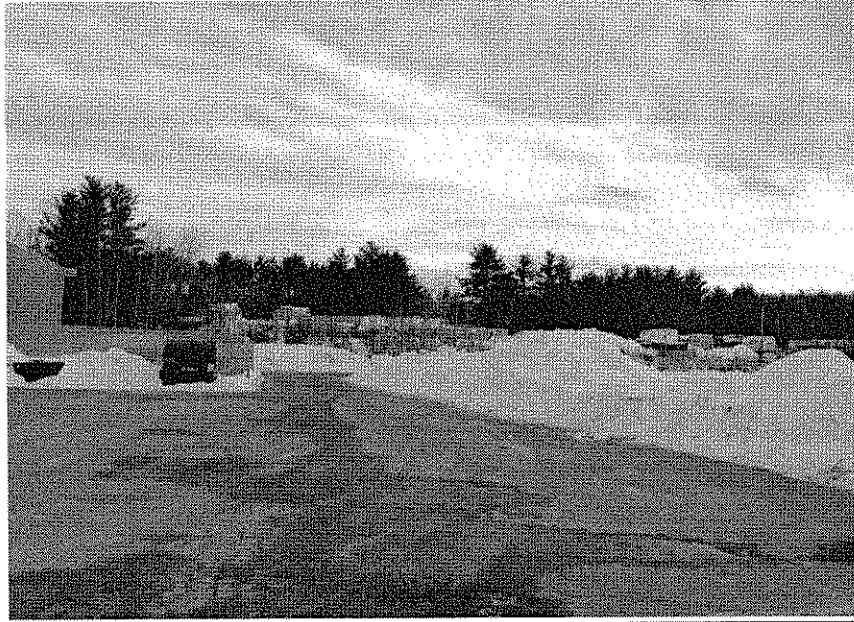
A close-up view of the water tower with wireless capabilities affixed to it.



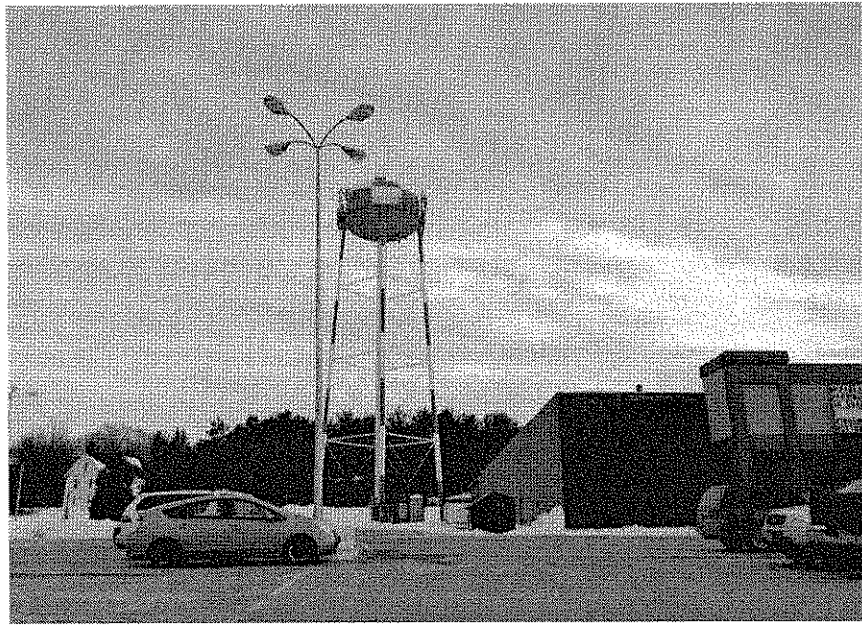
View of the existing ingress/egress point on Old Lakeshore Road.

Photographs of the Subject Property

Taken either February 24, 2015 or March 12, 2015 by Laura Davies or Sandra Gromoshak



Views of the locations of the proposed expansion of two new retail space buildings; the one above to the west of the existing plaza and the one below to the east of the existing plaza.



General Assumptions

For this report I have assumed:

- All maps, plans, and photographs I used are reliable and correct.
- The legal interpretations and decisions of others are correct and valid.
- The parcel areas and right-of-way information given to me have been properly calculated and related.
- Broker and assessor information are reliable and correct.
- The abstracts of title and other legal information available are accurate.
- Information from all sources is reliable and correct unless otherwise stated.
- There are no hidden or unapparent conditions on the property or in the subsoil, including hazardous waste or ground water contamination, which would render the property more or less valuable.
- This appraisal report values only the contribution in value to the subject land. It does not value timber, earth materials or mineral deposits.

Extraordinary Assumptions

None.

Hypothetical Condition

This analysis includes a "With Ingress Only Access through a Limited Access Right-of-Way" valuation based on a hypothetical scenario where the subject property is valued as if it included access through the Limited Access Right-of-Way portion of Route 11 on the date of value, in order to derive the contributory value of the proposed ingress only access point.

General Limiting Conditions

This report is bound by the following limiting conditions:

- Sketches and photographs in this report are included to assist the reader in visualizing the property. I have not performed a survey of the subject property or any of the comparable sales, and do not assume responsibility in these matters.
- I assume no responsibility for any hidden or unapparent conditions on the property, in the subsoil (including hazardous waste or ground water contamination), or within any of the structures, or the engineering that may be required to discover or correct them.
- Possession of this report (or a copy) does not carry with it the right of publication. Furthermore, it may not be used for any purpose other than by the party to whom it is

addressed without the written consent of the State of New Hampshire, and in any event only with the proper written qualification and only in its entirety. Neither all nor any part of the contents (or copy) shall be conveyed to the public through advertising, public relations, news, sales, or any other media without written consent and approval of the State of New Hampshire.

- Acceptance and / or use of this report constitutes acceptance of the foregoing underlying limiting conditions and underlying assumptions.

Purpose of Appraisal

The purpose of the appraisal is to estimate the contributory value of the proposed ingress only access point through a Limited Access Right-of-Way to the subject property, as of the effective date of the appraisal, by employing an Appraisal Report in conformity with the New Hampshire Department of Transportation Right-of-Way Manual, Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA) (AKA Yellow Book), and Uniform Standards of Professional Appraisal Practice (USPAP).

Contributory Value

As referred to herein, the term Contributory Value is defined by *The Dictionary of Real Estate Appraisal, fifth edition*, (The Appraisal Institute, 2010) as follows:

The change in value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component.

Property Rights Appraised

The unencumbered fee simple interest in the subject land has been appraised in order to derive the contributory value of the proposed ingress only access point. Fee Simple interest is defined in the *Dictionary of Real Estate Appraisal, 5th edition*, (The Appraisal Institute, 2010), as:

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by governmental powers of taxation, eminent domain, police power, and escheat.

Date of Inspection

March 12, 2015. (Laura Davies performed a preliminary inspection of February 24, 2015; I was not present for that inspection.)

Effective Date of Value

March 12, 2015.

Date of Report

May 28, 2015.

Intended Use

The intended use of this report is to assist the client—the New Hampshire Department of Transportation, Bureau of Right of Way, and its officials, employees and agents in providing a reasonable and supportable contributory value estimate of the ingress only access point for possible sale, financial planning and decision making.

Intended User

The reader should clearly understand that this report is intended to be for the exclusive use of the New Hampshire Department of Transportation.

Scope of Work

The scope of work identifies the type and extent of research and analyses in an assignment. My investigations and research included an on-site inspection and photographing of the subject property on March 12, 2015 whilst also relying on photographs taken by Laura Davies on February 24, 2015. I examined Town and County property records including assessment data and taxes, zoning regulations and maps, satellite images, a concept site plan, the availability of public utilities, access, and traffic counts. I researched the type and intensity of neighboring uses and reviewed information from the files of the New Hampshire Department of Transportation.

I formed an opinion of the highest and best use of the subject land both with and without the proposed access point based on legal, physical, and neighborhood land use. I compiled comparable land sales data for the subject property in both the “As Is” and the “With Access through a Limited Access Right-of-Way” scenarios, verified and analyzed the data, developed opinions of the value of the subject land under both scenarios, and prepared this before and after appraisal report in compliance with USPAP 2-2(a) to convey my findings, the market data, and the analyses.

Property data was collected and compiled from several sources, including the Towns of Laconia, Gilford, Rochester, and the Belknap and Strafford County Registries of Deeds, Northern New England Real Estate Network (MLS), Real Data, Public Records, and local real estate professionals.

Property Identification

The subject land is identified as a 10.00 +/- acre high visibility parcel located at 9 Old Lakeshore Road south of Route 11 and east of the Laconia Bypass (AKA Route 3 and Daniel Webster Highway), Gilford, NH, Belknap County that is owned by N. Richard Persons Trust & Betty Persons Trust & James M. Annis. It is further identified by the Gilford Assessor as Lot 094-000 on Map 213.

Listing, Transfer, and Ownership History

The N. Richard Persons Trust & Betty Persons Trust & James M. Annis currently own the parcel which will be accessed by the proposed ingress only access point. They acquired the property from N. Richard Persons, a related party, in a non-fair market value transaction recorded on October 14, 2009 at the Belknap County Registry of Deeds in Book 2602 Page 0143.

Gilford Airport Plaza, LLC c/o WJP Development, LLC owns the building which houses multiple suites and a movie theater. Assignment of lease from First Development Corp. for an undisclosed amount was recorded on January 29, 2008 at the Belknap County Registry of Deeds in Book 2469 Page 0754. Per this document, First Development Corp., the Assignor, assigned a lease in favor of Gilford Airport Plaza, LLC, the Assignee. The original lease dates back to July 1, 1966 and is due to expire in 2029. This lease includes an option to purchase the land as well as the right of first refusal. The terms regarding the purchase price of the land on a future date are not known. If any purchase agreements have been made heretofore, they have not been made available to the appraiser.

A Notice of Agreement recorded on April 30, 2007 at the Belknap County Registry of Deeds in Book 2401 Page 0063 describes that RCC Atlantic, Inc. subleases space on the water tower for 12 antennas and associated amplifiers along with other equipment such as coaxial cables, utility cables, conduits, etc.

The requestor of the ingress only access point, WJP Development, LLC, the owner of the building, has an option on the land and plans to expand.

To the best of the appraiser's knowledge, the subject has not sold in the past three years nor is it presently being marketed for sale.

Present Use

The property remains a developed parcel within the Commercial District containing a strip shopping center that includes a movie theater and multiple other retail bays.

Real Estate Tax Data

Property Assessment

Comments: The property contains three separate tax cards respectively reflective of: land only (213-094-000), a 62,078 sf building (land lease: 213-094-001), and wireless equipment on a water tower (213-094-TWR.)

Town Property ID	Land	Building	Total
Map 213, Lot 094-000	\$1,031,000	\$0	\$1,031,000
Map 213, Lot 094-001	\$0	\$824,000	\$824,000
Map 213, Lot 094-TWR	\$0	\$408,100	\$408,100
Totals	\$1,031,000	\$1,232,100	\$2,263,100

Real Estate Taxes (respectively)

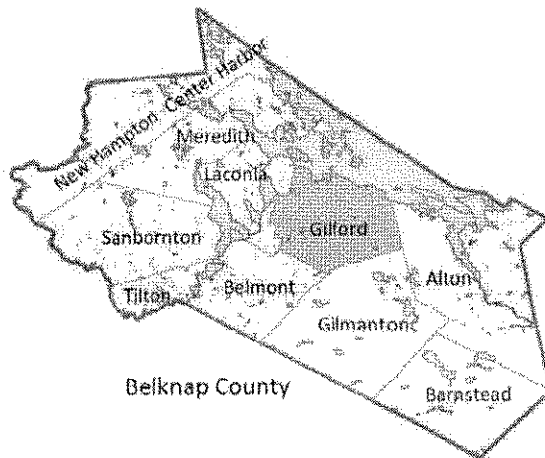
Assessed Value	Tax rate/\$1,000	Real Estate Taxes
\$1,031,000	\$18.30	\$18,867.30
\$824,000	\$18.30	\$15,079.20
\$408,100	\$18.30	\$7,468.23
Totals \$2,263,100		\$41,414.73

Comments

The State of New Hampshire, Department of Revenue currently estimates that assessed values in the Town reflect 93.50% of true market value resulting in an effective tax rate of 1.71% of market value and equalized assessed values of \$1,102,674 (for 213-094-000), \$881,283 (for 213-094-001), and \$436,471 (for 213-094-TWR.) Assessment for *ad valorem taxation* is based on broad base techniques heavily weighted to residential properties and is not considered an accurate reflection of market value as defined in this report.

Area/Neighborhood Description

The town of Gilford is located south of Lake Winnepesaukee within the Lakes Region of central New Hampshire. Gilford is approximately 30 miles north of Concord, NH, 42 miles north of Manchester and Portsmouth, NH, and 93 miles north of Boston, MA. Gilford is bordered by Lake Winnepesaukee to the north, Alton to the east, Gilmanton to the southeast, Belmont to the southwest, and Laconia to the west. The town occupies 38.9 square miles of land area and 14.8 square miles of inland water.

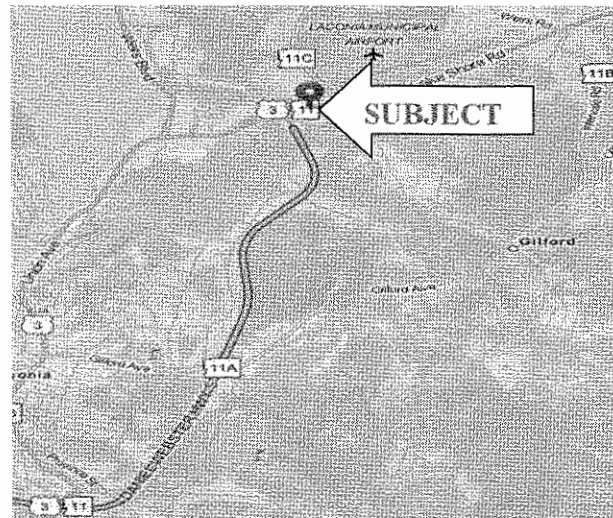


Gilford enjoys good access to surrounding communities via State Routes 11 and 3. Route 11 intersects with the Spaulding Turnpike (Route 16) approximately 20 miles to the southeast, providing access to Portsmouth, NH and Interstate 95 which in turn provides access to Portland ME to the north and Boston, MA to the south. Interstate 93, which provides access to the White Mountain National Forest in northern NH to Boston MA to the south, is located 13 miles southwest of the subject property.

New Hampshire has continually ranked as having one of the lowest unemployment rates in the country. Unemployment rates rose during the great recession, but they began declining in 2010 and have remained stable during the past year. The statistics from April 2015 available from the NH Employment Security Department report an unemployment rate in the town of Gilford to be 3.5%; 3.7% in the Laconia Labor Market Area; 3.6% in Belknap County; 3.7% in New Hampshire; 4.7% in New England, and 5.1% in the United States.

Gilford's 2013 population was 7,126, the 44th largest among the State's incorporated cities and towns. Gilford's population density is 183.4 persons per square mile. The largest employer in the community is Gunstock Recreation Area, with 550 employees, followed by the Gilford School District with 260 employees. The subject neighborhood, is defined as those areas located east of the Laconia Bypass (AKA Route 3 and Daniel Webster Highway), and includes Gilford True Value, Airport Country Store & Deli gas station which houses a Dunkin' Donuts franchise, Laconia Municipal Airport, Bank of New Hampshire Operations Center, American Cottage Home Décor, a veterinary office, and both auto and marine service

centers. A concert venue known as Bank of New Hampshire Pavilion at Meadowbrook lies outside of the immediate neighborhood but is located east of the Laconia Bypass (AKA Route 3 and Daniel Webster Highway), and is within approximately one mile of the subject's location. Large retailers such as Walmart and Lowe's Home Improvement Warehouse are also within approximately one mile of the subject's location but are located west of the Laconia Bypass. The map below demonstrates the subject being situated east of the Laconia Bypass; Walmart and Lowe's are due west.

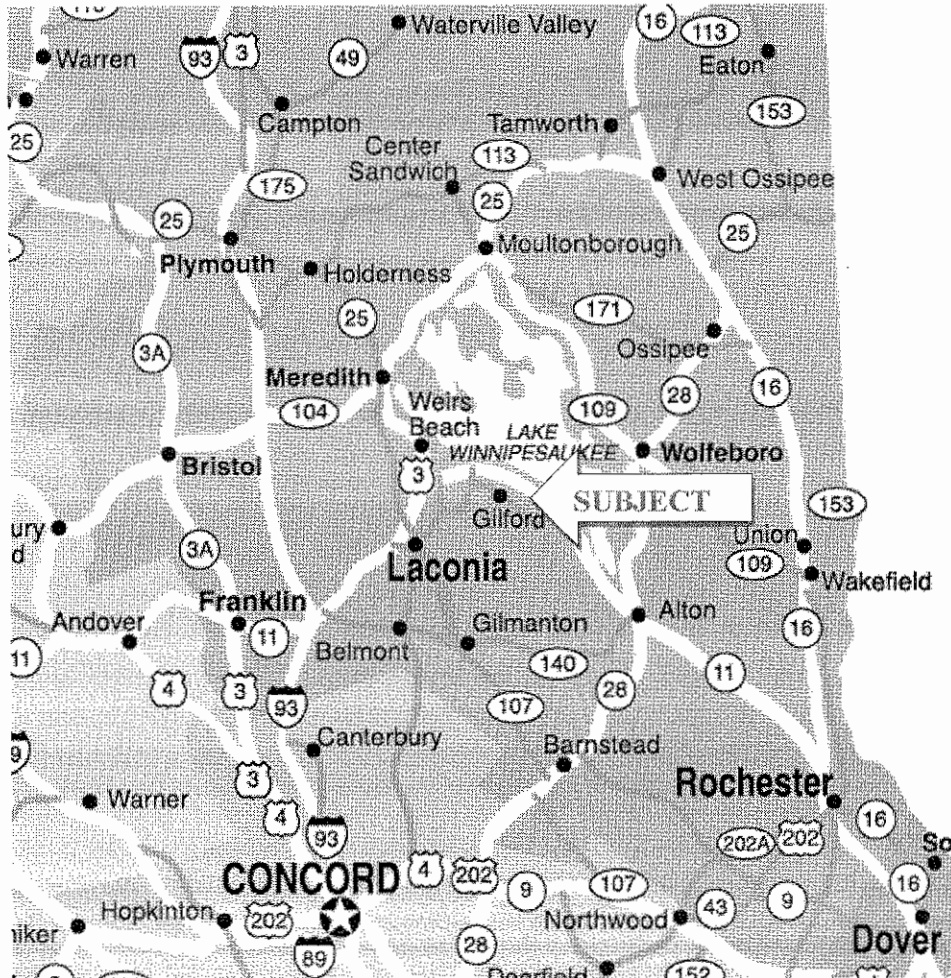


The predominant uses in the neighborhood are primarily convenience type retail, with small eateries mixed in, combined with nearby gas stations/convenience stores as well as entertainment venues and shops specific to marine sports/recreation. Other uses include multi-tenant and single-tenant office buildings, self-storage centers, some residences, some developed but vacant commercial properties, and some undeveloped land.

The appraiser noted that commercial aspects dominate the immediate neighborhood both west and east of the Laconia Bypass (AKA Route 3 and Daniel Webster Highway.) It is apparent that new and recent development west of the Bypass is getting attention. On the subject's side of the Bypass, vacancies were observed. The subject center is the anchor for the portion of the neighborhood located east of the Bypass. Above average vacancy at the subject plaza is a concern for the neighborhood since the subject center is considered an anchor for the area. Renovation, expansion, and lease-up of the subject center would be a beneficial influence to the neighborhood.

In summary, Gilford is a well-established Lakes Region community with good access to the surrounding communities as well as above average access to the regional highway system and a relatively small year round employment base. The subject neighborhood also enjoys good accessibility. The neighborhood has a significant concentration of convenience retail uses, as well as other commercial uses.

Area Map



15-17 Contribution Value to 10.00 Acre Parcel at 9 Old Lakeshore Road, Gilford, NH
 Proposed Ingress Only Access Point Through a Limited Access Right-of-Way
 Owned by State of New Hampshire

Neighborhood Map



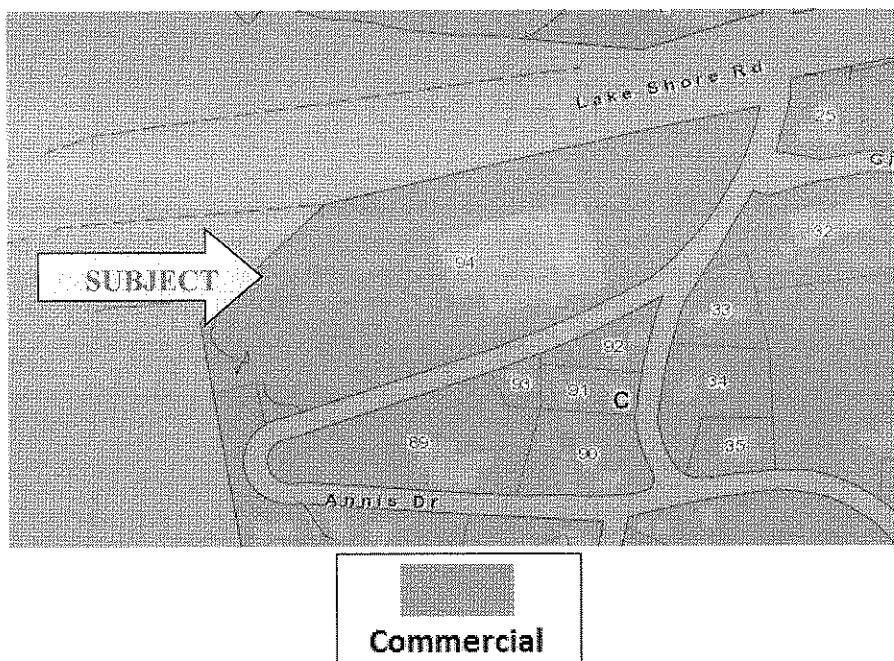
ZONING

The high visibility property is located in Gilford's C – Commercial Zone. Permitted uses include: Indoor Amusements, Auto & Marine Light Repair Shops, Bed & Breakfast Establishments, Business Offices, Commercial Storage Facilities, Fuel Dispensing Stations, Funeral Homes, Greenhouses, Lumber Yards, Medical Centers, Motels, Hotels, Cottage Colonies/Seasonal Occupancies, Personal Service Shops, Theaters, Radio & TV Towers, Repair Shops, Public Assembly Restaurants, Drive-In Restaurants, Retail Stores, Salesrooms, Vending Establishments, and Veterinary Hospitals.

Commercial Zone - Dimensional Requirements	
Minimum lot size:	1 Acre
Minimum street frontage:	100 feet
Maximum height:	48 feet
Setbacks:	
Front	35 feet
Other property lines	25 feet

Comments: Based on the dimensional requirements, the subject is conforming. It also conforms, in both the Before and the After scenarios, to the permitted uses in the Commercial zone.

Zoning Map



Property Description – Land

The subject property consists of an irregular shaped 10.00+/- acre high visibility developed lot with 973.44 feet of frontage on Route 11 but no access, 1399.54 feet of combined frontage on Old Lakeshore Road and Annis Drive (with access), and 576.84 feet of frontage on the Laconia Bypass (AKA Route 3 and Daniel Webster Highway), a Controlled Access Highway. The parcel is situated along Route 11 across the street from the Laconia Municipal Airport. There is a signalized intersection at the corner of Old Lakeshore Road and Route 11. The plaza access on Old Lakeshore Road is approximately 240 feet from the signalized intersection. It is developed land on which a 62,078 sf plaza containing a movie theater and some retail shops is sited. It is a flat lot with a section of wetlands at the southwesterly boundary and a brook that runs along the westerly boundary which causes a portion of the property to be rendered in the 100 year flood zone. Since the majority of the property is dry and not in a flood zone, the small portions of the property that may be wet have not been considered, for purposes of this appraisal, to be adverse.

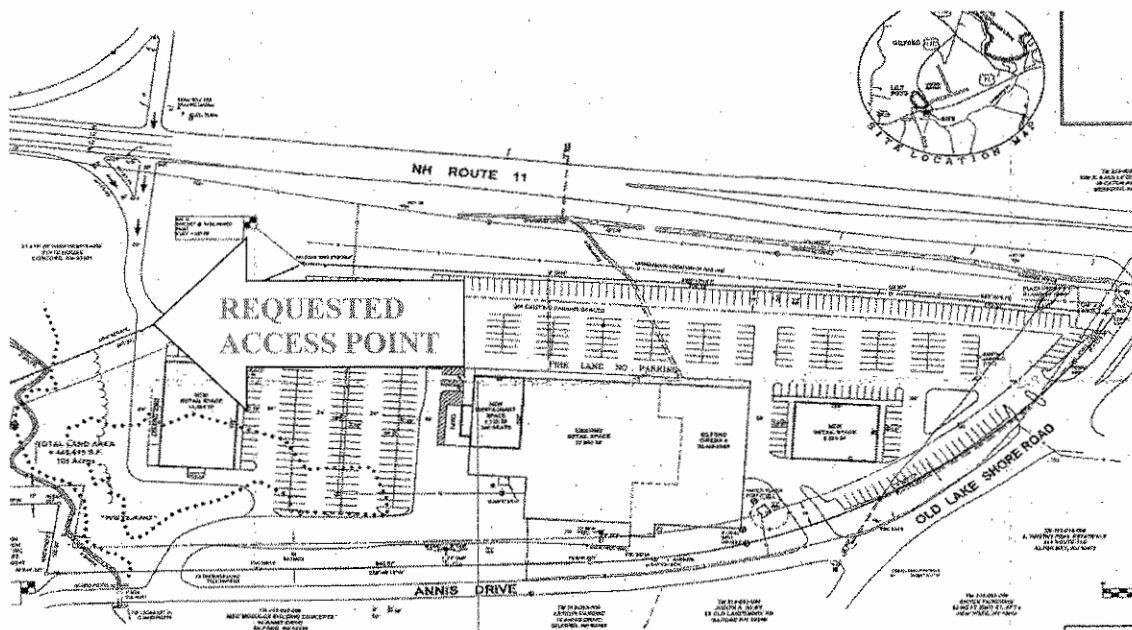
The proposed access through the ingress only access point in a limited access right-of-way would be from Route 11 immediately east of the Laconia Bypass (AKA Route 3 and Daniel Webster Highway) and directly across from the off-ramp of the Bypass. This access point would allow ingress to the site and would be easily visible to motorists from Route 11 as well as traffic exiting the Bypass.

Utilities available at the street include electricity, natural gas, telephone, cable, public sewer, and a private well. Soils are primarily Champlain-Urban land complex, 0% to 8% slopes and Metacomet fine sandy loam, 3% to 8% slopes. Traffic counts at the subject's portion of Route 11 (west of Route 11C) are estimated at 12,000 VPD.

Property Description – Improvements

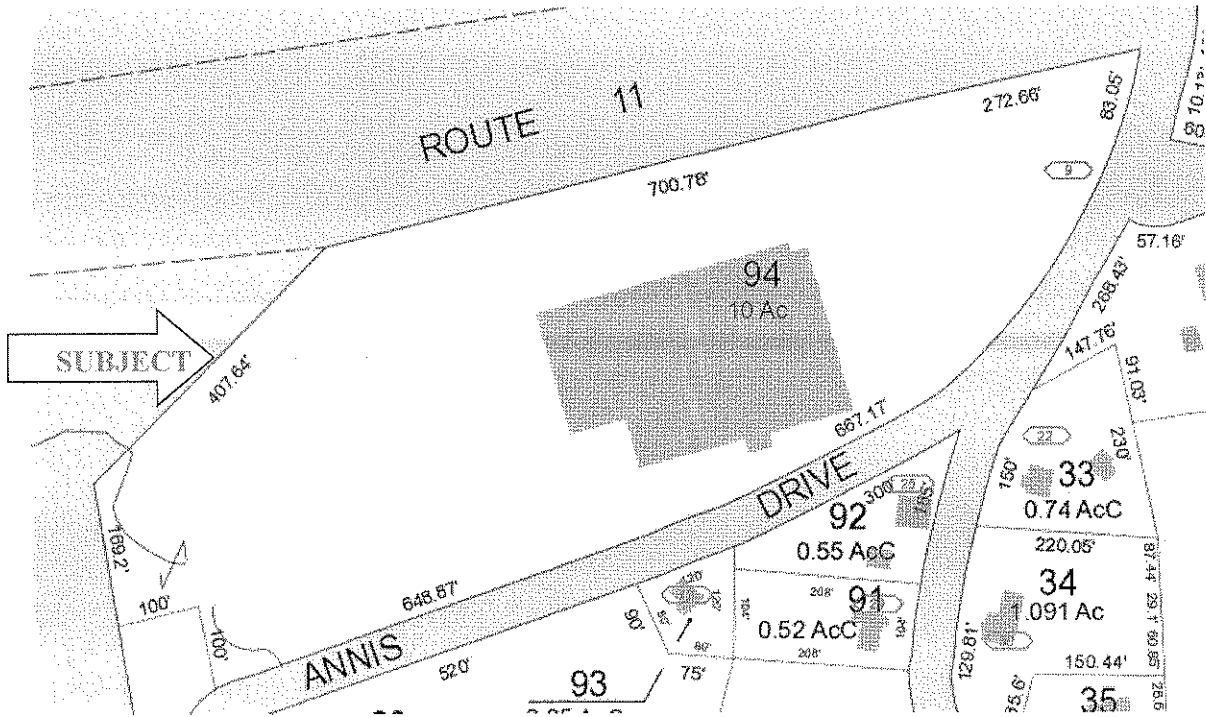
The plaza is a single story concrete building in a retail strip with 62,078 sf. It contains 4 - 5 units plus a movie theater. A pizza shop and an electrical distributor are amongst the existing tenants.

Concept Site Plan, July 30, 2014



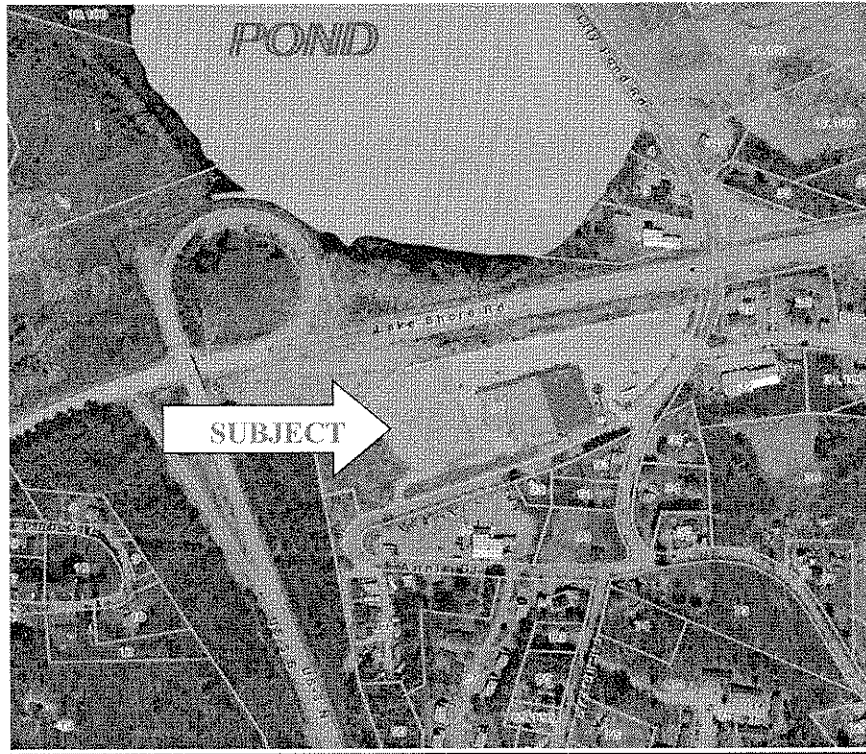
15-17 Contribution Value to 10.00 Acre Parcel at 9 Old Lakeshore Road, Gilford, NH
Proposed Ingress Only Access Point Through a Limited Access Right-of-Way
Owned by State of New Hampshire

Tax Map

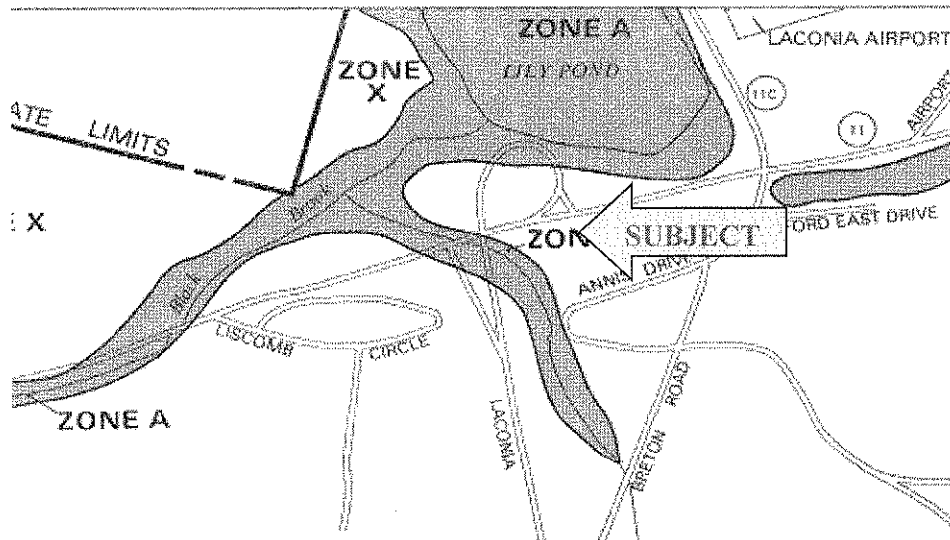


15-17 Contribution Value to 10.00 Acre Parcel at 9 Old Lakeshore Road, Gilford, NH
Proposed Ingress Only Access Point Through a Limited Access Right-of-Way
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Aerial View



Flood Map/Zone X



Highest and Best Use

Highest and best use is that physically possible, legally permissible, financially feasible, and maximally productive use that would result in the greatest net return. It must not be highly speculative or predicated upon conditions anticipated in the too distant future.

Highest and best use "As Is" (without direct access from Route 11) as Vacant

The subject parcel is a conforming lot of record within the Commercial Zone. There are a variety of commercial uses permitted in this zone. The location with frontage on Route 11 lends itself to the commercial end of the spectrum of permitted uses; the permitted commercial uses are varied including a number of high intensity uses such as drive-thru restaurants and gas stations. The subject parcel could be developed as a commercial use but the current access likely would not attract similar development, i.e. a multi-tenant retail plaza, which is proving successful west of the Bypass. Therefore the highest and best use in the "As Is As Vacant" scenario would be lower intensity commercial uses such as an indoor recreational use or a function/banquet hall.

Highest and best use "As Is" (without direct access from Route 11) as Improved

Given the current condition of the subject building, which is demonstrating some deferred maintenance, and the trend for high intensity commercial uses as is being demonstrated west of the Bypass, the highest and best use for the building would be a lower intensity commercial use such as an indoor recreational use or showroom/warehouse space as is evidenced by the tenant named CED Consolidated Electrical Distributors.

Highest and best use with proposed ingress only access point from Route 11 as Vacant

The subject site will have benefit at the terminus of the Bypass which will have access via a signalized intersection directly across from the property so it is believed the improved access will warrant a higher intensity use similar to some of the development west of the Bypass including a multi-tenant retail plaza.

Highest and best use with proposed ingress only access point from Route 11 as Improved

The improved access at the plaza would warrant the planned renovation and expansion. This becomes more financially feasible due to the ability of the subject to attract quality tenants such as restaurants or retail shops.

Based on the surrounding uses, any of the permitted uses would be feasible. The more intensive permitted uses would be maximally productive. Therefore, the Highest and Best Use of the subject site "With the Proposed Ingress Only Access Point" is concluded to be the present use inclusive of its proposed expansion, coupled with the betterment of the site which will be significantly enhanced by the favorable ingress only access point from Route 11.

VALUATION

The three traditional approaches to value are the Income Approach, Sales Comparison Approach, and Cost Approach. Since this assignment considers the contributory value of the proposed ingress only access point to the subject site, the Sales Comparison Approach is the most applicable method of valuation for the site, both as is and with the proposed ingress only access point. The Cost Approach was not applicable since only the land is being valued. Although the subject site is leased, it was from 1966 therefore the Income Approach was not developed due to the lack of good recent land lease comparables similar to the subject's size and location.

SALES COMPARISON APPROACH

In the sales comparison approach, recent sales of similar properties are used in a comparative analysis to establish the most probable value of the property being appraised. In this case, the subject property is valued "with access through a Limited Access Right-of-Way" in order to arrive at a contributory value for the proposed ingress only access point. A sufficient number of available commercial land transactions were found to develop this approach. Of that data the three most similar comparables were used in the analysis. To the best of the appraiser's knowledge, the comparable sales had not sold in the year prior to their sale dates indicated herein. Each sale is detailed on the subsequent pages.

Summary of Comparable Land Sale AI-1:

Location/Address: Endicott Street North, Route 3, Laconia, NH

Grantor > Grantee: Wayne Sanborn and Davida Cook > Jaycorlis Trust of New Hampshire

Sale Price / Date: \$250,000 / November 20, 2013

Registry Ref: BCRD Book 2888 Page 15, Plan Drawer L 62 Plan No. 59

Site Area: 4.08 acres (actual); 3.11 acres (effective)

Unit Value: \$61,275 per acre (actual); \$80,386 per acre (effective)

Frontage: 726.37' on Route 3 AKA Endicott Street North

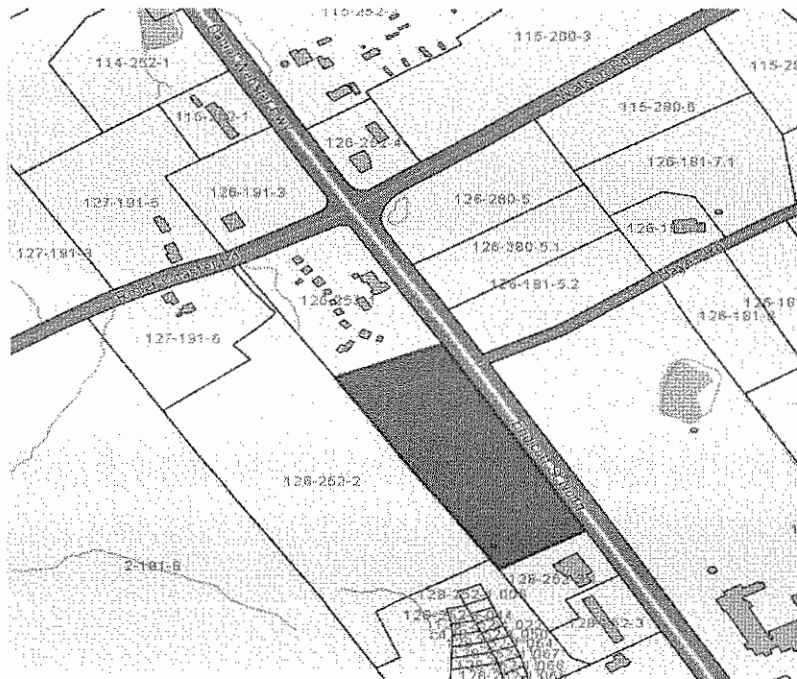
Available Utilities: Municipal sewer and well, electricity, telephone, and cable

Zoning / Map Ref: Commercial Resort District / Map 128-252 Lot 3.2

Conf. Source / By: Buyer, Real Data, PA-34, Public Records / S. Gromoshak

H & B Use at Sale: Commercial Development

Comments: This high visibility buildable site is level and mostly cleared; it contains some utility poles. It is encumbered with a right-of-way, utility and access easements that reduce utility on almost half an acre of the site. Lastly, 0.97 acres is encumbered with a detention pond easement in favor of the City of Laconia. This was deducted from the total acreage (since it is not usable land) of 4.08 acres leaving 3.11 acres to be considered in this analysis. The site is one lot south of the Endicott Street North and Roller Coaster Road intersection on a lake-influenced commercial corridor that allows for a variety of commercial uses. The access is via two access points directly on Route 3. Nearby development includes restaurants, recreation facilities such as Funspot Entertainment Supercenter, campgrounds, and small retail shops. Traffic count was 9100 VPD in 2014. This land was purchased by an abutter who felt he did not pay an abutter premium. By purchasing the land, his plan is to control the type of use that will ultimately come in next to his existing campground facility.



Site Sketch:

Summary of Comparable Land Sale AI-2:

Location/Address: 10 Farmington Road, Route 11, Rochester, NH

Grantor > Grantee: Lawrence A. Shapiro Revocable Trust > 10 Farmington Road, LLC

Sale Price / Date: \$615,000 / October 4, 2013

Registry Ref: SCRD Book 4173 Page 380, Plan Drawer 47 Plan No. 51

Site Area: 2.45 acres

Unit Value: \$251,020 per acre

Frontage: 348.32' on Route 11

Available Utilities: Municipal water and sewer, electricity, telephone, and cable

Zoning / Map Ref: Granite Ridge District / Map 221 Lot 159

Conf. Source / By: Seller, Real Data, Public Records, Previous Appraisal / S. Gromoshak /
L. Davies

H & B Use at Sale: Commercial Development

Comments: This high visibility site was the location of a motel that was destroyed by fire over a decade ago. The site is level and cleared with some ledge toward the rear. It is encumbered with right-of-way and utility easements on ¼+/- acre. The lot was purchased for an auto related use by Key Auto Group. The site is one lot north of the ramp for the Spaulding Turnpike and has a variety of medium intensity commercial uses in the immediate vicinity. Traffic count was 19,000 VPD in 2013. Access to the site is directly from Route 11 via Cardinal Drive which is a right-of-way on the site that runs with the property along the entire southeastern boundary.



Site Sketch:

15-17 Contribution Value to 10.00 Acre Parcel at 9 Old Lakeshore Road, Gilford, NH
Proposed Ingress Only Access Point Through a Limited Access Right-of-Way
Owned by State of New Hampshire

Summary of Comparable Land Listing AI-3:

Location/Address: 1477 Lakeshore Road, Gilford, NH

Grantor > Grantee: Fernand D. Morin > Phyllis M. Morin

Sale Price / Date: \$715,000 / Active listing asking price; less 10.00% = \$643,500 effective

Registry Ref: BCRD Book 820 Page 879

Site Area: 13.82 acres

Unit Value: \$49,150 per acre

Frontage: 327.32' on Route 11 AKA Lakeshore Road

Available Utilities: Private well, municipal sewer, electricity, telephone, and cable

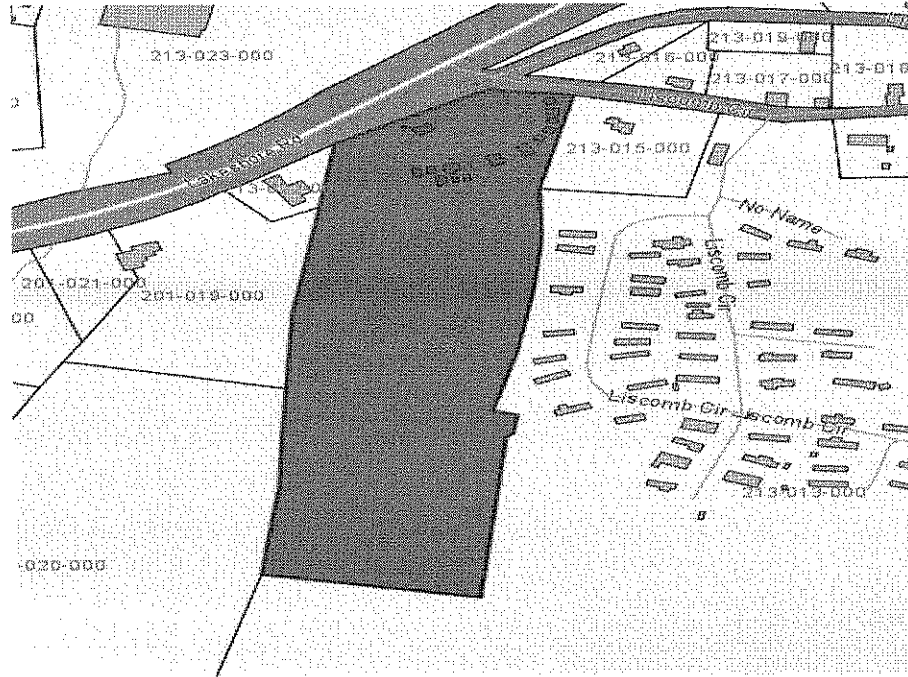
Zoning / Map Ref: Commercial District / Map 213 Lot 21

Conf. Source / By: Broker, Public Records, MLS, Seller Disclosure / S. Gromoshak

H & B Use at Sale: Commercial Development

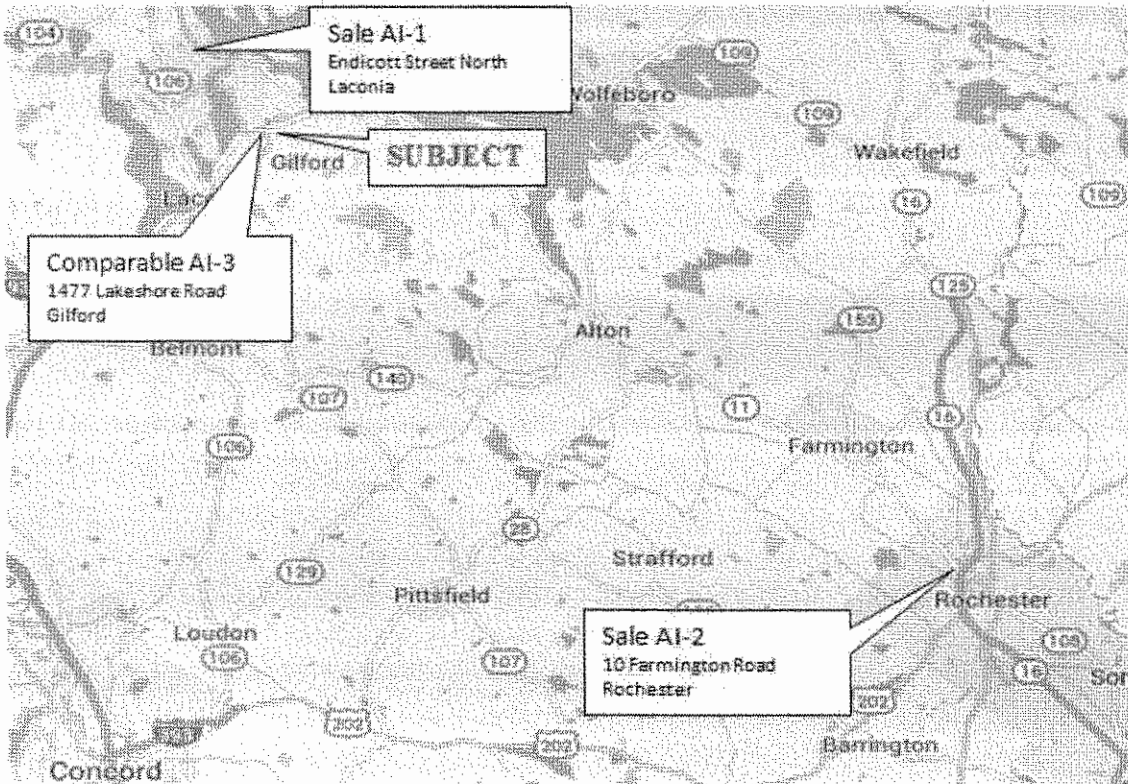
Comments: This property is presently listed for sale for \$715,000 and has been marketed for 1690 days (as of the signature date of this report) with no price changes since it originally was placed on the market in 2010. Should the property sell, it is anticipated that the ultimate sale price will be less than the current asking price therefore a 10.00% reduction has been applied to arrive at an effective price of \$643,500. This former cottage colony is located on Route 11 AKA Lakeshore Road due west of the Laconia Bypass (AKA Route 3 and Daniel Webster Highway), across the street from Walmart and approximately .4 miles from the subject's location. It has frontage on Route 11, with access directly from the main thoroughfare and via a side street known as Liscomb Circle. Per the listing Broker, the highly visible buildable site contains a main house and several small cottages all of which are deemed to be in disrepair with the value being only in the land. The lot is wooded and is primarily flat near the road but contains a slight grade as the lot continues. It is considered to be located in a lake-influenced commercial corridor that allows for a variety of commercial uses. Nearby development on this busy commercial strip includes a variety of freestanding service/commercial and industrial uses such as Walmart, Lowe's Home Improvement Warehouse, Hannaford Supermarket as well as restaurants, fast food, gas stations, banks, and offices. Traffic

count was 14,000 VPD on Lakeshore Road west of the Laconia Bypass (AKA Route 3 and Daniel Webster Highway), in 2013.



Site Sketch:

Comparable Sales/Listing Map – “As Is” Scenario



15-17 Contribution Value to 10.00 Acre Parcel at 9 Old Lakeshore Road, Gilford, NH
Proposed Ingress Only Access Point Through a Limited Access Right-of-Way
Owned by State of New Hampshire

Commercial Land Sales Analysis

Commercial/office/retail sites are typically marketed and sold on a per acre basis. As a result, the subject site and the comparables are analyzed on a price per acre basis. The Effective Sales Price of comparable AI-3 is estimated at 10% less than its current asking price of \$715,000. This takes in to account the anticipated actual sales price assuming it will sell for less than its asking price.

Each of the comparables are compared to the subject site "As Is" and adjusted for the following factors: property rights, financing terms, buyer/seller motivation, date of sale, location, access, site size, site characteristics, and available utilities.

The analysis includes percent adjustments, reflecting the market reaction to those items of significant variation between the abutting site and comparable properties. If a significant item at the comparable property is superior to or more favorable than the abutting site, a negative (-) adjustment is made thus reducing the indicated value for the abutting site; if a significant item in the comparable property is inferior to or less favorable than the abutting site, a positive (+) adjustment is made thus increasing the indicated value for the abutting site.

Property Rights Conveyed

Since the fee simple interest of the subject site is being valued and all of the comparable transactions involved fee simple interest, no adjustments were made to any of the sales.

Financing

This factor takes into consideration unusual financing terms of a sale that would influence the transaction price, such as the interest rate, down payment, or the term of the note and/or amortization period. All of the comparable sales had terms of cash to the seller or conventional financing. Therefore, adjustments for financing were not necessary.

Motivation

Each of the Comparable Land Sales was a typically motivated arm's length transaction requiring no adjustment for atypical buyer or seller motivation. All further adjustments to the sales will be based on the adjusted price.

Date of Sale

The sales presented occurred between October 2013 and November 2013 with the third comparable being marketed for sale presently. There has not been sufficient commercial land sales activity locally to establish a broad trend and analysis of the sites for sale in the immediate vicinity of the subject and of the comparable sales indicates limited activity is present in this submarket. Based on an analysis of the comparable land sales, it appears that little of the price variation between the sales is attributable to changes in market conditions over the time period. The comparables have not been adjusted for changes in market conditions over the period of the analysis.

Access

The subject's access is from three existing curb cuts on Old Lakeshore Road and Annis Drive. Because quantifying the Access adjustment that has been applied in the sales comparison grid was paramount to this appraisal problem, the appraiser analyzed a pair of sales located on the same commercial strip that sold in the same time period and differed in their accessibility, which are detailed in the tables below. While the two sales have both similarities and differences, the most relevant traits deemed necessary to this analysis are the fact that one of the properties (L-1) is located at a signalized intersection while the other (L-2) is not and that L-1 has near immediate ingress and egress from State Route 28 as well as immediate egress only on to State Route 28 while the other is accessed via only a side road access point. The pairing allowed the appraiser to extract adjustments for the signalized intersection and the accessibility. The remaining factors of Size, Frontage, and Proximity to the Interstate were not considered because the exercise was to isolate the target adjustments for only signal and access. As is indicated in Table 2 below, based on the appraiser's experience, the percentage assigned to a property possessing a signal is 15% while the percentage for State Route access is 10%.

TABLE 1: Paired Sales Used to Derive Adjustments for Signalized Entrance and Access

	L-1	L-2
	<u>124-126 Rockingham Rd./Liberty Dr., Londonderry</u>	<u>2 Enterprise Dr., Londonderry</u>
Price:	\$560,000 + \$20,000 (demolition costs) = \$580,000	\$625,000
Date/Sale:	September 20, 2011	March 30, 2011
Site Size:	1.82 acres	3.60 acres
\$/acre:	\$318,681	\$173,611
\$/acre % Difference = 45.52% rounded to (negative) 45.00%		

**TABLE 2: Breakdown of the 45.00% Difference When Considering the Variances
Between the 2 Land Sales Above**

Variances	Factors	Quantity Applied
Size	One site is larger than the other **	-5%
Frontage	Inferior side road vs. Superior state route	-10%
Proximity to Interstate	One location is farther from I-93 than the other	-5%
Signalized Entrance	Inferior lack of signal vs. Superior signal at entry	-15%
Access	Inferior side road only access vs. Superior state route egress	-10%
		-45%

** Smaller sites tend to sell for a higher per acre price than larger sites.

The subject contains three access points off side streets to the side and the rear of the site.

Sale AI-1 has two points of access directly from Route 3 but no signal. Its access is considered slightly superior and is adjusted down by 10%.

Sale AI-2 has a curb cut on Route 11 in Rochester in close proximity to a Spaulding Turnpike ramp but no signal; slightly superior; -10%.

Comparable AI-3 has a curb cut directly on Route 11 in Gilford as well as a side street access point nearly immediate to Route 11 but no traffic signal; slightly superior; -10%.

Location

Location is an important factor affecting property values. The subject property has a location influenced by adequate to good exposure and proximity to some higher intensity supporting commercial development. The comparables were selected for their suitability for development of somewhat similar to very similar uses to the subject site's "As Is" Highest and Best Use of continued commercial use. Comparables AI-1 and 3 are considered to be in similar locations, therefore Location adjustments were not warranted. Each are located in the Lakes Region on lake access corridors rendering them similar. Properties on these corridors have the benefit of tourists visiting the Lakes region in the summer months but are burdened with the decline in activity throughout other parts of the year. Because Sale AI-2 is located in a high intensity commercial zone in Rochester which enjoys year round retail activity and it is closely proximate to the Spaulding Turnpike, its location is considered to be highly superior as is its suitability to the development of a similar multi-tenant retail center,

therefore a negative 35% adjustment was rendered. This adjustment to Sale AI-2 was derived from a paired sales analysis with the average of Sales AI-1 and AI-3 which indicated a total difference of -80% (rounded) of which -35% has been allocated to the Location adjustment. The remaining negative 45% is allocated to other adjustments as discussed below.

Site Size and Site Characteristics

The subject site is 10.00+/- acres and Comparable AI-3 is roughly similar in size with 13.82+/- acres. However, its site characteristics are considered inferior, rendering an adjustment of +30%, since it is a long lot with a steady slope up to its rear boundary. Considering the excavation that would need to take place to render this lot similar to the subject's level lot, a site characteristics adjustment was necessary. Sales AI-1 and AI-2 offer significantly smaller sites. Smaller sites tend to sell for a higher per acre price than larger sites. These sales are adjusted down by 25% to account for this influence. Because the site characteristics of each of these lots are determined to be similar to the subject's site, no additional adjustments were warranted.

Utilities

The subject site has access to public sewer but includes a private well. Comparables AI-1 and AI-3 reflect the same circumstance therefore adjustments were not necessary for these comparables. Because the water and sewer utilities at Sale AI-2 are both municipal, a negative 10% was warranted for the superiority of it offering municipal water.

The sales comparison grid on the next page illustrates the comparables and outlines the application of the adjustments.

Comparable Land Sale Grid – “As Is”

Item	Subject Property	Commercial Land Sale AI-1		Commercial Land Sale AI-2		Commercial Land Comparable AI-3	
Location	9 Old Lakeshore Road Route 11 Gilford	Endicott Street North Route 3 Laconia		10 Farmington Road Route 11 Rochester		1477 Lakeshore Road Route 11 Gilford	
Effective Sales Price	Estimate		\$250,000		\$615,000		\$643,500
Price Per Acre			\$80,386		\$251,020		\$46,563
Data Source		Buyer/Public Records		Public Records/Broker/MLS		Public Records/Broker/MLS	
Motivation		Arm's-length		Arm's-length		Active Listing	
		Description	Adjustment	Description	Adjustment	Description	Adjustment
Date of Sale & Mkt. Cond. Adj.		11/20/2013		10/4/2013		Active Listing	
Adjusted Price		\$250,000		\$615,000		\$643,500	
Effective Site Area (Acres)	10.00	3.11		2.45		13.82	
Adjusted Price/Acre		\$80,386		\$251,020		\$46,563	
Access	Fair to average	Slightly Superior	-10%	Slightly Superior	-10%	Slightly Superior	-10%
Location	Average	Average		Highly Superior	-35%	Average	
Traffic Exposure	12,000 VPD	9100 VPD		19,000 VPD		14,000 VPD	
Site Size	10.00 Acres	Smaller	-25%	Smaller	-25%	Similar	
Site Characteristics	Good	Similar		Similar		Inferior	+30%
Utilities	Municipal sewer & Well	Municipal sewer & Well		Municipal Water & Sewer	-10%	Municipal sewer & Well	
Net Adjustments			-35%		-80%		+20%
Indicated Price/Acre		\$52,251		\$50,204		\$55,876	

Low
\$50,204

Mean of 2 Closed Sales
\$51,228

High
\$55,876

15-17 Contribution Value to 10.00 Acre Parcel at 9 Old Lakeshore Road, Gilford, NH
Proposed Ingress Only Access Point Through a Limited Access Right-of-Way
Owned by State of New Hampshire

In this analysis, the indicated values range from \$50,204 to \$55,876 per acre with the mean of the two closed sales concluding at \$51,228. Since the third comparable is based on an asking price, it was not weighed during reconciliation therefore the mean of the two closed sales was most heavily relied upon. This value was rounded down to the nearest thousand thus concluding that the subject site "As Is" warrants a value opinion via the sales comparison approach of **\$51,000 per acre**, as follows:

$$\text{\$51,000 per acre} \times 10.00\pm \text{ acres} = \text{\$510,000}$$

"With Access Through a Limited Access Right-of-Way" Valuation

In the hypothetical "with access through a Limited Access Right-of-Way" scenario, the subject site includes an access point through the "Limited Access Right-of-Way", allowing for convenient access to the site from Route 11. Comparable sales with a similar highest and best use were researched and analyzed for the "with access through a Limited Access Right-of-Way" scenario in order to derive an indication of value for the subject site with the proposed access point. A sale that recently took place on 95 Daniel Webster Highway, Belmont was considered by the appraiser but was not used in this analysis since the exact nature of the new retail use is unknown and the price appears inconsistent with previous price levels. It was a 2.90 acre improved property that had been used as an automobile dealership that sold on 01/26/2015 for \$900,000. In addition to its sale price, an estimated \$20,000+/- would need to be added for the necessary costs of demolition immediately occurring subsequent to the transfer, resulting in an effective price of \$317,241/acre. This site is accessed directly off of Route 3 at a signalized intersection and is located at the southern terminus of the Laconia Bypass. Other sufficient commercial land transactions were found to develop this approach however not all offer actual direct access from their respective main thoroughfare. Of that data the three most similar comparables were used in the analysis. To the best of the appraiser's knowledge, the comparable sales had not sold in the year prior to their sale dates indicated herein. Each comparable is detailed on the subsequent pages.

Summary of Comparable Land Sale WA-1:

Location/Address: Endicott Street North, Route 3, Laconia, NH

Grantor > Grantee: Wayne Sanborn and Davida Cook > Jaycorlis Trust of New Hampshire

Sale Price / Date: \$250,000 / November 20, 2013

Registry Ref: BCRD Book 2888 Page 15, Plan Drawer L 62 Plan No. 59

Site Area: 4.08 acres (actual); 3.11 acres (effective)

Unit Value: \$61,275 per acre (actual); \$80,386 per acre (effective)

Frontage: 726.37' on Route 3 AKA Endicott Street North

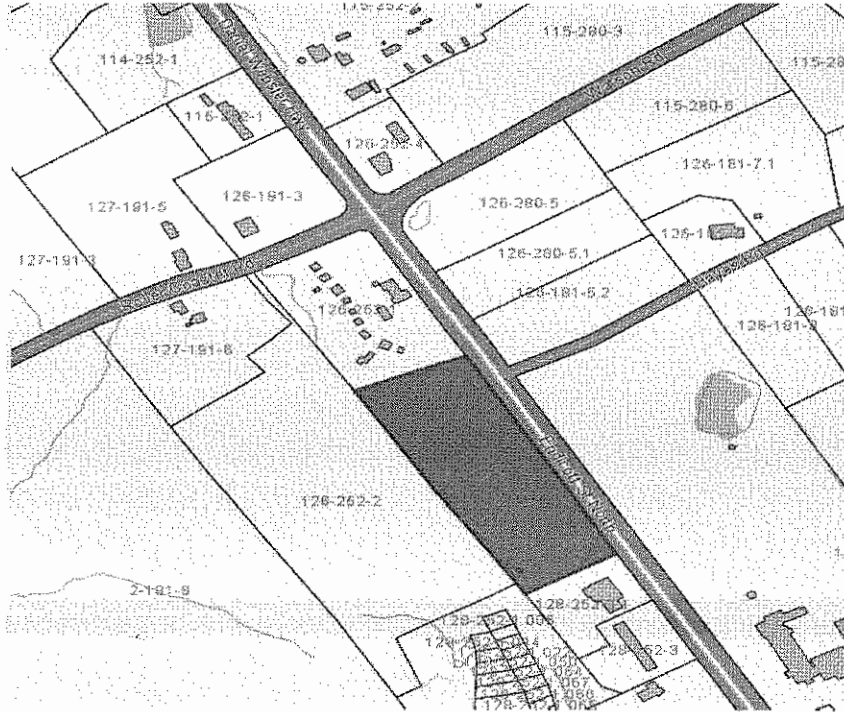
Available Utilities: Municipal sewer and well, electricity, telephone, and cable

Zoning / Map Ref: Commercial Resort District / Map 128-252 Lot 3.2

Conf. Source / By: Buyer, Real Data, PA-34, Public Records / S. Gromoshak

H & B Use at Sale: Commercial Development

Comments: This high visibility buildable site is level and mostly cleared; it contains some utility poles. It is encumbered with a right-of-way, utility and access easements that reduce utility on almost half an acre of the site. Lastly, 0.97 acres is encumbered with a detention pond easement in favor of the City of Laconia. This was deducted from the total acreage (since it is not usable land) of 4.08 acres leaving 3.11 acres to be considered in this analysis. The site is one lot south of the Endicott Street North and Roller Coaster Road intersection on a lake-influenced commercial corridor that allows for a variety of commercial uses. The access is via two access points directly on Route 3. Nearby development includes restaurants, recreation facilities such as Funspot Entertainment Supercenter, campgrounds, and small retail shops. Traffic count was 9100 VPD in 2014. This land was purchased by an abutter who felt he did not pay an abutter premium. By purchasing the land, his plan is to control the type of use that will ultimately come in next to his existing campground facility.



Site Sketch:

Summary of Comparable Land Sale WA-2:

Location/Address: 10 Farmington Road, Route 11, Rochester, NH

Grantor > Grantee: Lawrence A. Shapiro Revocable Trust > 10 Farmington Road, LLC

Sale Price / Date: \$615,000 / October 4, 2013

Registry Ref: SCRD Book 4173 Page 380, Plan Drawer 47 Plan No. 51

Site Area: 2.45 acres

Unit Value: \$251,020 per acre

Frontage: 348.32' on Route 11

Available Utilities: Municipal water and sewer, electricity, telephone, and cable

Zoning / Map Ref: Granite Ridge District / Map 221 Lot 159

Conf. Source / By: Seller, Real Data, Public Records, Previous Appraisal / S. Gromoshak /
L. Davies

H & B Use at Sale: Commercial Development

Comments: This high visibility site was the location of a motel that was destroyed by fire over a decade ago. The site is level and cleared with some ledge toward the rear. It is encumbered with right-of-way and utility easements on ¼+/- acre. The lot was purchased for an auto related use by Key Auto Group. The site is one lot north of the ramp for the Spaulding Turnpike and has a variety of medium intensity commercial uses in the immediate vicinity. Traffic count was 19,000 VPD in 2013. Access to the site is directly from Route 11 via Cardinal Drive which is a right-of-way on the site that runs with the property along the entire southeastern boundary.

Site Sketch:



Summary of Comparable Land Sale WA-3:

Location/Address: 1477 Lakeshore Road, Gilford, NH

Grantor > Grantee: Fernand D. Morin > Phyllis M. Morin

Sale Price / Date: \$715,000 / Active listing asking price; less 10.00% = \$643,500 effective

Registry Ref: BCRD Book 820 Page 879

Site Area: 13.82 acres

Unit Value: \$49,150 per acre

Frontage: 327.32' on Route 11 AKA Lakeshore Road

Available Utilities: Private well, municipal sewer, electricity, telephone, and cable

Zoning / Map Ref: Commercial District / Map 213 Lot 21

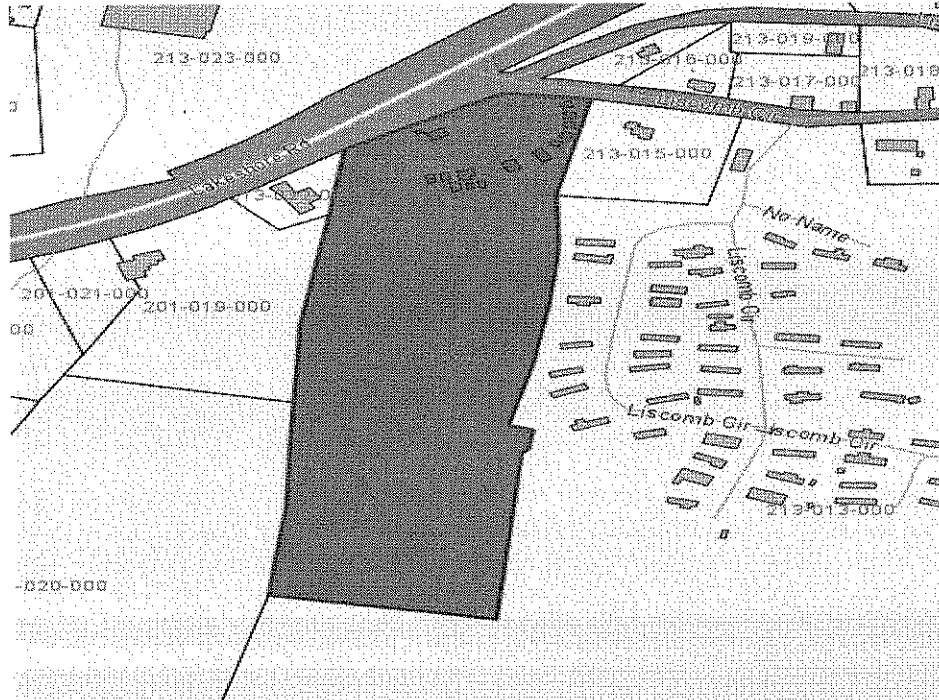
Conf. Source / By: Broker, Public Records, MLS, Seller Disclosure / S. Gromoshak

H & B Use at Sale: Commercial Development

Comments: This property is presently listed for sale for \$715,000 and has been marketed for 1661 days (as of the signature date of this report) with no price changes since it originally was placed on the market in 2010. Should the property sell, it is anticipated that the ultimate sale price will be less than the current asking price therefore a 10.00% reduction has been applied to arrive at an effective price of \$643,500. This former cottage colony is located on Route 11 AKA Lakeshore Road due west of the Laconia Bypass (AKA Route 3 and Daniel Webster Highway), across the street from Walmart and approximately .4 miles from the subject's location. It has frontage on Route 11, with access directly from the main thoroughfare and via a side street known as Liscomb Circle. Per the listing Broker, the highly visible buildable site contains a main house and several small cottages all of which are deemed to be in disrepair with the value being only in the land. The lot is wooded and is primarily flat near the road but contains a slight grade as the lot continues. It is considered to be located in a lake-influenced commercial corridor that allows for a variety of commercial uses. Nearby development on this busy commercial strip includes a variety of

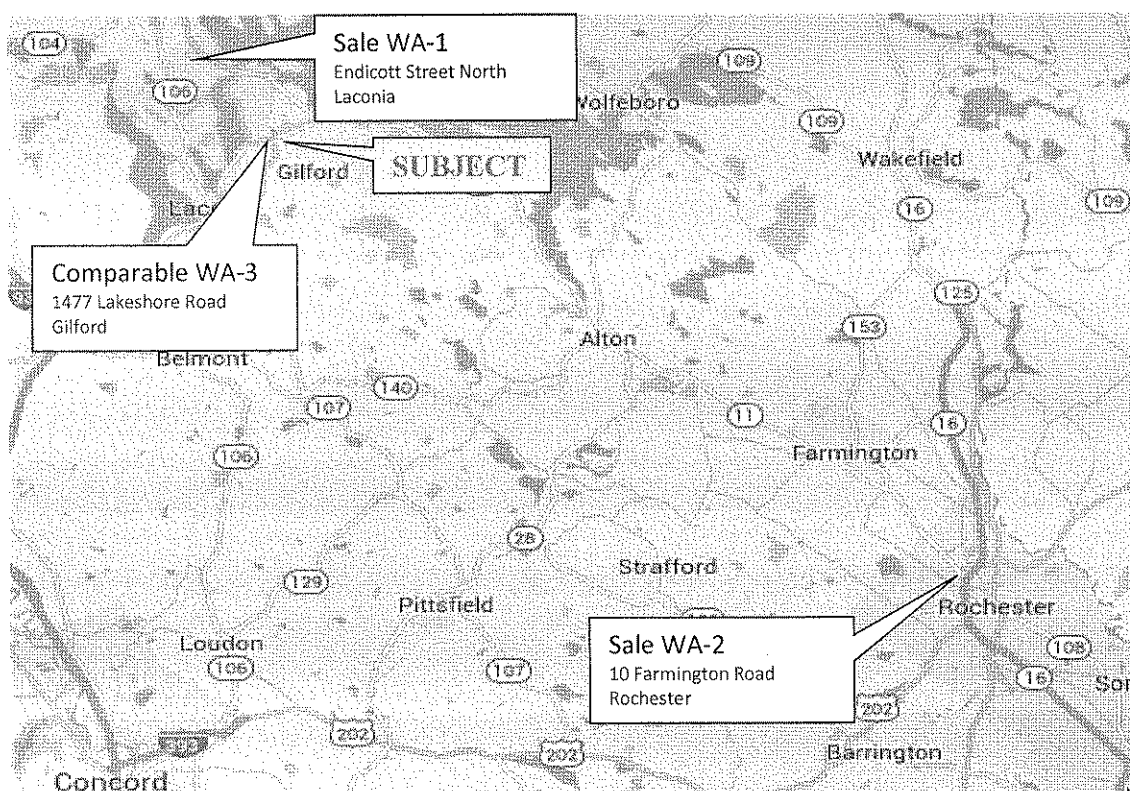
freestanding service/commercial and industrial uses such as Walmart, Lowe's Home Improvement Warehouse, Hannaford Supermarket as

well as restaurants, fast food, gas stations, banks, and offices. Traffic count was 14,000 VPD on Lakeshore Road west of the Laconia Bypass (AKA Route 3 and Daniel Webster Highway), in 2013.



Site Sketch:

Comparable Sales/Listing Map – With Ingress Only Access Through LAROW Scenario



Commercial Land Sales Analysis

In the “with ingress only access” scenario the subject site and the comparable sales are also analyzed on a price per acre basis. The Effective Sales Price of comparable WA-4 is estimated at 10% less than its current asking price of \$715,000. This takes in to account the anticipated actual sales price assuming it will sell for less than its asking price.

Each of the comparables are compared to the subject site “with ingress only access through a Limited Access Right-of-Way” and adjusted for the following factors: property rights, financing terms, buyer/seller motivation, date of sale, location, traffic exposure, site size, zoning, site characteristics, and available utilities.

Property Rights Conveyed

Since the fee simple interest of the subject site is being valued and all of the comparable transactions involved fee simple interest, no adjustments were made to any of the sales.

Financing

This factor takes into consideration unusual financing terms of a sale that would influence the transaction price, such as the interest rate, down payment, or the term of the note and/or amortization period. All of the comparable sales had terms of cash to the seller or conventional financing. Therefore, adjustments for financing were not necessary.

Motivation

Each of the Comparable Land Sales was a typically motivated arm’s length transaction requiring no adjustment for atypical buyer or seller motivation. All further adjustments to this sale will be based on the adjusted price.

Date of Sale

The sales presented occurred between October 2013 and November 2013 with the third comparable being marketed for sale presently. There has not been sufficient commercial land sales activity locally to establish a broad trend and analysis of the sites for sale in the immediate vicinity of the subject and of the comparable sales indicates limited activity is present in this submarket. Based on an analysis of the comparable land sales, it appears that little of the price variation between the sales is attributable to changes in market conditions over the time period. The comparables have not been adjusted for changes in market conditions over the period of the analysis.

Access

In the “with ingress only access” scenario, the subject will have access directly from State Route 11 at a signalized intersection located opposite the off-ramp for the Laconia Bypass (AKA Route 3 and Daniel Webster Highway) terminus. The subject’s new access will require a maintenance burden which will add to the owner’s permanent future operating costs. This burden was considered when making Access adjustments in the sales comparison approach in the “With Access” scenario.

Please refer to the analysis discussed on pages 32 – 33 for the derivation of the following adjustments:

Sale WA-1 has two points of access directly from Route 3 but no signal; inferior; +15%

Sale WA-2 has a curb cut on Route 11 in Rochester in close proximity to a Spaulding Turnpike ramp; no signal; +15%

Comparable WA-3 has a curb cut directly on Route 11 in Gilford as well as a side street access point nearly immediate to Route 11; no signal; +15%

The above mentioned adjustments were further supported by the higher indicator of the 95 Daniel Webster Highway, Belmont sale (referenced on page 35) which sold for an effective price of \$317,241/acre. The location of this sale is similar to the subject's location in that it is located just off the opposite end of the Laconia Bypass on a commercial corridor, AKA Route 11, with two direct access points, one of which is signalized. This sale is a good indicator of recent commercial activity in the Lakes Region.

Location

Location is an important factor affecting property values. The subject property has a location influenced by adequate to good exposure and proximity to some higher intensity supporting commercial development. The comparables were selected for their suitability for development of somewhat similar to very similar uses to the subject site's "with ingress only access" Highest and Best Use as its enhanced commercial use, inclusive of its proposed expansion. Comparables AI-1 and 3 are considered to be in similar locations therefore Location adjustments were not warranted. Each are located in the Lakes Region on lake access corridors rendering them similar. Properties on these corridors have the benefit of tourists visiting the Lakes region in the summer months but are burdened with the decline in activity throughout other parts of the year. Because Sale AI-2 is located in a high intensity commercial zone in Rochester which enjoys year round retail activity and it is closely proximate to the Spaulding Turnpike, its location is considered to be highly superior as is its suitability to the development of a similar multi-tenant retail center, therefore the same negative 35% adjustment derived in the "As Is" analysis is applied here.

Site size and Site Characteristics

The subject site is 10.00+/- acres and Comparable AI-3 is roughly similar in size with 13.82+/- acres. However, its site characteristics are considered inferior, rendering an adjustment of +30%, since it is a long lot with a steady slope up to its rear boundary. Considering the excavation that would need to take place to render this lot similar to the subject's level lot, a site characteristics adjustment was necessary. Sales AI-1 and AI-2 offer significantly smaller sites. Smaller sites tend to sell for a higher per acre price than larger sites. These sales are adjusted down by 25% to account for this influence. Because the site characteristics of each of these lots are determined to be similar to the subject's site, no adjustments were warranted.

Utilities

The subject site has access to public sewer but a private well. Comparables AI-1 and AI-3 reflect the same circumstance therefore adjustments were not necessary for these comparables. Because the water and sewer utilities at Sale AI-2 are both municipal, a negative 10% was warranted for the superiority of it offering municipal water.

The sales comparison grid on the next page illustrates the comparables and outlines the application of the adjustments.

Comparable Land Sale Grid – With Ingress Only Access within a Limited Right-of-Way

Item	Subject Property	Commercial Land Sale WA-1		Commercial Land Sale WA-2		Commercial Land Comparable WA-3	
Location	9 Old Lakeshore Road Route 11 Gilford	Endicott Street North Route 3 Laconia		10 Farmington Road Route 11 Rochester		1477 Lakeshore Road Route 11 Gilford	
Effective Sales Price	Estimate		\$250,000		\$615,000		\$643,500
Price Per Acre			\$80,386		\$251,020		\$46,563
Data Source		Buyer/Public Records		Public Records/Broker/MLS		Public Records/Broker/MLS	
Motivation		Arm's-length		Arm's-length		Active Listing	
		Description	Adjustment	Description	Adjustment	Description	Adjustment
Date of Sale & Mkt. Cond. Adj.		11/20/2013		10/4/2013		Active Listing	
Adjusted Price		\$250,000		\$615,000		\$643,500	
Effective Site Area (Acres)	10.00	3.11		2.45		13.82	
Adjusted Price/Acre		\$80,386		\$251,020		\$46,563	
Access	Good	Inferior +15%		Inferior +15%		Inferior +15%	
Location	Average	Average		Highly Superior -35%		Average	
Traffic Exposure	12,000 VPD	9100 VPD		19,000 VPD		14,000 VPD	
Site Size	10.00 Acres	Smaller -25%		Smaller -25%		Similar	
Site Characteristics	Good	Similar		Similar		Inferior +30%	
Utilities	Municipal sewer & Well	Municipal sewer & Well		Municipal Water & Sewer -10%		Municipal sewer & Well	
Net Adjustments		-10%		-55%		+45%	
Indicated Price/Acre		\$72,347		\$112,959		\$67,516	

Low
\$67,516

Mean
\$84,274

High
\$112,959

Reconciliation – “With Ingress Only Access”

In this analysis, the indicated values range from \$67,516 to \$112,959 per acre with a mean of \$84,274. Since the third comparable is based on an asking price, it was not directly weighed during reconciliation. When reconciling the two remaining sales, the appraiser put a great deal of emphasis on Sale WA-1 because it concluded in so few overall adjustments. Although the Indicated Price/Acre of Sale WA-2 appears to be an anomaly when compared to the conclusions of Sales WA-1 and WA-3, it is relevant to this analysis because of its ability to be utilized in a fashion similar to the subject's use, i.e., multi-tenant retail. Its ability to be used as a multi-tenant retail property exceeds the likelihood that the remaining comparables could be developed in the same manner. That being considered, the appraiser opines that the Indicated Price/Acre for Sale WA-1 should be most heavily considered but with some inflation, approximately 10.00%, to capture the multi-tenant retail feature. That would conclude in a value of \$80,000 per acre. The mean of \$84,274 lends good support to this valuation conclusion. These analyses led to the conclusion that the subject site “With Ingress Only Access” warrants a value opinion via the sales comparison approach of **\$80,000 per acre**, as follows:

$$\text{\$80,000 per acre} \times 10.00\text{+/- acres} = \text{\$800,000}$$

Based on the foregoing value conclusions for the “As Is” scenario and the “With Ingress Only Access through a Limited Right-of-Way” scenario, the indicated contributory value of the proposed access point before expenses is calculated as follows:

$$\text{\$800,000} - \text{\$510,000} = \text{\$290,000}$$

It is recognized that this figure represents the value to the site if the proposed ingress only access point were to be acquired, without regard to the costs associated to this acquisition. It is appropriate to consider the construction costs involved in developing expansion plans for the property. A cost pro forma totaling hard construction costs of \$256,342.50 (rounded to \$255,000) was provided to the appraiser. This total has been deducted from the total contributory value opinion arrived at above to come to a final net contributory value.

Conclusion and Final Value Estimate

Based on an analysis of the best available comparable sales and other factors affecting the value of the subject parcel, the estimated contributory value of the proposed access through the Limited Access Right-of-Way as of March 12, 2015 is:

• “With Ingress Only Access through the Limited Access Right-of-Way” Valuation	\$800,000
• “As Is” Valuation	- \$510,000
• Contributory Value of the Ingress Only Access Point	\$290,000
• Less: Developer Costs	- \$255,000
<i>Net Contributory Value</i>	\$35,000

Appraisal Certification

I certify that to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have not appraised nor performed any valuation service for the subject property in the past three years.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the requirements of the *Uniform Appraisal Standards for Federal Land Acquisitions*, the *Uniform Standards of Professional Appraisal Practice*, *New Hampshire Department of Transportation Right-of-way Manual*, *Code of Professional Ethics* and the *Standards of Professional Practice of the Appraisal Institute* and *American Society of Appraisers*.
- I have made a personal on-site inspection of the property that is the subject of this report.
- In the preparation of this report, I have relied upon the expertise of, and information given me by, Laura J. Davies, NHCG #529.



Sandra L. Gromoshak, NHCR #846
Staff Appraiser

Date: May 28, 2015

Legal Description

STATE OF NEW HAMPSHIRE	
DEPARTMENT OF REVENUE ADMINISTRATION	NEW HAMPSHIRE TRANSFER TAX
7 Thousand Hundred 40 Dollars	
DATE	ACCOUNT
10/14/2009	BE817820 *****40.00
WHO F ALTERED	

QUITCLAIM DEED

N. RICHARD PERSONS, TRUSTEE OF THE N. RICHARD PERSONS TRUST, dated January 22, 1997, of 70 Boyd Hill Road, Gilford, Belknap County, New Hampshire 03249, for valuable consideration, grants an undivided one-quarter interest (representing one-half his undivided one-half interest) to BETTY PERSONS, TRUSTEE OF THE BETTY PERSONS TRUST, dated March 2, 1995, of 70 Boyd Hill Road, Gilford, Belknap County, New Hampshire 03249, with QUITCLAIM COVENANTS:

A certain tract or parcel of land, with the buildings and improvements thereon, located on New Hampshire Route 11, Old Lake Shore Road and Annis Drive as shown on a plan entitled "SURVEY OF LAND OF JAMES M. ANNIS & N. RICHARD PERSONS FOR FIRST DEVELOPMENT CORPORATION ROUTE 11, ANNIS DR. & OLD LAKE SHORE RD. GILFORD, BELKNAP COUNTY, N.H.", Scale 1" = 50', dated July 12, 1989, revised August 30, 1989 and November 2, 1989, by Steven J. Smith & Associates, Inc., recorded in the Belknap County Registry of Deeds in Plan Drawer L-9, as Plan Number 53, more particularly bounded and described as follows:

Beginning at a rebar set at the northerly sideline of Annis Drive at the southeasterly corner of land now or formerly of JRM Development Co. as shown on said plan;

Thence North eight degrees, forty-three minutes, fifty-three seconds East (N 08° 43' 53" E) one hundred and zero hundredths feet (100.00') along land of JRM Development Co. to a rebar set as shown on said plan;

Thence South eighty-eight degrees, forty-six minutes, nineteen seconds West (S 88° 46' 19" W) one hundred and zero hundredths feet (100.00') along land of JRM Development Co. to a drill hole set as shown on said plan;

Thence North eight degrees, forty-three minutes, fifty-three seconds East (N 08° 43' 53" E) one hundred sixty-nine and twenty hundredths feet (169.20') along land now or formerly of the State of New Hampshire to a New Hampshire concrete bound as shown on said plan;

Thence North sixty-four degrees, thirty minutes, forty seconds East (N 64° 30' 40" E) four hundred seven and sixty-four hundredths feet (407.64') along land of said State of New Hampshire to a New Hampshire concrete bound as shown on said plan;

Thence South eighty-six degrees, seventeen minutes, forty-eight seconds East (S 86° 17' 48" E)

seven hundred and seventy-eight hundredths feet (700.78') along land of said State of New Hampshire to a granite bound set as shown on said plan;

Thence South eighty-three degrees, thirty-five minutes, fifty-one seconds East (S 83° 35' 51" E) two hundred seventy-two and sixty-six hundredths feet (272.66') along land of said State of New Hampshire to a rebar set at the junction of Route 11 and Old Lake Shore Road as shown on said plan;

Thence running along a curve to the right, which curve has a radius of six hundred seventy-five and twenty hundredths feet (675.20') eighty-three and five hundredths feet (83.05') along Old Lake Shore Road to a rebar set as shown on said plan;

Thence running along a curve to the right, which curve has a radius of seven hundred seventy-four and fifty-two hundredths feet (774.52') six hundred sixty-seven and seventeen hundredths feet (667.17') along Old Lake Shore Road and Annis Drive to a rebar set as shown on said plan;

Thence South eighty-eight degrees, forty-six minutes, nineteen seconds West (S 88° 46' 19" W) six hundred forty-eight and eighty-seven hundredths feet (648.87') along said Annis Drive to the point of beginning.

Said tract contains 445,615 square feet or 10 acres, more or less.

SUBJECT TO an easement from James M. Annis and N. Richard Persons to Public Service Company of New Hampshire and New England Tel. & Tel. Company dated June 2, 1967 and recorded in the Belknap County Registry of Deeds in Book 488, Page 326. See also easement from Newmold Associates Corporation to Public Service Company of New Hampshire and New England Tel. & Tel. Company dated June 29, 1967 and recorded in said Registry in Book 488, Page 327.

SUBJECT TO a Lease between James M. Annis and N. Richard Persons and Newmold Associates Corp. dated July 1, 1966 and recorded in the Belknap County Registry of Deeds in Book 481, Page 114, as amended by Amendment of Lease dated July 1, 1966 and recorded in said Registry in Book 488, Page 442, which lease was assigned by Newmold Associates Corp. to Tram Realty Inc. by Assignment dated August 13, 1971 and recorded in said Registry in Book 604, Page 340 (See Consent to Assignment of Lease by James M. Annis and N. Richard Persons dated July 28, 1971 and recorded in said Registry in Book 604, Page 341) which Lease was assigned by KDT Industries, Inc., successor by merger to Tram Realty, Inc. (See Notice of Lease recorded in said Registry in Book 822, Page 420) to First Development Corporation by Assignment dated June 28, 1983 and recorded in said Registry in Book 849, Page 675.

Being the same premises described in deed of N. Richard Persons to the grantor herein dated April 22, 1998 and recorded in the Belknap County Registry of Deeds in Book 1465, Page 271.

Also being the same premises described in deed of Newmold Associates Corp. to James M. Annis and N. Richard Persons dated September 26, 1967 and recorded in the Belknap County Registry of Deeds in Book 491, Page 409.

Appraiser Qualifications

Sandra L . Gromoshak
Certified Residential Appraiser, NHCR-846

Profile

A business development professional and entrepreneur with 23 years of professional experience involving: Residential Appraisals, Business Start-Ups, Sales, Marketing, Contract Negotiations, and Training & Development. My real estate appraisal experience spans 13 years of which I have valued developed properties and vacant land for various purposes including financing, tax abatement, estate work, divorce settlements, etc. for clientele ranging from lending institutions to attorneys to private homeowners.

From 2005 – 2015 I owned and operated a successful appraisal firm in southern New Hampshire.

Appraisal Education 2002 – 2015

Brooks Real Estate Academy: Collateral Underwriter & Report Writing, 7 Credit Hours

The Appraisal Institute: Reaching Escape Velocity; Breaking Free of the Great Recession, 2 Credit Hours

Brooks Real Estate Academy: Green Construction, 7 Credit Hours

Brooks Real Estate Academy: Report Writing: Emphasis on FHA, 7 Credit Hours

Brooks Real Estate Academy: 2014 – 2015 USPAP Update, 7 Credit Hours

Brooks Real Estate Academy: Construction, 7 Credit Hours

Brooks Real Estate Academy: Overview of the Uniform Mortgage Data Program, 3.5 Credit Hours

Brooks Real Estate Academy: Home Construction, 3.5 Credit hours

Brooks Real Estate Academy: Appraising Green Construction, 7 Credit Hours

New England School of Real Estate: Real Estate Salesperson Course, 40 hours

Brooks Real Estate Academy: USPAP 2012, 15 Credit Hours

Brooks Real Estate Academy: USPAP 2010, 15 Credit Hours

Massachusetts Board of Real Estate Appraisers: Mastering Unique & Complex Property Appraisal, 20 Credit Hours

Massachusetts Board of Real Estate Appraisers: Appraisal Review Crammer

JMB Real Estate Academy: Advanced Residential Application and Case Studies, 15 Credit Hours

Brooks Real Estate Services: Abatement Appraising, Continuing Ed.

Brooks Real Estate Services: USPAP 2008, Continuing Ed.

JMB Real Estate Academy: FHA & VA Appraising, Continuing Ed.

McKissock Real Estate & Appraisal School: Appraising the Oddball, Continuing Ed.

Massachusetts Board of Real Estate Appraisers: Residential Appraisal Problem Solving Seminar II, Continuing Ed.

The Appraisal Institute: FHA & The Appraisal Process, Continuing Ed.

The Lee Institute: USPAP 2006, Continuing Ed.

American Real Estate Academy: USPAP 2005, Continuing Ed.

Trans-American Institute: Appraisal Exam Prep & Review Course, Continuing Ed.

Career Web School: URAR Course, 15 Credit Hours

Brooks Real Estate Academy: USPAP 2003, 15 Credit Hours

Brooks Real Estate Academy: Income Property Appraisal, 32 Credit Hours

JMB Real Estate Academy: Fundamentals of Real Estate Appraisal, 30 Credit Hours

Daniel Webster College: Probability & Statistics

College Education

1988 - 1992 *Daniel Webster College* Nashua, NH
B.S., Business & Aviation Management

Professional Affiliations

Certified Residential Appraiser – New Hampshire

Certified Measurer & Lister – New Hampshire

Professional Avocations

Contributor to the creation of "Understanding NH Property Taxes" manual



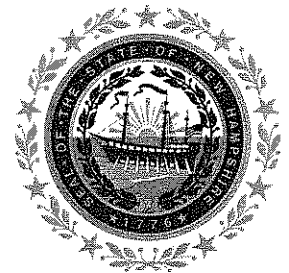
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45 SOUTH FRUIT STREET
CONCORD, NH 03301-4857



LRCP 15-031

GEORGE N. COPADIS, COMMISSIONER

RICHARD J. LAVERS, DEPUTY COMMISSIONER

July 22, 2015

Honorable Gene Chandler, Chairman
Long Range Capital Planning and Utilization Committee
Legislative Office Building, Room 201
Concord, NH 03301

Dear Chairman Chandler:

REQUESTED ACTION

Pursuant to **RSA 4:40** the **New Hampshire Department of Employment Security (NHES)** requests the approval of the Long Range Capital Planning and Utilization Committee ("LRCPUC") relative to the sale of NHES owned property located at 10 West Street, Concord, New Hampshire to Riverbend Community Mental Health, Inc., ("Riverbend") for \$1,300,001.00, plus an additional \$1,100.00 as an administrative fee pursuant to RSA 4:40, III-a, and allow negotiations within the Committee's current policy guidelines.

EXPLANATION AND SUMMARY

On June 25, 2015, NHES entered into a Purchase Agreement with Riverbend for the sale of the property located at 10 West Street, Concord, New Hampshire at \$1,300,001.00. Previously, on November 28, 2012, the Department obtained approval from the LRCPUC to sell said property at the appraised value of \$1,700,000.00.

The current sale price of \$1,300,001.00 to Riverbend is more than 10% below the previously approved sale price. The Department believes that the offer submitted by Riverbend represents fair market value based on the fact that the Department has attempted to sell the property twice. The offer from Riverbend is the only one offer the Department has received since 2012.

The Office of the Attorney General has reviewed and approved the Purchase Agreement. Your favorable consideration is requested.

Respectfully submitted,

George N. Copadis
Commissioner

NHES is a proud member of America's Workforce Network and NH Works. NHES is an Equal Opportunity Employer and complies with the Americans with Disabilities Act. Auxiliary aids and services are available upon request of individuals with disabilities

Telephone (603) 224-3311 Fax (603) 228-4145 TDD/ TTY Access: Relay NH 1-800-735-2964 Web site: www.nhes.nh.gov



LRCP 12-042

JEFFRY A. PATTISON
Legislative Budget Assistant
(603) 271-3161

MICHAEL W. KANE, MPA
Deputy Legislative Budget Assistant
(603) 271-3161

State of New Hampshire

OFFICE OF LEGISLATIVE BUDGET ASSISTANT
State House, Room 102
Concord, New Hampshire 03301

RICHARD J. MAHONEY, CPA
Director, Audit Division
(603) 271-2785

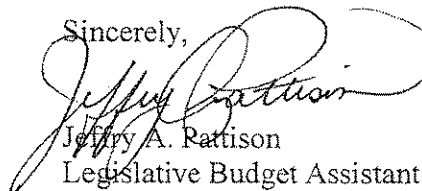
September 19, 2012

George N. Copadis, Interim Commissioner
Department of Employment Security
32 South Main Street
Concord, New Hampshire 03301-4857

Dear Interim Commissioner Copadis,

The Long Range Capital Planning and Utilization Committee, pursuant to the provisions of RSA 4:40, on September 18, 2012, **amended** and approved the request from the Department of Employment Security, to sell the NHES properties located at: 32-24 South Main Street and 10 West Street, Concord, and 298 Hanover Street and 300 Hanover Street, Manchester, for the current market value, allowing negotiations within the Committee's current policy guidelines, and assess an \$1,100 Administrative Fee per property, subject to the conditions as specified in the request dated September 18, 2012, and that **the right of first refusal be treated in the customary manner.**

Sincerely,


Jeffry A. Pattison
Legislative Budget Assistant

JAP/pe
Attachment



LRCP 12-059

JEFFRY A. PATTISON
Legislative Budget Assistant
(603) 271-3161

MICHAEL W. KANE, MPA
Deputy Legislative Budget Assistant
(603) 271-3161

State of New Hampshire
OFFICE OF LEGISLATIVE BUDGET ASSISTANT
State House, Room 102
Concord, New Hampshire 03301

RICHARD J. MAHONEY, CFA
Director, Audit Division
(603) 271-2785

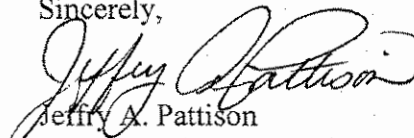
November 28, 2012

George N. Copadis, Commissioner
Department of Employment Security
32 South Main Street
Concord, New Hampshire 03301-4857

Dear Commissioner Copadis,

The Long Range Capital Planning and Utilization Committee, pursuant to the provisions of RSA 4:40, on November 27, 2012, approved the request from the Department of Employment Security, to amend LRCP 12-042, approved by the Long Range Capital Planning and Utilization Committee on September 18, 2012, to allow New Hampshire Employment Security to sell without the services of a real estate broker, for the current market value, the following properties located at: 32-24 South Main St, Concord; 10 West St, Concord; 298 Hanover St, Manchester; and 300 Hanover St, Manchester, assess an Administrative Fee of \$1,100 per property, and allow negotiations within the Committee's current policy guidelines, as specified in the request dated November 14, 2012.

Sincerely,


Jeffrey A. Pattison
Legislative Budget Assistant

JAP/pe
Attachment

PURCHASE AGREEMENT

This Agreement is dated this 25th day of June, 2015, between the State of New Hampshire Department of Employment Security having an address of 45 South Fruit Street, Concord, New Hampshire 03301 (the "Seller") and Riverbend Community Mental Health, Inc., having an address of P.O. Box 2032, Concord, New Hampshire 03302 ("Buyer").

Reference is made to the following facts:

A. Seller is the owner of an approximately 1.94 acre parcel of land with the buildings and improvements thereon (the "Real Estate") located at 10 West Street, Concord, New Hampshire, originally conveyed to the Seller by Warranty Deed recorded in the Merrimack County Registry of Deeds at Book 2085, Page 1340 together with all buildings and improvements thereon.

B. The Real Estate is being sold as state-owned surplus real estate under RSA 4:40. RSA 4:40 requires the following: (i) a determination by the Commissioner of the Department of Employment Security that the Real Estate is surplus and should be sold; (ii) a review of the proposed sale by the interagency Council on Resources and Development ("CORD"); (iii) approval of the proposed sale by the joint legislative Long Range Capital Planning and Utilization Committee ("LRCPUC"); (iv) an offer to sell the Real Estate at not less than its current market value to the city, town or county in which the Real Estate is located; and (v) final approval of the sale of the Real Estate by the Governor and Executive Council of the State of New Hampshire ("G&C"). With respect to the sale of the Real Estate to the Buyer, the Commissioner of the New Hampshire Department of Employment Security has determined that the Real Estate is surplus and should be sold, CORD has reviewed the proposed sale of the Real Estate and recommended it for approval and LRCPUC has reviewed and approved the sale of the Real Estate. This Agreement memorializes the resulting offer from Buyer, which offer the Department of Employment Security believes to represent the best value to the State of New Hampshire Department of Employment Security among all offers received. This Agreement remains subject to the City of Concord's refusal or failure to timely accept Seller's offer to sell the Real Estate to the City at the Purchase and Sales Agreement price; 2nd approval by LRCPUC due to the fact the purchase price is greater than 10% below the previously approved sale price; and final approval by G&C.

C. Seller desires to sell, and Buyer desires to buy, the Real Estate pursuant to the terms and conditions set forth herein and in accordance with the applicable provisions of RSA 4:40 with respect to the disposal of surplus real property by the State of New Hampshire.

NOW, THEREFORE, for good and valuable consideration hereinafter specified, the sufficiency of which is hereby acknowledged, Seller and Buyer agree as follows:

1. Sale and Purchase. Seller shall sell and Buyer shall purchase, subject to the terms and conditions herein, the Real Estate, including all buildings and improvements thereon and together with all rights of way, beneficial easements, privileges, permits,

approvals and other appurtenances and rights pertaining to the Real Estate (collectively, the "Property").

2. Purchase Price. The purchase price (the "Purchase Price") for the Property shall be ONE MILLION THREE HUNDRED THOUSAND ONE Dollars and no/cents (\$1,300,001.00), plus an additional One Thousand One Hundred Dollars (\$1,100.00) as an administrative fee pursuant to RSA 4:40, III-a. The Purchase Price shall be payable as follows:

(a) FIFTY THOUSAND Dollars (\$50,000.00) will be paid to the Seller as a deposit within seven (7) business days after execution of this Agreement by the Seller (the "Deposit"). The Deposit shall be held in escrow by the Seller in accordance with the terms of this Agreement. The Deposit shall be duly accounted for at the Closing and shall be applied to the Purchase Price. Following the satisfactory completion of the Due Diligence Period, the Deposit shall be non-refundable provided that the transaction complies with RSA 4:40 (described herein) and that the Seller meets its obligations in accordance with the terms of this Agreement. If Seller does not comply with all applicable provisions of RSA 4:40, or if the sale does not occur for any reason other than a default by the Buyer hereunder, then the deposit shall be forthwith returned to the Buyer.

(b) The balance of the Purchase Price shall be paid to the Seller on the date of the closing of this sale (the "Closing") by certified check, bank check or Federal wire transfer, subject to adjustments and prorations in accordance with this Agreement.

3. Time of Closing. The Closing shall occur on the date that is within thirty (30) days after final approval of the sale by the Governor and Executive Council of the State of New Hampshire (the "Closing Date"), TIME BEING OF THE ESSENCE. The Closing shall occur at the offices of the Seller at 45 South Fruit Street, Concord, NH 03301, unless otherwise agreed to by Seller and Buyer.

4. Warranties and Representations. To induce the Buyer to enter into this Agreement and to purchase the Property, the Seller hereby warrants and represents to Buyer as follows:

(a) Seller has no knowledge of any adverse rights to the Property, there are no leases, subleases, licenses, known prescriptive rights, tenancies or other agreements which grant any possessory or other interest in the Property, there are no known contracts affecting the Property which will survive the Closing and Seller has no knowledge of any default with respect to any permit, approval, ordinance, law or obligation pertaining to the Property.

(b) Seller has the power and authority to enter into and perform its obligations under this Agreement except as provided herein.

(d) The execution, delivery and performance of this Agreement by Seller have been duly authorized by all necessary action on the part of Seller except as provided herein. The individual executing this Agreement on behalf of Seller has the authority to

bind Seller to the terms of this Agreement subject to the authorization of the LRCPUC and the Governor and Executive Council of the State of New Hampshire.

(e) There are no known actions (legal or administrative), suits or other proceedings with respect to the Property pending with respect to which legal process has been served on Seller or threatened against Seller.

5. Title and Deed. At the Closing, title to the Property shall be conveyed by Seller to Buyer, or its nominee, by Warranty Deed, as-is, where-is, subject to any (i) easements, liens, restrictions, or encumbrances of record; (ii) provisions of building and zoning laws in effect on the Closing Date; and (iii) real property taxes for the then current tax year which are not yet due and payable on the Closing Date.

Buyer shall have 10 (Ten) days from the expiration of the time period of the right of first refusal set forth in RSA 4:40 to conduct an examination of title at Buyer's sole cost (the "Due Diligence Period"). If upon examination of the title it is found that the title is not marketable and not insurable, after identifying to Seller in writing any apparent title defects and providing Seller with a reasonable opportunity to correct or cure them, this Agreement may be rescinded at the option of the Buyer and all deposits and administrative fees shall be refunded to Buyer, provided that written notice is delivered to the Seller within said time frame, TIME BEING OF THE ESSENCE. If no notice is given within said time frame, then any objections to title are waived except as further described herein.

Buyer reserves the right to verify prior to Closing that there has been no material adverse change in the condition of title to the Property from that date until the Closing Date. A "Material Adverse Change" shall be defined as one rendering title to the property not marketable and not insurable. If Buyer notifies Seller in writing of any Material Adverse Change in the condition of title, then Seller shall, for a reasonable period of time use diligent efforts to correct or cure the same and the Closing Date shall be extended during such time. If, after the exercise of diligent efforts, Seller is unable to remove and remedy same, then, at Buyer's option, the Deposit, administrative fee and all interest earned thereon shall be forthwith returned to Buyer, this Agreement shall become null and void, and the parties hereto shall have no further rights and obligations hereunder.

At the Closing, Seller shall deliver title and possession of the Property to Buyer free of all tenants and occupants, in broom clean condition, free of all personal property and furnishings.

6. Surplus Property Process. The parties acknowledge, understand and agree that the sale of the Property is subject to RSA 4:40 as described in introductory paragraph B, hereto. Seller agrees to promptly take all steps necessary in order to comply with the requirements of RSA 4:40. Buyer agrees to reasonably cooperate with Seller's efforts.

7. Condemnation. If any proceeding shall be commenced for the taking of all or any material part of the Property for public or quasi-public use pursuant to the power of eminent domain, condemnation or otherwise, before Closing, then Buyer shall have the option (i) to terminate this Agreement by giving written notice thereof to Seller, or (ii) to proceed to Closing and to receive a credit against the Purchase Price at Closing in the

amount of any award or compensation received or awarded to Seller applicable to the Property prior to Closing, and Seller shall assign to Buyer any and all such awards and other compensation not yet received prior to Closing.

8. Taxes and Assessments. Real estate taxes, special assessments, betterment assessments, water rates and sewer charges and rents, if any, shall be prorated and adjusted as of the Closing Date. Taxes due and payable for all prior years, if any, shall be paid, by Seller, on or before the Closing. If the Closing shall occur before the tax rate is fixed for the then-current year, the apportionment of taxes shall be upon the basis of the tax rate for the preceding year applied to the latest assessed valuation, with the proration to be adjusted between the parties based on actual taxes (including any state ad valorem taxes) for the year in which Closing occurs at the time after the Closing such actual taxes are determined.

9. Transfer Tax. It is understood that the Seller's portion of the transfer tax related to the sale of the Property is exempt from taxation. The Buyer agrees to pay its portion of the transfer tax. Both parties agree to execute any tax returns, inventories, conveyance forms or questionnaires required to be filed in connection with any such taxes.

10. Default by Buyer. If Buyer shall default in the performance of any of its obligations under this Agreement, Seller shall as its sole remedy, at law or in equity, retain the Deposit and all interest earned thereon as liquidated damages, in which event this Agreement shall become null and void and the parties shall have no further rights or obligations hereunder.

11. Default by Seller. If Seller shall default in the performance of any of its obligations hereunder, Buyer shall have the right (i) to terminate this Agreement without further liability hereunder, in which event the Deposit, administrative fee and all interest earned thereon shall be forthwith returned to Buyer, and this Agreement shall become null and void and the parties hereto shall have no further rights or obligations hereunder except those expressly stated to survive or (ii) enforce this Agreement by specific performance.

12. Brokerage. Buyer and Seller each represents to the other that it is not represented by a broker, agent or representative in connection with this transaction.

13. Conditions Precedent to Buyer's Obligation to Purchase the Property. The obligation of the Buyer to purchase the Property under this Agreement is expressly conditional and contingent upon all of the following:

(a) receipt of title to and possession of the Property simultaneously with the Closing in the condition required by this Agreement;

(b) all of Seller's warranties and representations set forth in Section 4 hereof being true as of the Closing;

(c) no eminent domain proceeding being pending against the Property or any portion thereof;

(d) there being no Material Adverse Change in the condition of the Property from its condition as of the date of this Agreement other than resulting from usual wear and tear;

(e) there being no Material Adverse Change in the condition of title to the Property that the Seller is unable to correct or cure in accordance with Section 5 hereof;

(f) compliance by the Seller with the requirements of RSA 4:40 with respect to the sale of the Property;

(g) receipt of such other documents as Buyer's title insurance company may reasonably require in order to issue a title insurance policy insuring the Property in the condition required by the provisions of this Agreement

These conditions are for the benefit of the Buyer and any one or more of such conditions may be waived by the Buyer in its sole discretion. If any one of the above conditions is not met, Buyer may terminate this Agreement by giving written notice to Seller, and the Agreement shall terminate, the Deposit, administrative fee and all interest earned thereon shall be forthwith returned to the Buyer and neither party shall have any further rights or obligations hereunder.

14. Conditions Precedent to Seller's Obligation to Sell the Property. The obligation of the Seller to sell the Property under this Agreement is expressly conditional and contingent upon all of the following:

(a) Seller's receipt of the full Purchase Price from the Buyer for the Property at the Closing;

(b) the City of Concord's refusal or failure to timely accept Seller's offer to sell the Real Estate to the City at the sale price contained herein, to be made pursuant to RSA 4:40;

(c) 2nd and final approval of the transaction by the joint legislative Long Range Capital Planning and Utilization Committee; and

(d) final approval of the transaction by the Governor and Executive Council, pursuant to RSA 4:40.

If any one of the above conditions is not met, Seller may terminate this Agreement by giving written notice to Buyer, and the Agreement shall terminate, the Deposit, administrative fee and all interest earned thereon shall be forthwith returned to the Buyer and neither party shall have any further claims upon the other.

15. Notices. All notices and other communications required or permitted to be given hereunder shall be in writing and shall be (i) mailed by certified or registered mail, postage prepaid, or (ii) sent overnight mail by a recognized national delivery service, or (iii) faxed (with confirming hard copy mailed by first class mail), or (iv) scanned and emailed (with

confirming hard copy mailed by first class mail) addressed as follows or to such other addresses as the parties may designate in writing from time to time:

If to Seller: New Hampshire Department of Employment Security
45 South Fruit Street
Concord, New Hampshire 03301
Attn: Richard Lavers, Deputy Commissioner
(603) 228-4064 (phone)
(603) 229-4444 (fax)

If to Buyer: Riverbend Community Mental Health, Inc.
P.O. Box 2032
Concord, New Hampshire 03302
Attn: Allan M. Moses, Senior Vice President and
Chief Financial Officer
(603) 226-7505 x-3250 (phone)

With a Copy to: John M. Sullivan, Esq.
Preti Flaherty
P.O. Box 1318
Concord, New Hampshire 03302
(603) 410-1500 (phone)

16. Closing Costs. Notwithstanding anything to the contrary contained herein, closing costs shall be allocated and paid as follows:

By Buyer:

- (a) title examination and title insurance premium
- (b) one-half of the State real estate transfer tax
- (c) cost of recording the deed and other recording fees

By Seller:

- (a) cost of preparing the deed and other conveyancing documents

17. Documents to be Delivered at Closing. At the Closing, the Seller shall execute, acknowledge and deliver, or cause to be delivered, all documents required to effectuate the transaction contemplated by this Agreement including, without limitation, the following:

(a) Warranty Deed of the Property in proper form reasonably acceptable to Buyer's counsel duly executed, conveying title to the Property to Buyer.

(b) Evidence satisfactory to Buyer that the conveyance is properly authorized and that the Seller is authorized to consummate the Closing.

(c) Evidence satisfactory to Buyer, current as of the Closing, that all real estate taxes, water, sewer use charges, and any other municipal charges and municipal taxes affecting the Property, which are due and payable by Seller at or before the Closing Date, have been paid.

(d) Completed and executed conveyance tax forms.

(e) A full release of any mortgage or liens on the Property granted, or allowed to attach through inaction, by Seller.

(f) Title insurance affidavits reasonably required by Buyer's title insurance company to obtain owner's and/or lender's title insurance with standard endorsements.

18. Time of Essence. Time is expressly declared to be of the essence of this Agreement.

19. Headings. The headings to the Sections hereof have been inserted for convenience of reference only and shall in no way modify or restrict any provisions hereof or be used to construe any such provisions.

20. Modifications. The terms of this Agreement may not be amended, waived or terminated orally, but only by an instrument in writing signed by both Seller and Buyer. The effectiveness of any such amendment to this Agreement may, in the sole judgment of the Seller, be subject to approval by LRCPUC and/or G&C.

21. Successors. This Agreement shall inure to the benefit of and bind the parties hereto and their respective successors and assigns.

22. Entire Agreement. This Agreement contains the entire agreement between Seller and Buyer, and there are no other terms, conditions, promises, undertakings, statements or representations, express or implied, concerning the sale and other undertakings contemplated by this Agreement.

23. Governing Law. This Agreement is made pursuant to, and shall be governed by, and construed in accordance with, the laws of the State of New Hampshire.

24. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original but all of which shall constitute but one and the same instrument.

25. Furniture to be Conveyed to Buyer. Seller and Buyer acknowledge that certain furnishings located in the building as described in the attached Exhibit A shall be conveyed by Seller to Buyer as part of the transaction described herein for no additional consideration other than the Purchase Price subject to approval and designation as state surplus property by the New Hampshire Department of Administrative Services. Seller shall be fully responsible for obtaining such approval in a reasonable period of time using diligent efforts to obtain the same. Buyer acknowledges that there are no warranties, either


express or implied, being provided by Seller with respect to any of the furnishings to be included with this transaction.

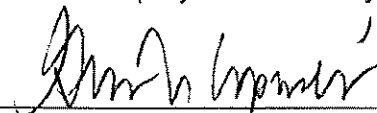
[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

SELLER:

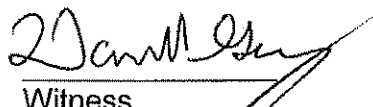
State of New Hampshire
Department of Employment Security


Witness

By: 
George N. Copadis, Commissioner

BUYER:

Riverbend Community Mental Health, Inc.


Witness

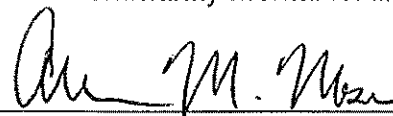
By: 
Name: ALLAN M. MORES
Its: SR VP/CEO

EXHIBIT A

In general, State will take all electronic equipment including computers, loose cables, keyboards, screens, copiers, servers but will leave server rack.

All blinds, office keys, door keys, door entry passes, HVAC systems, in-wall cables and tel wiring, operating manuals to all mechanicals-to Riverbend

(all references to room #'s are on the attached floor plan)

MAIN FLOOR

Room #entry room-State will take all

Room #132- State will take all

Room #135-Riverbend would like to retain contents

Room #130-Riverbend would like to retain contents

Room #131-Riverbend would like to retain contents except State to take whiteboard

Room #128-State will take all

Room #112-Riverbend would like to retain contents

Room #129-State will take all except server rack and phone crips

Room #123-Riverbend would like to retain contents

Room #122 (former print shop area)- State will take all

Room #124A-empty

Room #124-empty

Room #117-empty

Room #(outside of 117)-empty

Room #Bathroom-n/a

Room #Kitchen-State will take all except one folding table

Room #109-Riverbend would like to retain contents

Room #107-Riverbend would like to retain contents

Room #108-Riverbend would like to retain contents

Room #111-State will take all

Room #2- State will take all

BASEMENT

General area-

High density filing/storage system-to Riverbend

Two file cabinets in front of high density file system-to Riverbend

Metal shelves-to Riverbend

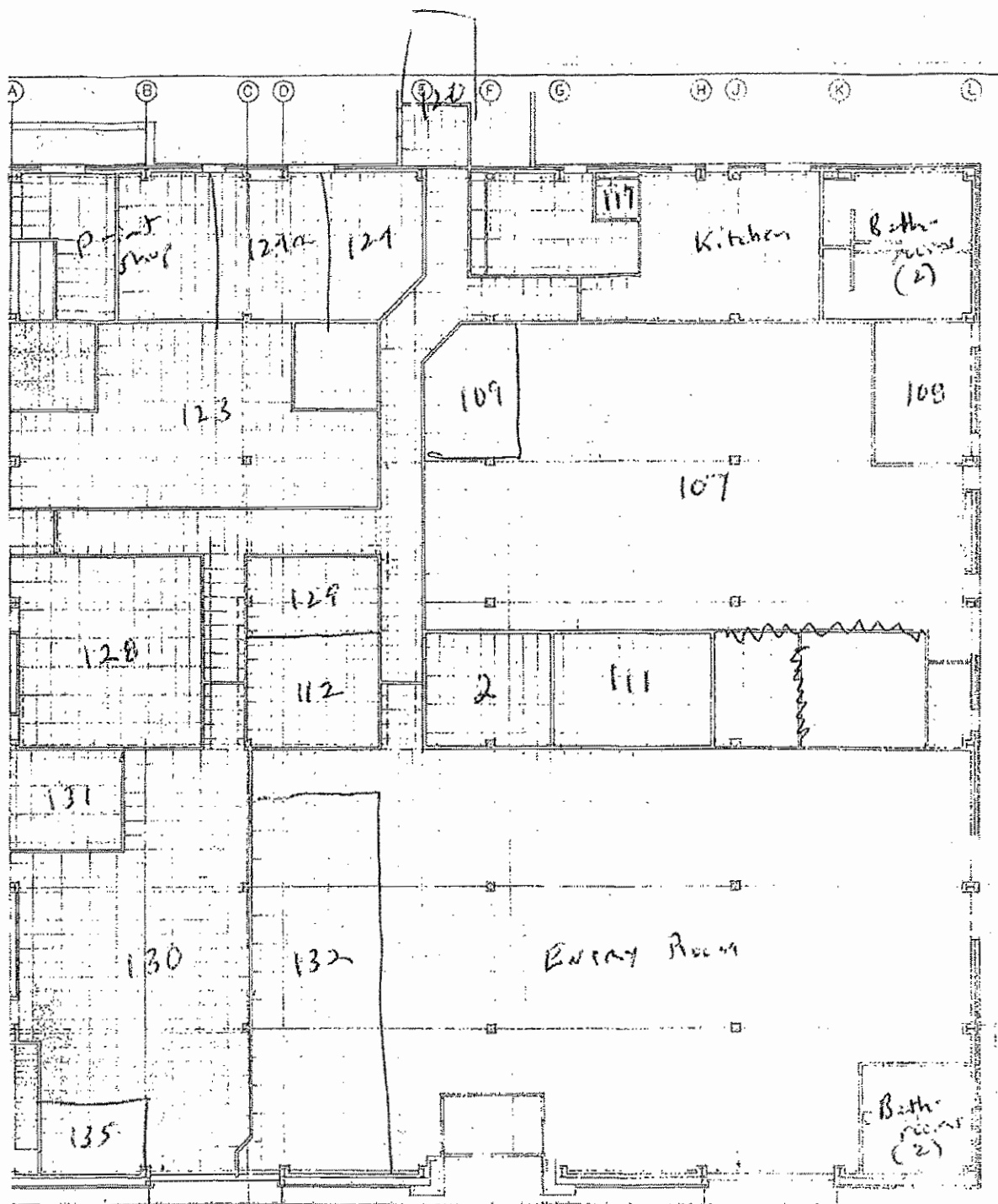
Conveyor system and metal rollers-to Riverbend

Sump pumps/batteries-to Riverbend

Room #150b-State will take all except one desk

Room #150a-State will take all

All other furniture and equipment in general area of basement not noted above- State will take all



2 REELED

SEE IN CONSTRUCTION FOR
ORIGINAL AND OTHER FOR
CONSTRUCTION OF THE BUILDING
HUTTER CONSTRUCTION CO.

2-2-90



GEORGE WATKINS & SONS ARCHITECTS, P.A.

CHK

111 REED STREET MANCHESTER NEW HAMPSHIRE 03101

REVISIONS
1-2-90

REFLECTED CEILING PLANS

SCALE: 1/8" = 1'-0"

OFFICE BUILDING

FOR
DEPARTMENT OF EMPLOYMENT & SECURITY

WEST STREET CONCORD, N.H. 03301

HUTTER CONSTRUCTION CO.

NEW HAMPSHIRE

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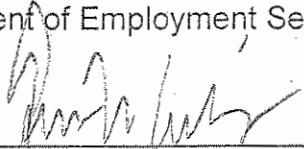
EXHIBIT B

Buyer's Due Diligence. Seller and Buyer agree as part of the Purchase Agreement dated June 25, 2015 (the "Agreement") Buyer shall have until 5:00 p.m. on Tuesday, July 21, 2015 in order to enter the property in order to conduct certain inspections as further described herein (the "due diligence period"). Time is of the essence. These inspections shall include: physical inspection of the building; and inspections for purposes of determining municipal code compliance (collectively the "inspections"). Seller shall provide Buyer reasonable access to the property during the due diligence period to carry out and conduct the inspections specifically mentioned herein. All such inspections shall be supervised by Seller. Further, Buyer shall not be allowed to conduct any investigations of a type and or nature deemed destructive and/or damaging to the property or dangerous to Seller's agents and/or employees, said determination to be at the commercially reasonable discretion of Seller. Buyer shall perform these investigations at its own risk and at its own expense. Buyer accepts full responsibility for the use of the property during the inspections and due diligence. In advance of each inspection, Buyer shall provide to Seller evidence of liability insurance deemed satisfactory by Seller, which may be a certificate of insurance naming Seller as an additional insured, for any and all agents entering the property to conduct said inspections on Buyer's behalf.

If upon completion of the inspections, Buyer determines at its sole discretion that it does not wish to purchase the Property, Buyer may rescind this Agreement at its sole option and all deposits shall be refunded to Buyer, provided that written notice is delivered to Seller prior to the expiration of the due diligence period.

SELLER:

State of New Hampshire
Department of Employment Security

By: 
George N. Copadis, Commissioner

BUYER:

Riverbend Community Mental Health, Inc.

By: 
Allan M. Moses
Senior VP/Chief Financial Officer