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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

June 7, 2016

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, June 14, 2016, at 10:00 a.m.** in Room 201 of the Legislative Office Building.

Please find attached information to be discussed at this meeting

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael W. Kane".

Michael W. Kane
Legislative Budget Assistant

MWK/pe
Attachments

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE
AGENDA

Tuesday, June 14, 2016 at 10:00 a.m. in Room 201 of the Legislative Office Building

- (1) **Acceptance of Minutes** of the May 10, 2016 meeting
- (2) **Old Business:**
- (3) **New Business:**

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

LRCP 16-017 Department of Transportation – request authorization to sell a 0.32 +/- acre parcel of State owned land located on the northwesterly corner of the Spaulding Turnpike and Silver Street in the Town of Milton to Glenn Hyslop, the abutter, for \$3,000, which includes a \$1,100 Administrative Fee, subject to the conditions as specified in the request dated May 9, 2016

LRCP 16-018 Department of Transportation – request authorization to lease a 1.33 +/- acre parcel of State owned land located on the northerly side of NH Route 175 A in Holderness to Plymouth State University for a term of five (5) years at \$500 per year, plus a one-time Administrative Fee of \$1,100, with an option for an additional five (5) years at a renegotiated value, subject to the conditions as specified in the request dated May 17, 2016

LRCP 16-019 Department of Transportation – request authorization to amend the listing price from \$35,000 to \$30,000 (LRCP 14-038, approved November 18, 2014), allowing negotiations within the Committee's current policy guidelines, assess an Administrative Fee of \$1,100, and further extend the listing agreement with H.G. Johnson Real Estate for a term of six (6) months, to sell a 4.3 +/- acre parcel located on the southeast corner of NH Route 123 and Cobb Hill Road in the Town of Alstead, subject to the conditions as specified in the request dated May 24, 2016 (Original approval as amended (LRCP 09-032) granted June 23, 2009, with subsequent approved action on; (LRCP 10-053) September 22, 2010, (LRCP 11-022) May 10, 2011, and (LRCP 14-038) November 18, 2014)

LRCP 16-020 Department of Transportation – request authorization to amend the real estate commission from 5% to a sliding fee commission based on the approved sales price of \$725,000 (LRCP 16-012, approved May 10, 2016), allowing negotiations within the Committee's current policy guidelines, and assess an Administrative Fee of \$1,100, for a previously approved listing agreement for a term of one (1) year with NAI Norwood Group for the sale of a 3.6 +/- acre parcel of State owned land improved with a single family residence located at 72 Range Road in the Town of Windham, subject to the conditions as specified in the request dated May 26, 2016

RSA 4:40 Disposal of Real Estate:

LRCP 16-021 Department of Administrative Services – on behalf of the New Hampshire Liquor Commission, request authorization to enter into a listing agreement with The Norwood Group, Inc. (DBA "NAI Norwood Group"), allowing negotiations within the Committee's current policy guidelines, for a term of up to one (1) year to sell approximately 0.41 acres of land, including a single-story concrete block commercial retail building with approximately 3,600 square feet of space, located at 13 West Street in the Town of Ashland for \$1,100,000, plus an Administrative Fee of \$1,100, subject to the conditions as specified in the request dated June 1, 2016

LCRP 16-022 New Hampshire Employment Security – request authorization to amend the listing price from \$1,520,000 to \$1,250,000, and further amend the Administrative Fee of \$1,100, to be assessed only once and not for each property as previously approved (LRCP 16-005, approved February 16, 2016), for the sale of NHES-owned properties located at 300 Hanover Street and 436 Maple Street in Manchester, N.H., and to sell the properties to George R. Attar, subject to the conditions as specified in the request dated June 3, 2016 (Originally approved (LRCP 12-042) September 18, 2012, and subsequently amended on (LRCP 12-059) November 14, 2012 and (LRCP 16-005) February 16, 2016)

(4) **Miscellaneous:**

(5) **Informational:**

LCRP 16-016 New Hampshire Council on Resources and Development – One (1) Memorandum regarding Surplus Land Review for; Ashland SLR 16-002

(6) **Date of Next Meeting and Adjournment**

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

MINUTES

May 10, 2016

The Long Range Capital Planning and Utilization Committee met on Tuesday, May 10, 2016 at 10:00 a.m. in Room 201 of the Legislative Office Building.

Members in attendance were as follows:

Representative Gene Chandler, Chairman
Representative John Cloutier, Clerk
Representative David Danielson
Representative Edmond Gionet, Alternate
Representative Katherine Rogers, Alternate
Senator David Boutin, Vice Chairman
Senator Nancy Stiles
Meredith Telus, Governor's Office

Representative Chandler called the meeting to order at 10:05 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Senator Boutin, seconded by Representative Danielson, that the minutes of the March 30, 2016 meeting be accepted as written. MOTION ADOPTED.

OLD BUSINESS:

LRCP 16-009 Additional Information – dated April 8, 2016 in response to Committee request for an appraisal to purchase the property pertaining to item; LRCP 16-009 Department of Administrative Services – informational item, dated March 16, 2016, of intent to enter into a Memorandum of Agreement with the Department of Safety for a term of ninety-nine (99) years for the use and occupation by the Department of Administrative Services of approximately 2.051 acres of land and the buildings and other improvements situated thereon owned by the State at 4 Meadowbrook Drive in Milford, NH, located at the intersection of the NH Route 101 Bypass and Phelan Road. Held over from the March 30, 2016 meeting.

On a motion by Senator Boutin, seconded by Representative Danielson, that the Committee deny the action as outlined by the Department of Administrative Services, and requested they **not** enter into a Memorandum of Agreement with the Department of Safety for a term of ninety-nine (99) years for the use and occupation by the Department of Administrative Services of approximately 2.051 acres of land and the buildings and other improvements situated thereon owned by the State at 4 Meadowbrook Drive in Milford, NH, located at the intersection of the NH Route 101 Bypass and Phelan Road, as specified in the informational item dated March 16, 2016. MOTION ADOPTED.

The Committee requested that the Department go through the upcoming Capital Budget process to purchase the 2.051 acres of land and buildings and other improvements owned by the

State located at 4 Meadowbrook Drive in Milford to be utilized to construct a new Milford Circuit Court and a Division of Motor Vehicles substation.

Steve Lorentzen, Division of Plant and Property, Department of Administrative Services, was present to speak on behalf of the Department.

NEW BUSINESS:

RSA 4:39-b APPROVAL OF STATE AGENCY LEASES EXCEEDING 5 YEARS:

LRCP 16-013 Department of Corrections – On a motion by Senator Boutin, seconded by Representative Cloutier, that the Committee approve the request of the Department of Corrections of a ten-year renewal lease agreement with Robat Holdings, LLC, P.O. Box 397, Manchester, NH 03305 for approximately 5,500 square feet of space located at 60 Rogers Street (2nd floor suite), Manchester, NH 03103 for the period of June 1, 2016 to May 31, 2026, for an amount not to exceed \$857,796, subject to the schedule of annual rent and certain limited improvements, as specified in the request dated April 28, 2016. MOTION ADOPTED.

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

On a motion by Senator Boutin, seconded by Senator Stiles, that the Committee approve as a block the three (3) requests under this section as submitted. MOTION ADOPTED. [LRCP 16-012 Department of Transportation – authorization to enter into a listing agreement for a term of one (1) year with NAI Norwood Group for the sale of a 3.6 +/- acre parcel of State owned land improved with a single family residence located at 72 Range Road in the Town of Windham for \$725,000, assess an Administrative Fee of \$1,100, and allow negotiations within the Committee's current policy guidelines, subject to the conditions as specified in the request dated April 18, 2016, LRCP 16-014 Department of Transportation – authorization to sell a 1,813 +/- square foot parcel of State owned land located on the easterly side of Frank Bean Road in the Town of Laconia directly to the City of Laconia for \$1,500, which includes a \$1,100 Administrative Fee, subject to the conditions as specified in the request dated May 2, 2016, and LRCP 16-015 Department of Transportation – authorization to sell a 0.2 +/- of an acre parcel of State owned land located on the westerly side of NH Route 12A in the Town of Surry to Nancy Balla, the abutter, for \$2,400, which includes a \$1,100 Administrative Fee, subject to the conditions as specified in the request dated May 2, 2016]

RSA 4:40 DISPOSAL OF REAL ESTATE:

LRCP 16-011 Department of Resources and Economic Development – William Carpenter, Administrator, Division of Forests and Lands, Department of Resources and Economic Development, presented the request and responded to questions of the Committee.

On a motion by Senator Stiles, seconded by Senator Boutin, that the Committee approve the request of the Department of Resources and Economic Development, Division of Forests and

Lands, to; 1) sell a 20 foot wide utility easement over Davisville State Forest in Warner, N.H. for the appraised value of \$35,000 to Eversource Energy, and assess an Administrative Fee of \$1,100, and further authorization to 2) sell a three-acre (3) portion of Davisville State Forest in Warner, N.H. to Richard George for \$57,100, and assess an Administrative Fee of \$1,100, subject to the conditions as specified in the requested dated March 28, 2016. MOTION ADOPTED.

DATE OF NEXT MEETING AND ADJOURNMENT:

The next regular meeting of the Long Range Capital Planning and Utilization Committee was set for Tuesday, June 14, 2016 at 10:00 a.m. (Whereupon the meeting adjourned at 10:11 a.m.)

Representative John R. Cloutier, Clerk

STATE OF NEW HAMPSHIRE
INTER-DEPARTMENT COMMUNICATION

FROM: Charles R. Schmidt, PE
Administrator



DATE: May 9, 2016

AT: Dept. of Transportation
Bureau of Right-of-Way

SUBJECT: Sale of State Owned Land in Milton
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 a parcel of State owned land consisting of 0.32 +/- of an acre parcel located on the northwesterly corner of the Spaulding Turnpike and Silver Street in the Town of Milton to Glenn Hyslop for \$3,000.00, 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 the abutter; Glenn Hyslop concerning the opportunity to purchase a parcel of State owned vacant land located on the northwesterly corner of Spaulding Turnpike and Silver Street in the Town of Milton.

The parcel, consisting of approximately 0.32 +/- of an acre is the remainder of a larger parcel acquired by the Department in 1977 in conjunction with the construction of the Spaulding Turnpike through the area.

Conditions of this sale would include:

- No access to the Spaulding Turnpike from this parcel.
- The State will reserve a 6,600 square foot access easement over a portion of this parcel to allow access to the Spaulding Turnpike.

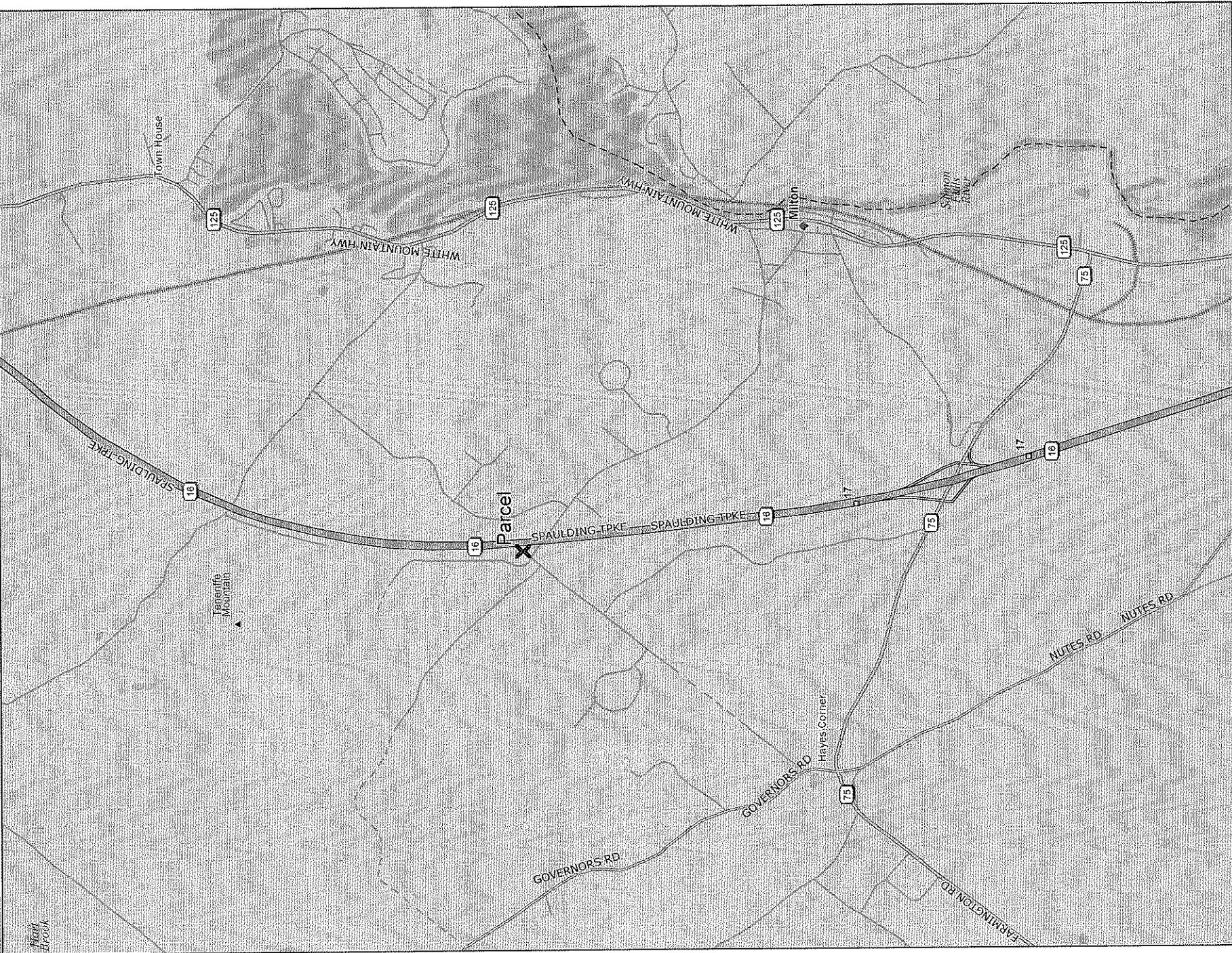
This request has been reviewed by this Department and it has been determined that the requested area is surplus to our operational needs and interest.

An appraiser from the Department completed an opinion of value for the subject property to determine its contributory value to an abutting property owner. The appraiser used three sales in the surrounding area as comparables. Based upon the analysis and adjustments of those sales, it was felt that a reasonable contributory value for the subject as of November 18, 2015 is \$1,900.00.

The highest and best use of the subject is to the abutter. The Department proposes to offer the sale of this parcel to Glenn Hyslop for \$3,000.00, which includes an Administrative Fee of \$1,100.00.

Authorization is requested to sell the subject parcel as outlined above.

CRS/PJM/jl
Attachments





S.B.C. CURVE # 5
 $\Delta = 45^\circ 56' 30.2''$ RT
 $D = 0' 30''$
 $R = 11459.20'$
 $T = 4857.26'$
 $L = 9188.38'$
 $E = 986.94'$
 $AL = 537.2440$
 $N. 342, 124.40$
 $E. 673, 932.17$

CURVE #1 COOLIDGE DRIVE
 $\Delta = 78^\circ 47' 35''$ RT
 $D = 23^\circ 00'$
 $R = 249.11'$
 $T = 204.60'$
 $L = 342.58'$
 $E = 73.25'$
 $AL = 12144.95$
 $N. 337.32747$
 $E. 674.00444$

FROM BOOK 10395 (1978)
 BM 477, S.B. STA. 477+43-RT. 1'
 SPIKE IN ROOT OF 3.1' OAK, EL. 66.69'

FROM BOOK 10395 (1978)
 BM 489, S.B. STA. 489+42-RT. 1'
 SPIKE IN ROOT OF 2.2' OAK, EL. 66.617

FROM BOOK 10395 (1978)
 BM 487, S.B. STA. 487+50-LT. 1'
 SPIKE IN ROOT OF 1.6' MAPLE, EL. 66.025

STA 481+00
 CONST. 138'x24" BCCSP (P.O. 0647)
 CONST. B.C.S. END SECTIONS LT & RT
 CONST. INLET & OUTLET DITCHES

STA 480+75, LT
 CONST. D.I. TYPE 'DA' LT
 CONST. 62'x12" PIPE FOR SLOPE DRAINAGE
 CONST. METAL END SECTION, LT
 STA 480+00
 125 LT

GENEVA E. LOCKHART

SPaulding TURNPIKE

STA 482+45 RT
 CONST. 38'x12" PIPE FOR SLOPE DRAINAGE
 CONST. D.I. TYPE 'DA' RT
 CONST. METAL END SECTION, RT

END CONSTRUCTION
 P.O.T. @ STA. 80+00.00

WOVEN WIRE FENCE STA 480+00 200 RT

MATCH LINE SILVER ST. @ STA. 9+00

MATCH TO SHEET NO. 23

LEGEND

- 13+10 STA. & OFFSET OF NEW UTILITY
- 14 RT. POLES TO BE CONSTRUCTED BY OTHERS
- 16 RT. POLES TO BE REMOVED BY OTHERS
- 2-4" CONDUITS BY OTHERS



PREPARED BY
 McFARLAND-JOHNSON-GIBBONS ENGINEERS, INC.
 BIRMINGHAM, NEW YORK

PROJ. NO.	SHEET NO.	TOTAL SHEETS
LS 1828 (7)	15	172

**-Appraisal Report-
of
Surplus .32+/- Acre Vacant Parcel of Land**

Located on:
Tax Map 37 Lot 5

Westerly sideline of the Spaulding Turnpike and Northeasterly sideline of Silver Street
Milton, New Hampshire

Property Owner:
State of New Hampshire

As of:
November 18, 2015

Prepared For:
Mr. Phillip J. Miles
Chief of Property Management
Bureau of Right-of-Way
State of New Hampshire
Department of Transportation
7 Hazen Drive, Concord, NH 03302-0483

Prepared By:
Carol Pittman, Staff Appraiser
Department of Transportation
7 Hazen Drive, Concord, NH 03302-0483

From: Carol A. Pittman
ROW Appraiser II

April 8, 2016

TO: Phillip J. Miles, Chief of Property Management
THROUGH: Stephen Bernard, Chief Appraiser
THROUGH: Charles R. Schmidt, Bureau Administrator

SUBJECT: Surplus Property Value Estimate of a .32 +/- acre parcel located on Tax Map 37
Lot 005, Silver Street, Westerly of and abutting the Spaulding Turnpike (NH Route 16)
Milton, NH
OWNER: State of New Hampshire

Appraisal Problem: This memo constitutes an appraisal report on the above referenced subject property. 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 market value of the fee simple interest in the surplus property owned by the State of New Hampshire, located between the Northeasterly sideline of Silver Street and the Westerly sideline of the Spaulding Turnpike, subject to a proposed permanent access easement.

The appraised property consists of a triangular shaped .32+/- acre parcel. The subject land area is at grade with Silver Street and is approximately 15+/- feet below grade of the Spaulding Turnpike. The subject parcel was created as a result of the Rochester-Milton project P-2282 (1978), phase 7 construction of the Spaulding Turnpike. The subject is valued based on its stand-alone value as a low utility parcel. The subject will be encumbered by a 6,600+/- square foot permanent access easement benefitting the State of NH Department of Transportation. The parcel is being valued for a potential sale to the abutter.

The effective date of value is November 18, 2015, the date of my on-site inspection.

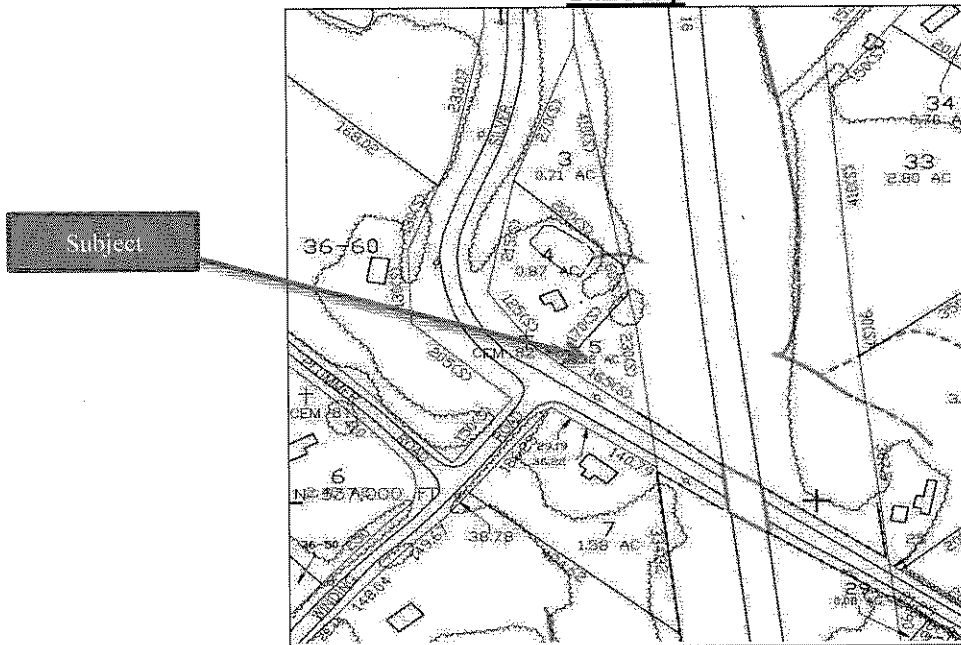
The attached report summarizes the basis of the value conclusions and provides definitions to specific terms. It also defines the Limiting Conditions and Extraordinary Assumptions on which this valuation is based. Based on the data collected and analyzed, in my opinion the market value of the fee simple interest of the property as of November 18, 2015 is:

Market Value of Surplus Parcel: \$1,900

Aerial Photo of Subject Property

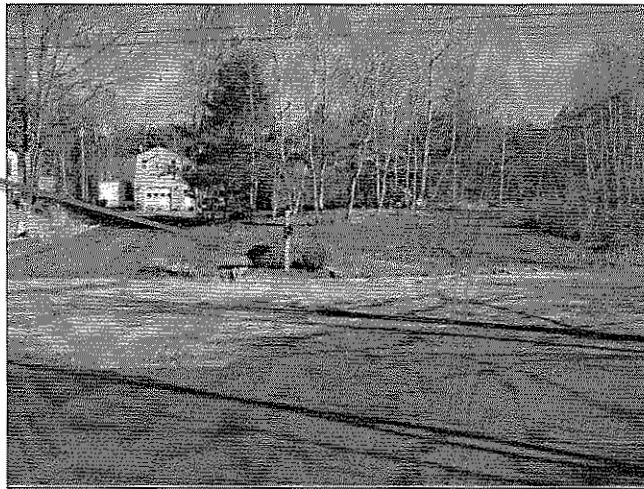


Tax Map



Photographs of the Subject Property
Taken November 18, 2015 by Carol Pittman

Abutting
property

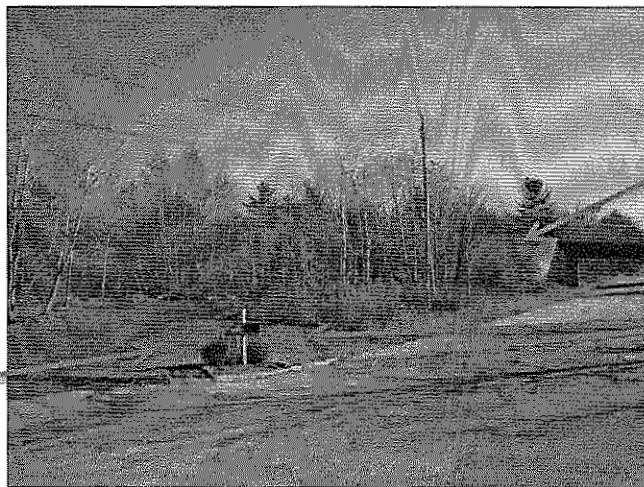


Spaulding Turnpike

Subject property

Photo of subject property and abutting property

Abutting Property



Spaulding Turnpike

Subject Property

Photo of subject property facing southeasterly along Silver Street

Subject Property



Photo of subject property facing northwesterly along Silver Street



Photo taken from interior of subject facing northwesterly toward abutter.



Photo taken from interior of subject facing southwesterly toward Silver Street.



Photo taken from reserve easement area facing in a northerly direction toward abutter and the Spaulding Tpk.

General Assumptions:

For this report I have also assumed that:

All maps, plans, and photographs I used are reliable and correct;

The legal interpretations and decisions of others are correct and valid;

The parcel area given to me has been properly calculated;

Broker and assessor information is reliable and correct;

The abstracts of title and other legal information available are accurate;

There are no encumbrances or mortgages other than those reported in the abstracts;

Information from all sources is reliable and correct unless otherwise stated;

There are no hidden or unapparent conditions on the property, in the subsoil (including hazardous waste or ground water contamination), or within any of the structures, which would render the property more or less valuable;

All personal property is excluded; and

All non-compensable items are excluded.

Extraordinary Assumptions:

This analysis is based on the assumption that the following restriction applies to the subject parcel: The parcel will be encumbered by a 6,600+/- square foot Permanent Access easement, triangular in shape, benefitting the State of NH.

I have appraised the subject as if clean and free of contamination. If any contamination is found on the subject, this report becomes null and void.

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 property or any of the 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 possession of a copy of this report does not carry with it the right of publication. 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 market value of a state owned parcel of surplus land "as is", as of November 18, 2015, the date of my on-site inspection.

Market Value:

- defined by the Uniform Appraisal Standards for Federal Land Acquisitions, (UASFLA) 2000, A-9, as:

"Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal."

Property Rights Appraised:

The unencumbered fee simple interest in the property subject only to the proposed permanent access easement, has been appraised. Fee Simple 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: November 18, 2015

Effective Date of Value: November 18, 2015

Date of Report: April 8, 2016

Property Identification:

The surplus property is identified as a .32+/- acre parcel of land located on the westerly sideline of the Spaulding Turnpike (NH Route 16), a Limited Access Highway, and the Northeasterly sideline of Silver Street. The subject is further identified by the Milton Tax Assessor as Tax Map 37, lot 5. It is owned by the State of New Hampshire. It will be encumbered by a 6,600+/- square foot triangular shaped Permanent Access Easement with 108'+/- feet of frontage along Silver Street, and 165'+/- feet along the Spaulding Turnpike, benefitting the New Hampshire Department of Transportation.

Client:

The New Hampshire Department of Transportation (NHDOT).

Purpose:

To estimate the market value of a surplus parcel owned by the State of NH as of the effective date. The effective date of value is the date of my on-site inspection, November 18, 2015.

Intended Use and User:

The intended use of this report is to assist the client, the New Hampshire Department of Transportation (NHDOT) in determining a fee simple market value estimate for the subject parcel as of the date of value for a potential sale to the abutting property owner.

Scope of Work:

The scope of work identifies the type and extent of research and analysis in an assignment. My investigations and research included an on-site inspection and photographing of the subject property on November 18, 2015. I examined town and county property records including assessment data and files, zoning regulations, and I reviewed the plans for the Rochester-Milton project P-2282 (1978), phase 7 construction of the Spaulding Turnpike, on file in the records department of the NHDOT. I formed an opinion of the sites' highest and best use based on the legal factors, physical features and neighborhood land use characteristics. I compiled comparable land sales data, verified and analyzed the data, estimated the value of the subject site, and prepared this Appraisal Report to convey my findings, including the market data and the analysis used. I prepared this Appraisal Report in compliance with USPAP's Standard Rule 2-2(a) governing Appraisal Reports.

Property data was collected and compiled from several sources, including the Town of Milton, surrounding towns, the Strafford County Registry of Deeds, the Northern New England Real Estate Network site (NNEREN), Real Data Corporation and the NH Department of Transportation.

Listing, Transfer, and Ownership History:

Sales / Transfer History

Book / Page	Grantor	Grantee	Price	Recorded Date	Notes
Bk 993/Page 843	George H. Smith Janet S. Smith	State of New Hampshire	See Below *	March 4, 1977	Warranty Deed

The State of New Hampshire currently owns the subject parcel. The state acquired the property for the Spaulding Turnpike Extension – Stage Construction LS-1828(7), N.H. Project 2282-D. The property consists of .32+/- acres.

The subject property is not currently listed for sale, has not been listed for sale in the past 12 months and is not under contract or option.

*The subject property was purchased together with 5 parcels of land and buildings. The price for the subject was not listed out separately.

Present Use:

The subject parcel is undeveloped. It is an uneconomic remnant created by the construction of the Spaulding Turnpike. It is over grown with underbrush and sits approximately 15 feet below and abuts up to the Spaulding Turnpike Southbound LAROW. Due to its undesirable physical characteristics it is currently unutilized. The subjects' only abutter has interest in acquiring the property to use as an extension of their existing property, a single-family residence.

Real Estate Tax Data:

Property Assessment

Town Property ID	Land	Building	Total
Tax Map 37, Lot 5	\$25,000	\$0	\$25,000

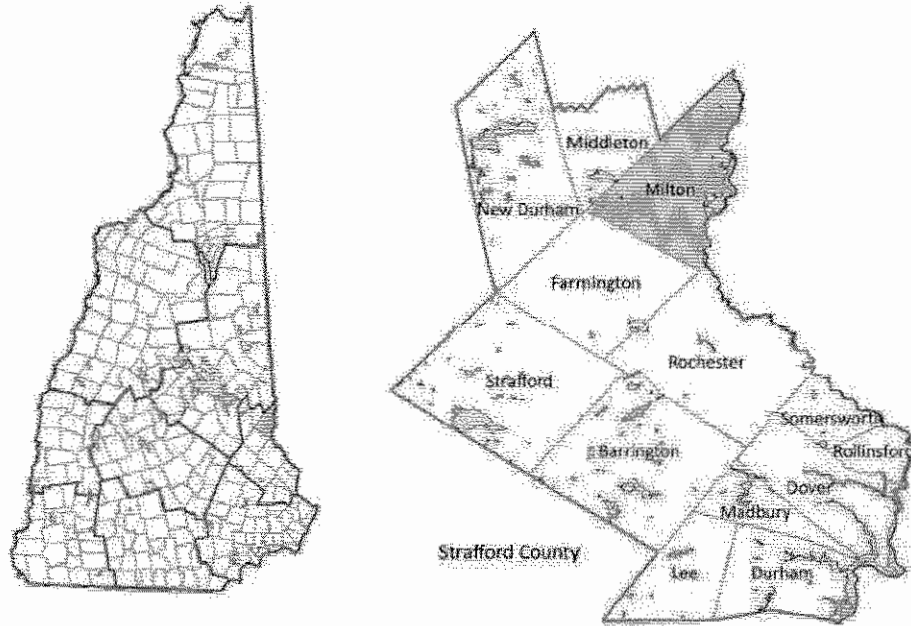
Assessed Value	Tax rate/\$1,000	Real Estate Taxes
\$25,000	\$28.60	Exempt

Comments

The State of New Hampshire is exempt from paying property taxes.

Town Description

The town of Milton is located in the northeast portion of Strafford County. According to the United States Census Bureau, the town has a total area of 34.3 square miles, of which 33.1 square miles is land and 1.2 square miles of inland water area.

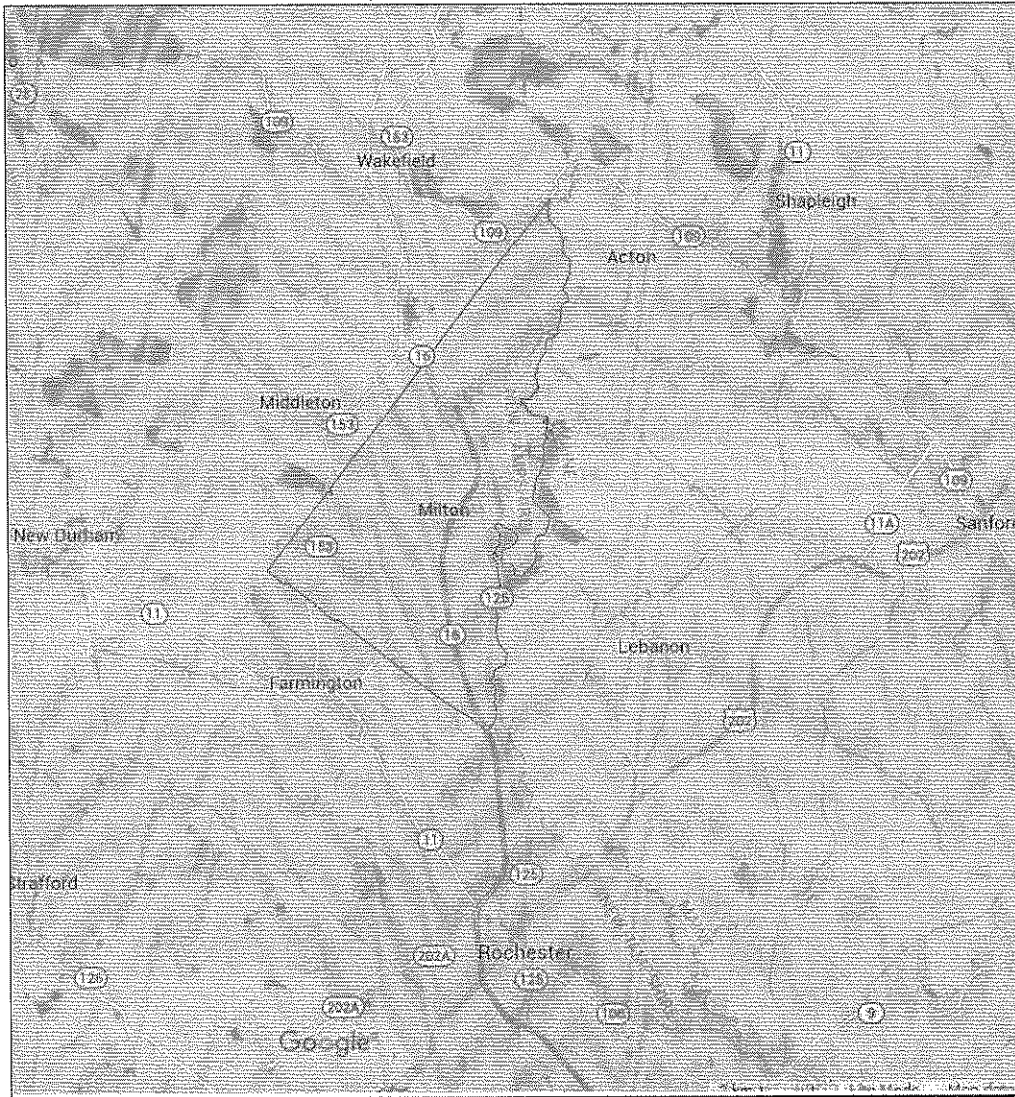


According to the United States Census Bureau, the 2013 population of Milton was 4,585, giving it a population density of 138.7 persons per square mile of land area.

Milton is part of the Dover-Durham, NH-ME Metropolitan NECTA Labor Market Area (LMA). Rochester is the nearest major employment area. Milton's largest employer is Index Packaging, a private company that manufactures foam, wood and corrugated packaging products. Index Packaging employs approximately 120 people. It is followed by Milton School District which has 77 employees.

Milton is bisected by NH Routes 16 and 125. Route 16 provides access to the Northern regions of the state including the Lakes Region and White Mountains, and access to the Southern regions of the state including Rochester, Portsmouth and I-95. NH Route 125 provides access to the Western portion of the state via US Route 4 and NH Route 101. NH Route 75 bisects Milton's Southern region providing access between NH Route 16, Route 125 and the town of Farmington to the West. The Salmon Falls River runs along the entirety of Milton's easterly border.

Town of Milton



Neighborhood Description:

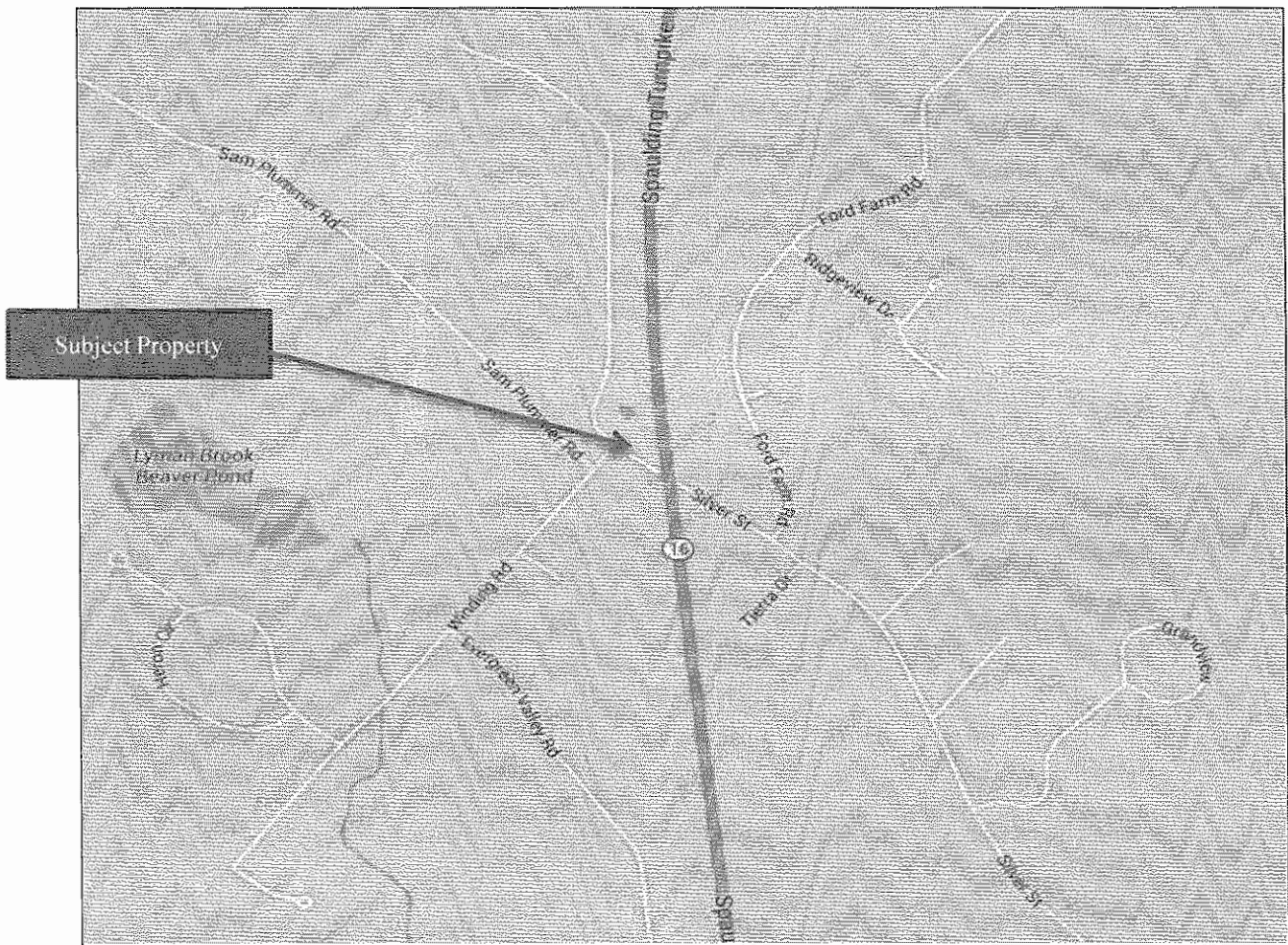
The subject neighborhood is defined as those areas within the Town of Milton located to the West of Ford Farm Road, East of Lyman Brook Beaver Pond, north of Route 75 and South of Teneriffe Road. Growth in the subject neighborhood is stable with little new construction activity.

The immediate neighborhood is low density and of rural character, mainly single family residences on wooded 2+ acre lots and a small number of in-home businesses. Ranch style and Rustic, log home style designs are a common theme throughout the area. Large tracts of land remain undeveloped.

The center of Milton is located approximately 2.75 miles to the Southeast of the subject site where Silver Street connects to NH Route 125. Route 125 provides some retail shopping, restaurants, and accessibility to Route 16, connecting Portsmouth and Rochester to the Lakes Region.

The subject land is located in Milton's Low Density Residential Zone (LDRZ). The Low Density Residential Zone comprises the largest land area in Milton, approximately 90% of the land area, and is established to accommodate residential, agricultural, recreational and rural type land uses in a low density environment with a minimum lot size of two acres.

Neighborhood Area Map



Aerial Map of Subject's Neighborhood.



Market Conditions:

Milton is a primarily rural community. It is common in such communities for the overall market activity to be of a limited volume. An analysis of sales data taken from the local multiple listing service (MLS) indicated that over the 5 years prior to the effective date, Milton's commercial market activity was almost non-existent, limited to 2 sales, both occurring in 2011. The sale of a commercially zoned 11+/- acre parcel of vacant land that listed for \$80,000 and closed for \$75,000, was on the market for 84 days. The second commercial sale in 2011 was for a 3 story, commercial/residential zoned multi-family building with a first floor retail store front in a Historic building. It listed for \$69,900 and sold for \$55,000 after being on the market for 215 days. There are 8 active listings for commercial properties. Two of the listings are for land/buildings, and the remaining 6 listings are for Commercial/Industrial zoned land. The first building is an established 16,000+ square foot Auto Repair business located in a high traffic volume area on Route 125. It has been listed for 29 days. The second is a commercial/industrial zoned, 26,499 square foot building located on a 3.18+/- acre parcel within an industrial/office development. The entire development is located on 53.88 acres and contains five buildings and three vacant lots. The marketed building contains 5 units and is currently occupied with tenants at will and one month to month tenant.

Four of the six current commercial/industrial land listings are located within the same development. They range in value from \$180,000 to \$500,000, and range in size from 3.65+/- acres to 22.29+/- acres.

The residential market in Milton was more active than the commercial market and somewhat volatile over the 5 years prior to the effective date. Data indicates that annual sales of single-family residences increased almost 20% between 2011 and 2012, with a slight 7% decline between 2012 and 2013, followed by an almost 30% jump between 2013-2014 time period, and another decline of almost 15% between 2014 and 2015. During the same 5 year period, land sales in Milton were less ambitious, with an average of 4.5 sales annually.

11/18/2010-11/18/2015	Residential Land Sales	Residential Sales	Commercial Sales
11/18/2010-11/14/2011	4	47	2 (1 Land, 1 L&B)
11/18/2011-11/14/2012	1	58	0
11/18/2012-11/14/2013	6	54	0
11/18/2013-11/14/2014	7	69	0
11/18/2014-11/14/2015	4	59	0
Total	22	287	2

Source: MLS Market Data for Milton, NH

Current Listings-MLS	Vacant Land	Residential	Commercial
Days on Market			
0-100 DOM	2	10	1
101-200 DOM	3	17	0
201-300 DOM	3	2	1
301-400 DOM	0	1	0
401-500 DOM	1	2	0
501-600 DOM	2	1	0
601-700 DOM	1	0	0
Active with Contract	0	4	0
Pending	1	6	0
Total	22	43	2

The resulting analysis of the data indicates that Milton's real estate market is almost exclusively residential, with commercial activity being a non-factor. The trend of few annual land sales and the oversupply of available unimproved residential land are indicators that Milton's residential land market remains slow. 2012 to 2014 did show an increase in land sales of almost 17% over the 2011-2012 time period; however the 2014 to 2015 land sales dropped back in line with the land sales from 2010-2011 showing no significant change to the residential land market over the past 5 years.

Although an indirect correlation can be made between the market values of residential land and low-utility recreational land, they both have distinctly separate markets. The lack of recent market data for low-utility recreational land in Milton prevents any type of meaningful analysis of price trends in this sub-market.

The subject parcel is non-conforming according to the Town of Milton zoning regulations. The State of NH will be encumbering the subject parcel with a Permanent Access Easement which will further limit its use.

<u>Time period/number of residential land sales</u>	<u>Average price per acre</u>	<u>Recreational land sales</u>
2012-2013 (6)	\$2,755.29	(0)
2013-2014 (7)	\$3,402.69	(0)
2014-2015 (4)	\$1,193.65	(0)

Zoning and Other Land Use Regulations

The town of Milton is divided into four zoning districts. They include the High Density Residential Zone (HDR), Industrial/Commercial Zone (IC), Commercial Residential Zone (CR), and Low Density Residential Zone (LDR).

The subject property is located in the LDR zone.

1. Permitted Uses:

- One Unit and Two Unit Residential Dwelling
- Accessory Structure
- Home Occupation
- Open Space Development
- Agribusiness

2. Special Exceptions:

Any of the following uses on a specific site may be permitted by the Board of Adjustment as a special exception if and to the extent that the Planning Board finds such site is an appropriate location for such use, has an adequate water supply and sewage system, and meets all applicable Local and State requirements:

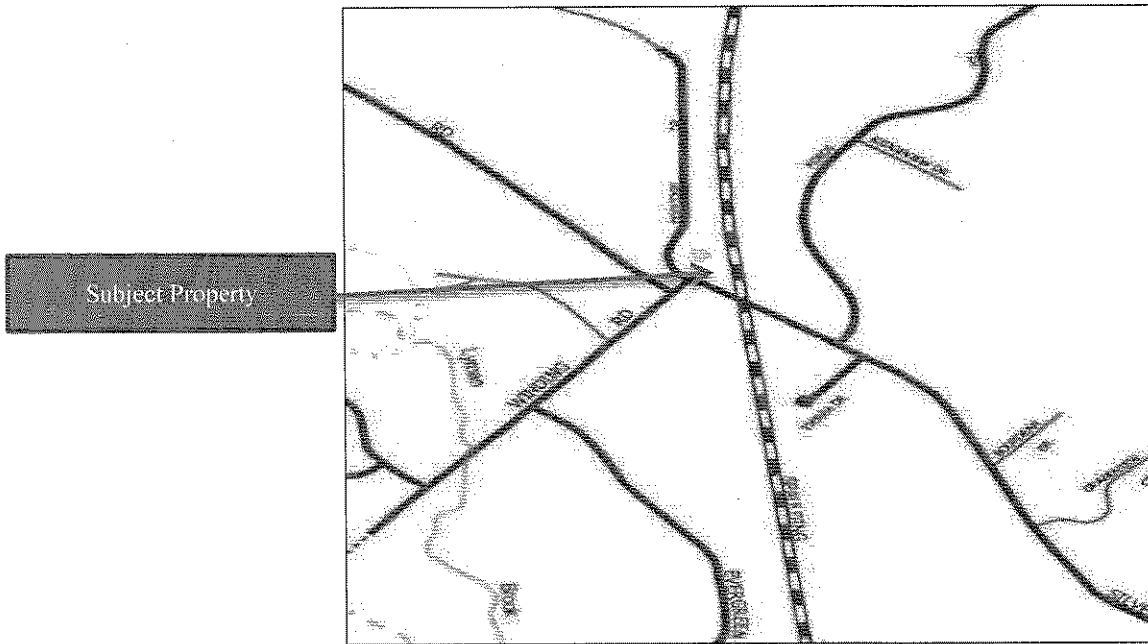
- Manufactured Housing Park or Subdivision
- Elementary and secondary Schools
- Post-Secondary, Colleges
- Child (day) care facility
- Adult day care
- Church
- Recreational Facility
- Outdoor recreation
- Campgrounds, youth camp
- Bed and Breakfast
- Kennel
- Wireless Service Facility and Public Utilities





3. Dimensional Requirements:

- 2 Acre Minimum
- 40 Foot Front Setback
- 30 Foot Rear Setback
- 25 Foot Side Setback
- 35 foot Maximum Height
- 200 foot Minimum Frontage

4. Conclusion: The subject parcel is non-conforming due to lack of acreage and road frontage.

Town of Milton Zoning Map



Key To Mapped Features		MILTON, NH — ZONING		
	Low Density Residential	ZONE	DESCRIPTION	ACRES
	Industrial	LDRZ	LOW DENSITY RESIDENTIAL	18,684.5
	Commercial / Residential	I	INDUSTRIAL	1,144.0
	High Density Residential	CR	COMMERCIAL / RESIDENTIAL	1,006.7
		HDRZ	HIGH DENSITY RESIDENTIAL	221.5
		WATER	Lakes and Ponds, greater than 10 acres	778.0

Site Description

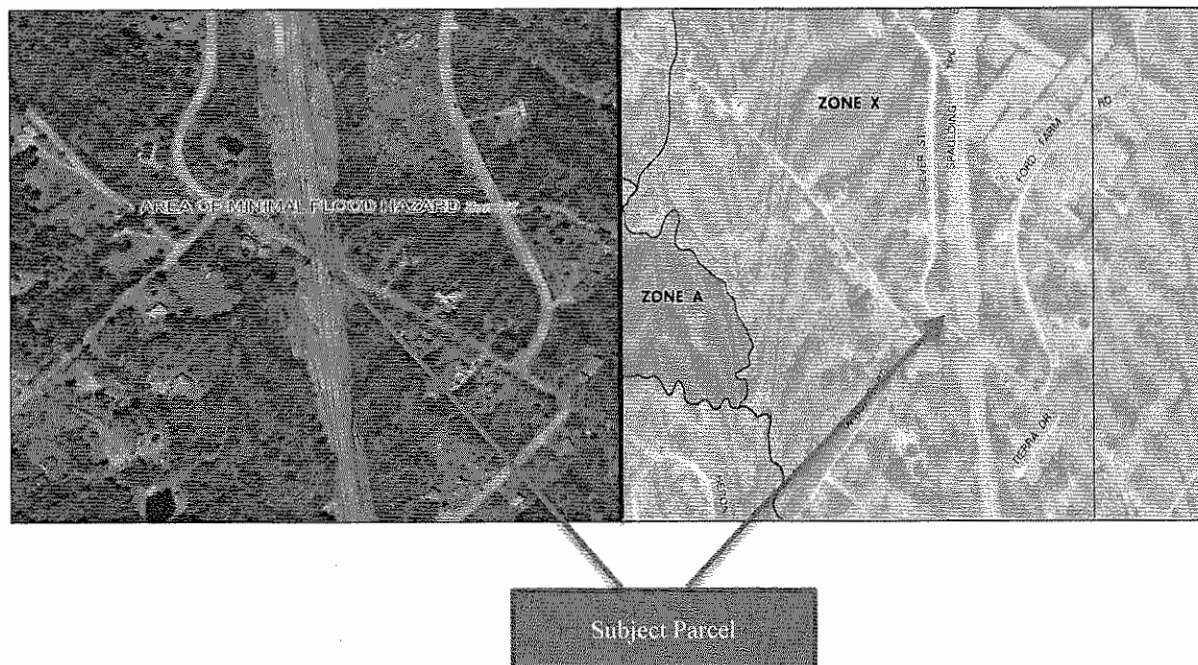
The subject parcel is triangularly shaped and consists of 0.32+/- acres of unimproved land, bounded along its entire easterly border by the Southbound barrel of the Spaulding Turnpike (NH Route 16) for a distance of approximately 230'+/- feet, bounded along its Southwesterly border by the ROW of Silver Street for a distance of approximately 165' feet, and is bounded along its Northwesterly border by the Southeasterly division line between land now or formerly of the Glen G. Hyslop Revocable Trust and the subject property for a distance of approximately 170'+/- feet. The subject property is level and at grade with Silver Street, and it sits approximately 15' feet below the grade of the Spaulding Turnpike. The subject is located in the Low Density Residential District, which requires a buildable lot to contain a minimum of 2.0 acres and 200' feet of road frontage. The subject property does not meet those requirements, therefore it is considered non-conforming. The State of NH is encumbering the subject parcel with a Permanent Access Easement to allow for access to maintain the slope associated with the Spaulding Turnpike.

The subject parcel is in an area which is not serviced by public water and sewer. Due to the physical constraints of the parcel, the site cannot support the necessary 75' foot well radius for a well, making the lot unbuildable.

The subject land has one abutter located along the subject property's Northwesterly lot line. Due to the zoning restrictions affecting the subject parcel, the abutting property owner and the State are the only likely parties for whom the parcel holds any value.

According to the attached FIRM (Flood Insurance Rate Map), the site is located in Flood Zones X, classified as an "Area of Minimal Flood Hazard."

FEMA Flood Map 33017C0120D



Highest and Best Use

Highest and Best Use is defined as the reasonably probable use of property that results in the highest value. The analysis of Highest and Best Use is at the heart of appraisals of the market value of real property. To determine Highest and Best Use, an appraiser considers the following tests: *physically possible, legally permissible, and financially feasible*. Uses that meet these three criteria are then tested for maximum productivity.

Legally permissible: Private restrictions, zoning, building codes, historic district controls, and environmental regulations govern the uses to which land can be put, and those restrictions may preclude many potential land uses. To apply the test of legal permissibility, an appraiser determines which uses are permitted by current zoning, which use could be permitted if a zoning change were reasonably probable, and which uses are precluded by private restrictions on the site. Private restrictions, deed restrictions, and long-term leases are typically registered on the title, and those legal characteristics of the property may prohibit certain uses or specify building setbacks, heights, and types of materials. If deed restrictions conflict with zoning laws or building codes, the more restrictive guidelines usually prevail.

The subject is located in a district that is zoned for Low Density Residential use. The permitted uses in this zone are primarily residential, including one family and two family buildings. Also allowed are light agricultural uses. Any uses beyond this would require either special exception or a variance approval by the Milton Zoning Board of Adjustment.

The subject property has approximately 165' +/- feet of frontage along Silver Street. The subject abuts the southbound barrel of the Spaulding Turnpike, a Limited Access Highway, for approximately 230' feet.

Due to the subject property's lack of required road frontage and lot size, it is non-conforming.

A large portion of the subject parcel will be encumbered by a 6,600 +/- square foot Permanent Access Easement, giving it considerably less utility, due to the fact that any structure placed within the easement area would be required to be removed if it impeded access for required maintenance of the existing drainage structure.

Physically possible: A parcel of vacant land (or an improved site analyzed as though vacant) is the metaphorical blank canvas on which a real estate developer paints any number of pictures. The physical possibilities of the vacant land are quickly constrained by factors such as: site size, shape, frontage, availability of utilities and other support services, topography, soil composition, and other site conditions and environmental factors. As a simple example, an irregularly shaped parcel can cost more to develop and, after development, may have less utility than a regularly shaped parcel of the same size.

The subject site is 0.32 acres in size. It is triangular in shape with approximately 165' +/- feet of frontage along the Silver Street right-of-way, and approximately 230' feet of frontage along the Limited Access Right of Way of the Spaulding Turnpike. The proposed Permanent Access and Maintenance Easement will encumber 108' +/- feet of the 165' +/- of road frontage along Silver Street. The subject parcel is in an area that is not serviced by public water and sewer. Due to the physical constraints of the parcel, the site cannot support the necessary 75' foot radius for a well, making the lot unbuildable.

Financially feasible: An appraiser eliminates uses that are not legally permissible and physically possible before analyzing the financial feasibility of the remaining alternative uses of land as though vacant. Only those uses that meet the first two criteria are analyzed further. For a use to be financially feasible, it must be able to produce a positive return to the land after considering risk and all costs to create and maintain the use. The level of analysis may vary with assignments, but economic demand for the subject property is a prerequisite to the

financial testing of alternatives. Analysis of supply and demand and of location is needed to identify the uses that are financially feasible. The desire for a particular use in a particular location is essential. Clues that supply and demand may not support a particular use include vacancy throughout the market area or no new construction when land is available.

The subject site is located along the Spaulding Turnpike (NH Route 16), a limited access highway. The subject is non-conforming. It does not meet the town's 2 acre requirement for development and it does not meet the road frontage requirement. It will also be encumbered by a Permanent Access Easement.

The Subject parcel has one abutter located along the subject property's Northwesterly lot line. Due to the zoning restrictions affecting the subject parcel, the abutting property owner and the state are the only likely parties for whom the parcel holds any value as a low utility/recreational parcel.

Maximum productivity: Of the financially feasible uses of the land as though vacant, the Highest and Best Use is the use that produces the highest residual land value, all else being equal. The comparison of the financially feasible uses is usually straightforward. If an appraiser determines that a building improvement is appropriate for the Highest and Best Use of a parcel of vacant land, the appraiser then determines and describes the type and characteristics of the ideal improvement to be constructed.

The subject property's financially feasible uses are limited by its location, non-conforming characteristics and the lack of demand for recreational land.

The highest and best use of the subject site is determined to be for assemblage with its abutter for use as an accessory parcel to their own, providing for recreational uses and/or a buffer. The ability to add abutter improvements such as outbuildings or other site improvements is hindered by the permanent access easement benefitting the State of NH. The market for small unbuildable parcels is quite limited, usually restricted to abutting property owners for a variety of uses, such as additional buffer or to keep another party from acquiring the parcel. This parcel has little utility.

Valuation Premises

There are three basic approaches to valuing real estate. Each approach relies on available market research and data. Each approach will be briefly described below as it pertains to the subject property.

The Cost Approach is based upon the cost of reproduction or replacement of the improvements less any accrued depreciation, plus the site value contribution and entrepreneurial, or developer's profit. This valuation technique is only applicable to properties that have improvements. Since the subject is vacant land, the cost approach is not considered applicable in this appraisal and as such it was not developed.

The Income Approach is based upon the premise that an informed buyer will pay a certain price based upon the return from a certain income stream produced by the property's actual income. The income approach is not considered applicable in this appraisal due to the fact that the subject is not income-producing and does not appear to have the potential to produce income.

The Sales Comparison Approach is based upon the premise that an informed buyer would not pay more for a property than the cost of another property with the same or similar utility. In this approach, adjustments are made for the areas in which the comparable sales differ from the subject property. Since the appraiser was able to find an adequate number of comparable sales that can be used for comparison to the subject property, the Sales Comparison Approach is considered applicable for the appraisal.

In Summary, the Sales Comparison Approach is the only applicable approach to value and was utilized, as sufficient comparable sales were available.

Value Estimate By Sales Comparison Approach

When applying the Sales Comparison Approach, the sales analysis is based on the elements of comparison. The adjustments in this analysis are intended to reflect those conditions which the buyers and sellers consider important and are present in various degrees between the subject and one or more of the comparables. The comparable sales I have selected were the most similar, verifiable sales known to me at the time of this appraisal, as well as being the most reliable indicators of market value for the subject parcel. For this report the appraiser chose to use the whole to whole unit of value as the basis for comparison. The market for small unbuildable parcels is always quite limited. They are not typically offered in the open market, or affected by market conditions. They are usually private sales restricted to abutting property owners for a variety of uses, such as additional buffer or to keep another party from acquiring a parcel.

Comments on the Comparable Sales

No recent transfers of small, unbuildable parcels were found in Milton, making it necessary to expand the search for comparable sales in both time and distance. The abutting town of Middleton has a large overabundance of grandfathered, non-conforming lots of record that are not buildable due to their inability to support both on-site wells and septic systems. This glut of low-utility lots has exerted downward pressure on demand and values for house lots in town and resulted in a very high number of lots being taken for back taxes by the Town. After researching and analyzing the search results, it was determined that the sales used in this approach were the best available and most appropriate comparable sales. Sale 1 and 2 are non-conforming lots of record. Sale 3, buildable by Middleton zoning regulations, was merged with the abutting property to be used as a buffer. The highest and best use for all 3 Sales is to be merged with the abutting lot. All 3 Sales are located in the town of Middleton, NH. Middleton abuts Milton on Milton's Northern border.

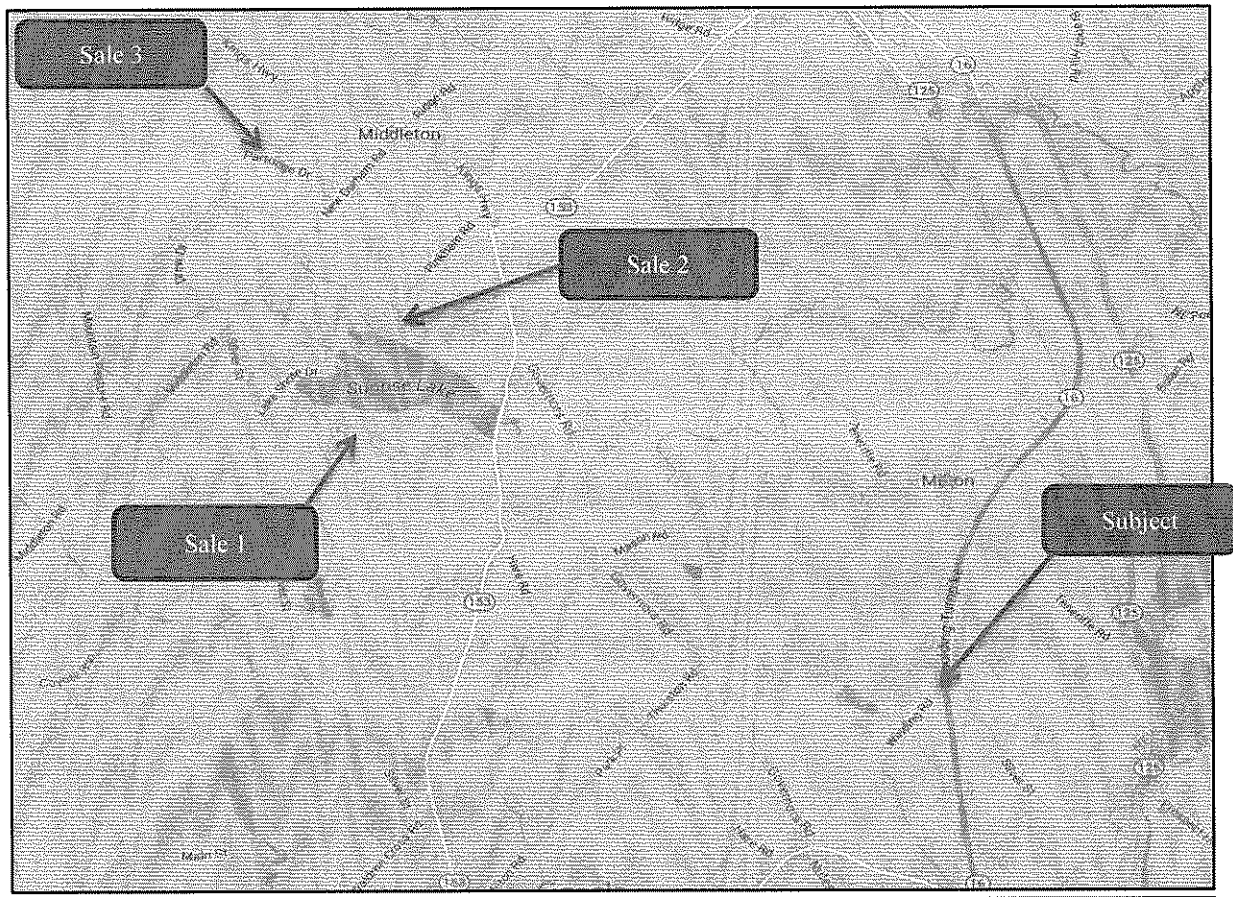
Sale 1 is located on Lincoln Road, an unpaved town maintained road in the town of Middleton. It is a 0.34+/- acre non-conforming lot in the Sunrise Lake District. It is most similar to the subject in acreage. Similar to Sale 3, the town of Middleton (Grantor), sold the lot with the caveat that the conveyance be contingent upon the

Grantee filing with the Middleton Planning Board, within 30 days of the execution of the deed, a completed application for a Voluntary Merger of the property, and recording the approval of the merger within 150 days of the date of the deed. The topography is level and at grade with the road.

Sale 2 is located on Butler Way, a paved, town maintained road in Middleton. It is a 0.84 +/- acre lot. Similar to Sale 1, it is located in the Sunrise Lake District and is also a non-conforming lot of record. The listing broker stated that the lot is unbuildable except perhaps by special exception. Similar to Sale 1 and 3, it was purchased by the adjacent property owner and merged with their existing lot. The Buyer's Broker stated that the Buyers had purchased the lot with the hope that they would be able to receive a special exception from the town to build. The July 2015 tax bill is based on land only.

Sale 3 is located on Partridge Drive in Middleton and is located in the Rural District. Sale 3 is a conforming lot of record. Similar to Sale 1, the town of Middleton sold the lot to the abutting property owner with the caveat that the conveyance is contingent upon the Grantee filing with the Middleton Planning Board, within 30 days of the execution of the deed, a completed application for a Voluntary Merger of the property, and recording the approval of the merger within 150 days of the date of the deed. The property is located in a subdivision made up of fifty, 5+ acre lots. The grantee purchased the lot in order to merge it with their existing lot for a buffer, and to keep others from developing it. Sale 3 is located in an area that includes some larger residential properties.

Comparable Sales Map



Basis of Adjustments

As detailed above, the major differences between the subject site and the comparable sales are location and lot size. Market data was researched and analyzed in order to determine the appropriate adjustments that were necessary to equalize these differences.

As noted in the Market Conditions section, in the three years prior to the effective date of this report, the average price per acre of vacant residential land, in the Town of Milton, did not follow a definitive trend and was somewhat volatile. While an indirect correlation can be made between the market values of residential land and low-utility land, they both have distinctly separate markets. Low utility land is typically less sensitive to the market fluctuations and volatility that affect residential land. Therefore given that the comparable sales all occurred with 15 to 43 months of the effective date, it was not considered necessary to apply market condition adjustments.

Sale 1 and Sale 2, similar to the subject property, are non-conforming lots of record. Sale 3, although a lot of record prior to its sale, was merged with its abutting property to form one contiguous parcel.

The location of Sale 1 and Sale 2 are very similar in that they are located in the Sunrise Lake District, a community that benefits from Sunrise Lake's recreational opportunities but also is negatively impacted by the abundance of unbuildable lots in the development and the number of town owned parcels. The subject property is located in a rural neighborhood, and abuts NH Route 16, so is therefore judged to be roughly equivalent in location.

A match pair analysis between Sale 3 which is superior to the subject in size and appeal, and the average of Sales 1 and 2 (\$7,000) which have both superior and inferior characteristics that are considered off-setting indicates a total difference of 50%. This -50% is mainly attributed to Sale 3's superior size (-30%) and its superior location within a subdivision. (-20%).

The subject parcel has a triangular configuration that reduces its utility. Each of the sales has a superior, more rectangular configuration and is adjusted down by 20%.

The physical characteristics of Sale 1, Sale 2 and Sale 3 are similar to the subject property. No adjustment is necessary.

Sales Grid

The three comparable properties' shown in the following grid were the most comparable sales known to me. The descriptions include adjustments, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more favorable than, the subject site, a negative (-) adjustment is made, thus reducing the indicated value for the subject; if a significant item in the comparable property is inferior to, or less favorable than, the subject site, a positive (+) adjustment is made, thus increasing the indicated value for the subject.

Land Value Appraisal Before the Acquisitions Sales Comparison Grid							
Item	Subject Property	Comparable Sale 1		Comparable Sale 2		Comparable Sale 3	
Address	Silver Street, Milton, NH Tax Map 37, Lot 5	Lincoln Road, Middleton, NH Tax Map 002, Lot 017		Butler Way, Middleton, NH Tax Map 005, Lot 40-7		Partridge Drive, Middleton, NH Tax Map 004, Lot 15	
Grantor		Town of Middleton, NH		Robert A. Whyte and Jane S. Whyte		The Town of Middleton, NH	
Grantee		Kenneth S. Smart		Michael Flynn and Jamie Flynn		Kevin Gagnon	
Recorded Book/Page		SCRD Book 4234 Page 0686		SCRD Book 4011 Page 0089		SCRD Book 4218 Page 0897	
Effective Sale Price			\$10,000		\$4,000		\$14,000
Data Source		Real Data, County & Municipal records		Real Data, Broker, Municipal and County Records		Real Data, Municipal and County Records	
Sale Concessions		None		None		None	
Date of Sale & Market Conditions Adj.		Description	Adjustment	Description	Adjustment	Description	Adjustment
		8/7/2014	none	4/6/2012	none	6/2/2014	none
Location	Fair	Fair		Fair		Average	-20%
Site Area (Acres)	0.32	0.34		0.84		5.73	-30%
Configuration	Triangular	Rectangular Wooded	-20%	Roughly rectangular	-20%	Rectangular	-20%
Physical Characteristics	Lightly wooded, Level	level, dirt road/water rights		Wooded, level, paved road/water rights		Wooded, level, paved road	
Net Adj. (Total)			-20%		-20%		-70%
Indicated Value per parcel			\$8,000		\$3,200		\$4,200

Final Value Conclusion

The land sales analysis results in adjusted per parcel unit prices from \$3,200 to \$8,000 with a mean value of \$5,133. The three sales are considered to be the most reliable indicators of market value. Sale 1, 2 and 3 were all sold to abutters as low utility properties. Sale 1 and 2 are the most similar to the subject due to their size, non-conformance, and both were sold to an abutting property owner. Sale 3 is considerably larger in site area to the Subject, Sale 1 and Sale 2. Sale 3 was a conforming lot of record prior to being purchased by the abutter. The abutting property owner purchased Sale 3 with the purpose of merging it to their existing parcel as per the recorded agreement with the Grantor, the Town Middleton. This was the best use for the lot given the low demand and extreme oversupply of lots in the town of Middleton.

Appropriate adjustments were applied to all 3 Sales in order to bring them in line with the subject.

The subject is valued at the low end of the indicated range due to the overall inferior location and configuration of the site.

Based on the preceding research and analysis, it is concluded that the fee simple interest of the subject property warrants a value opinion via the sales comparison approach of **\$ 3,200.**

Permanent Access Easement:

The utility of the subject area is limited by a permanent access easement that will be reserved by the State of New Hampshire on a total of 6,600 +/- square feet. About 50% of the subject area will be encumbered by the easement and the impact of the easement is estimated to represent about 80% of the fee value of the encumbered area due to the surface restrictions imposed. The estimated impact of the proposed permanent access easement is calculated as follows:

\$3,200 = value of the subject parcel

$\$3,200 \times 50\%$ (value of the encumbered area of parcel) = \$1,600

Permanent easement = 80% of full fee value of encumbered area: $\$1,600 \times 80\%$ = \$1,280

Value of the Subject property minus the value of the permanent access easement = value of subject as encumbered:

$\$3,200 - \$1,280 = \$1,920$

Based on the preceding research and analysis it is concluded that the subject property, as encumbered, warrants a value opinion via the sales comparison approach of \$1,920.00

Rounded = \$1,900.00

Summary of Comparable Land Sale 1

Location/Address: Map 002, Lot 017 Lincoln Road, Middleton, NH

Grantor > Grantee: Town of Middleton, NH > Kenneth Smart

Date of Sale: August 7, 2014

Sale Price: \$10,000

Registry Reference: Strafford County Book 4234 / Page 0686

Site Area: .34 +/- acres

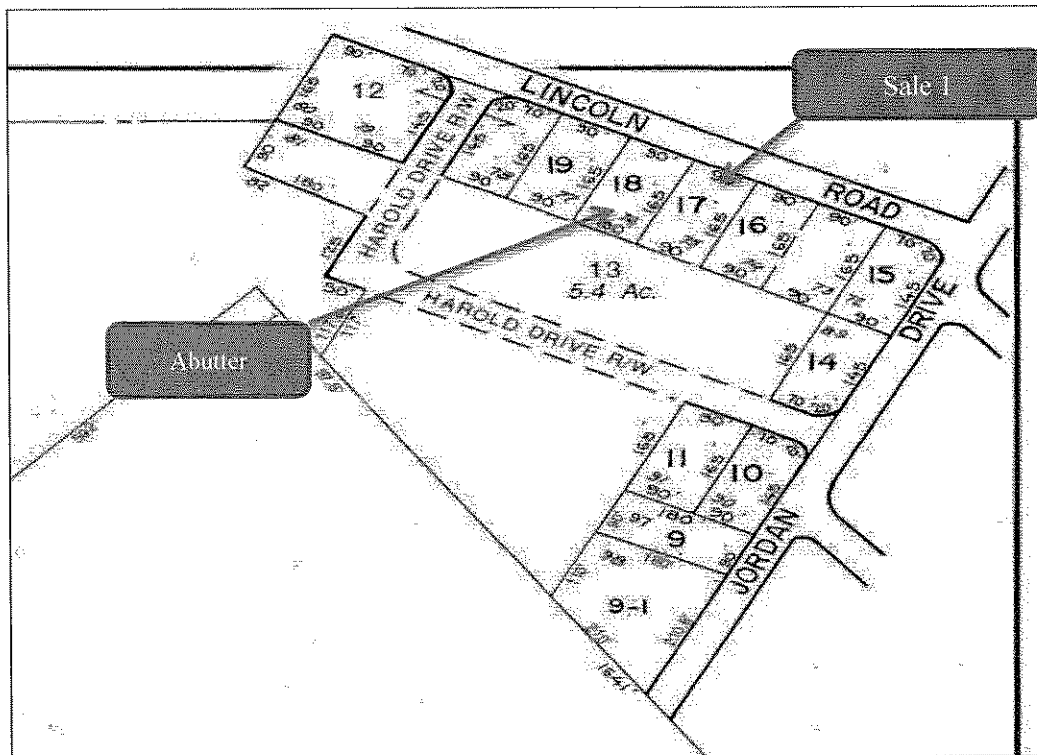
Available Utilities: N/A

Zoning: Sunrise Lake District

Source/Confirmed By: Real Data, Public Records

H & B Use at Sale: Accessory/Recreational Lot

Comments: Sale 1 is located on Lincoln Road, an unpaved town maintained road in Middleton, NH. It is level, at grade with the road, and lightly wooded. It is located in the Sunrise Lake district in an area of small homes and camps. Residents in this district have use of the lakes recreational activities.



Summary of Comparable Land Sale 2

Location/Address: Map 005, Lot 40-7 Butler Way, Middleton, NH

Grantor > Grantee: Robert A. and Jane S. Whyte > Michael and Jamie Flynn

Date of Sale: April 6, 2012

Sale Price: \$4,000

Registry Reference: Strafford County Registry of Deeds Book 4011 / Page 0089

Site Area: 0.84 +/- acres

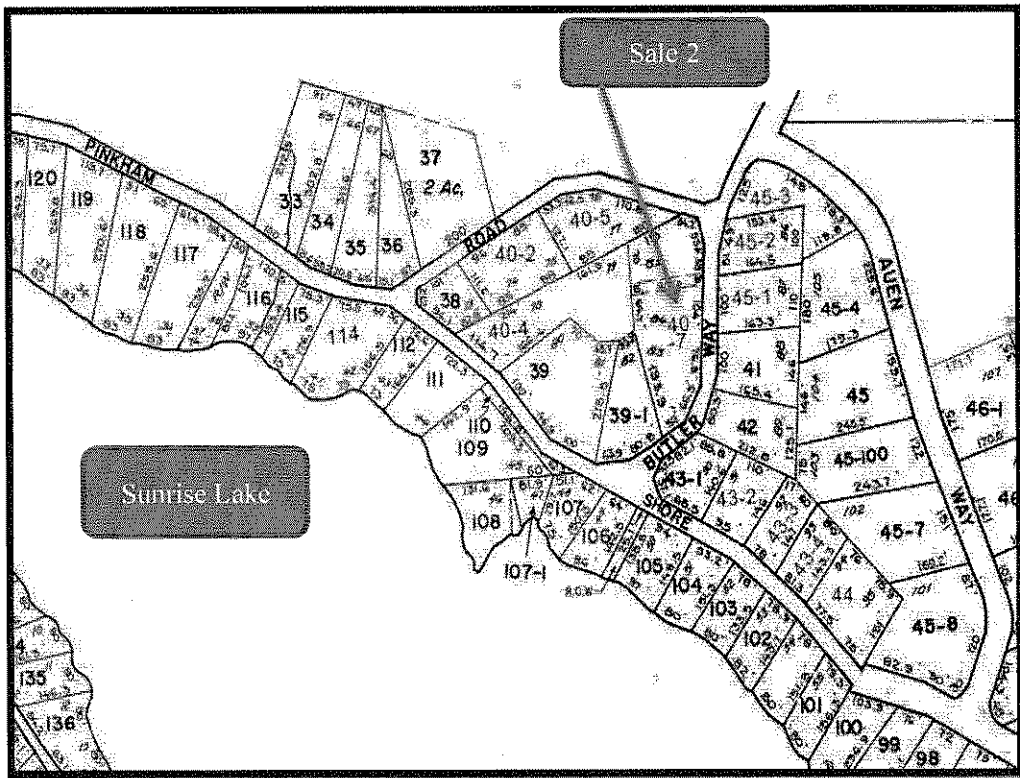
Available Utilities: N/A

Zoning: Sunrise Lake District

Source/Confirmed By: Real Data, Broker, Public records, MLS # 4048379

H & B Use at Sale: Accessory / Recreational

Comments: Sale 2 is located in Middleton, a paved, town maintained road, and similar to Sale 1, Sale 2 is also located in the Sunrise Lake District with deeded lake access. The parcel is level and lightly wooded, located in an area of smaller homes and renovated camps.



Summary of Comparable Land Sale 3

Location/Address: Map 11; Lot 2-46 Partridge Drive, Middleton, NH

Grantor > Grantee: The Town of Middleton, NH > Kevin Gagnon

Date of Sale: June 2, 2014

Sale Price: \$14,000

Registry Reference: Strafford County - Book 4218 / Page 0897

Site Area: 5.73 +/- acres

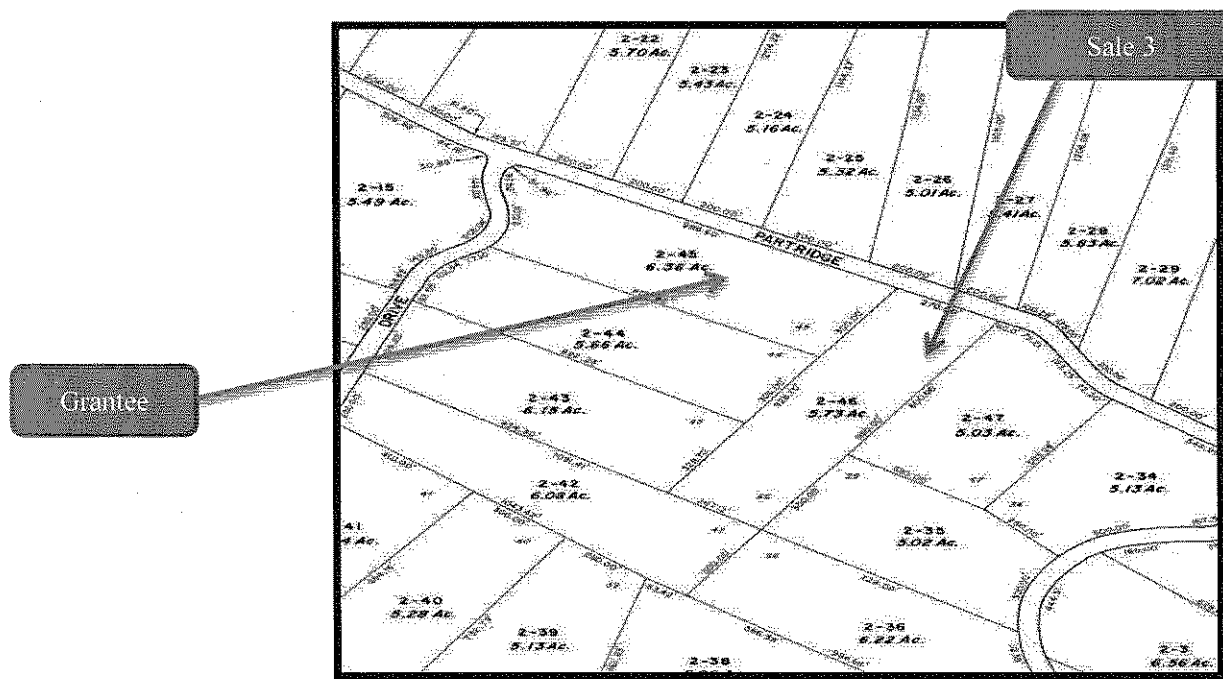
Available Utilities: N/A

Zoning / Map Ref: Rural Residential

Source/Confirmed By: Real Data, Grantor, Public records

H & B Use at Sale: Recreational

Comments: Sale 3 is located in Middleton and is located in a rural residential area. It is lightly wooded and at grade with the road. The property is a conforming lot of record however the town sold it to the property's abutter with the agreement that the new owner would merge the property with their existing, abutting parcel, to create one contiguous lot.



Appraiser's 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 general assumptions, extraordinary assumptions, hypothetical conditions, limiting conditions and legal instructions;

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 appraised the property that is the subject of this report, once within the three-year period immediately preceding acceptance of this assignment;

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;

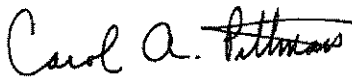
My engagement in this assignment was not contingent upon developing or reporting predetermined results;

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 in conformity with the Uniform Appraisal Standards for Federal Land Acquisitions, the Uniform Standards of Professional Appraisal Practice and in conformity with the appropriate State laws, regulations, policies, and procedures applicable to appraisal of right of way for these purposes;

I have made a visual inspection of the property that is the subject of this report;

No one provided significant real property appraisal assistance to me;



Carol A. Pittman
Staff Appraiser, NHDOT

April 8, 2016
Date

Legal Description

This 0.32+/- acre parcel was acquired by the NHDOT on March 4, 1977. The state acquired the property for the Rochester-Milton project P-2282 (1978), phase 7 construction of the Spaulding Turnpike. The transfer is recorded in the Strafford County Registry of Deeds, Book 993 Page 843. The legal description of the subject property is shown below.

BK- 993 PGE-843

Know All Men by These Presents

THAT, WE, GEORGE H. SMITH AND JANET S. SMITH, HUSBAND AND WIFE, OF SILVER STREET, COUNTY OF STRAFFORD, STATE OF NEW HAMPSHIRE,

for and in consideration of the sum of one dollar and other valuable consideration to us in hand before the delivery hereof, well and truly paid by The State of New Hampshire, the receipt whereof we do hereby acknowledge, have granted, bargained and sold, and by these presents do give, grant, bargain, sell, alien, confirm, convey and confirm unto the said State of New Hampshire, it and its successors and assigns forever;

Five parcels of land and buildings, situated on the Northeasterly side of Silver Street at its intersection with Ford's Hill Road in the Town of Milton, County of Strafford, State of New Hampshire, as shown on a Plan of Rochester - Milton P-2282 on file with the New Hampshire Department of Public Works and Highways and to be recorded in the Strafford County Registry of Deeds, said premises bounded and described as follows:

Parcel #2-B:

Beginning at a point in the existing Northeasterly Right-of-Way Line of Silver Street and in the Division Line of land of the Grantors and land now or formerly of Jerry F. and Loretta F. Grant; thence running Northwesterly with the said Right-of-Way Line to a point in a line between a point that is one hundred twenty-five (125') feet Westerly of the Spaulding Turnpike South bound Survey Base Line, Station 480 + 00 and a point one hundred twenty-five (125') feet Westerly of Station PC 488 + 67.14; thence turning and running Northerly to the point last named; thence running Northerly on a line which, if extended, would pass through a point one hundred seventy-five (175') feet Westerly of Station 494 + 00 to a point in the Ford's Hill Road existing Easterly Right-of-Way Line, the last two (2) lines meaning and intending to establish the Spaulding Turnpike Westerly Limited Access Right-of-Way Line; thence turning and running Northeasterly with the said Ford's Hill Right-of-Way Line to a point in the Division Line between land of the Grantors and land now of The State of New Hampshire formerly of Donald and Joyce Smith, said point being Westerly of and near Station 490 + 50; thence turning and running Southeasterly and Northeasterly with the said Division Line to a point on a line between a point that is two hundred (200') feet Easterly of the Spaulding Turnpike South bound Survey Base Line, Station 496 + 00 and a point two hundred (200') feet Easterly of Station 488 + 67.14; thence turning and running Southerly to the point last named and continuing on a line which, if extended, would pass through a point that is two hundred (200') feet Easterly of and directly opposite Station 480 + 00 to a point in the Division Line of land of the Grantors and land now or formerly of Jerry F. and Loretta F. Grant; thence turning and running Southwesterly to the point of beginning.

Parcel #3-C:

Beginning at a point in a line between a point that is two hundred (200') feet Easterly of and directly opposite Station 488 + 67.14 and a point that is two hundred (200') feet Easterly of and directly opposite Station 496 + 00, Spaulding Turnpike South bound Survey Base Line and in the Division Line between land of the Grantors and land now of the State of New Hampshire formerly of Donald and Joyce Smith; thence running Northwesterly with the said Division Line to a point in the Ford's Hill Road Existing Easterly Right-of-Way Line; thence turning and running Northeasterly with the said Right-of-Way Line to a point in the line first described for this parcel; thence turning and running Southerly with the said line to the point of beginning.

AND the Grantors do hereby convey to The State of New Hampshire all rights of access, air, view and light over, from or to the Limited Access Highway to be constructed on land conveyed above, pertaining to the remainder of abutting lands, belonging to the Grantors, their heirs, assigns, executors and administrators, as defined in Chapter 236, RSA, entitled "Limited Access Highways".

AND taking in addition to the above for a connector road the following:

Parcel #3-D:

Beginning at a point in a line between a point that is seventy-five (75') feet Southwesterly of Connector Road Construction Center Line Station 20 + 14.53 and a point that is seventy-five (75') feet Westerly of Station 22 + 00 and in the Division Line of land of the Grantors and land of Jerry F. and Loretta F. Grant; thence running Northwesterly to the point last named; thence running Northerly on a line which, if extended, would pass through a point that is seventy-five (75') feet Westerly of and directly opposite Station 24 + 00 to a point in the Division Line of land of the Grantors and land now or formerly of Edward Bentzler; thence turning and running Southeasterly and Northeasterly with the said Division Line to a point in a line between a point that is fifty (50') feet Easterly of and directly opposite the station last named and a point that is fifty (50') feet Easterly of and directly opposite Station 22 + 00; thence turning and running Southerly to the point last named; thence running Southeasterly to a point on a line which, if extended, would pass through a point that is fifty (50') feet Northeasterly of Station 20 + 14.53 to a point in the Division Line of land of the Grantors and land of the afore-named Grant; thence turning and running Northwesterly and Southwesterly with the said Division Line to the point of beginning.

Parcel #3-A:

Beginning at a point in the Silver Street existing Northeasterly Right-of-Way Line, said point being fifty (50') feet Southeasterly of the Connector Road Construction Center Line; thence running Northwesterly with the said Right-of-Way Line to a point fifty (50') feet Northwesterly of the said Construction Center Line; thence turning and running Northeasterly to a point fifty (50') feet Northwesterly of Station 10 + 86.67; thence Northeasterly to a point that is fifty (50') feet Northwesterly of Station 12 + 50; thence Northerly to a point fifty (50') feet Westerly of Station 13 + 93.73; thence Northwesterly on a line which, if extended, would pass through a point that is seventy-five (75') feet Westerly of Station 20 + 14.53 to a point in the Division Line of land of the Grantors and land now or formerly of Jerry F. and Loretta F. Grant; thence turning and running Northeasterly with said Division Line to a point on a line that is fifty (50') feet Easterly of Station 20 + 14.53 and a point that is fifty (50') feet Easterly of Station 13 + 93.73; thence turning and running Southeasterly to the point last named; thence running Southerly to a point that is fifty (50') feet Easterly of Station 12 + 50; thence running Southwesterly to a point that is fifty (50') feet Southeasterly of Station 10 + 86.67; thence running Southwesterly to the point of beginning.

Parcel #3:

Taking all the land with buildings thereon of the Grantors that lies Westerly of the previously-established Westerly Limited Access Right-of-Way Line and the point of intersection of Silver Street and Ford's Hill Road.

Containing three and nineteen hundredths (3.19) acres, more or less, and being parts of parcels described in Warranty Deeds recorded in the Strafford County Registry of Deeds, Book 991, Page 227; and Book 993, Page 166.

Buildings to be retained by the owners, vacated by March 31, 1977, and removed from the Right-of-Way prior to June 1, 1977, otherwise they will become property of The State of New Hampshire.

The 1976 Property Taxes are to be paid by the Grantors.

BK- 993 PGE-844

AND the Grantor does hereby convey to the Town of Milton and The State of New Hampshire the right to extend and maintain such slopes and embankments beyond the limits of the land hereby conveyed as will be necessary to construct slopes and embankments at such an angle as will hold the material of said slope in repose against ordinary erosion in accordance with the standard practice of highway construction; hereby releasing to the Town of Milton and The State of New Hampshire any and all claims to damage arising from or incidental to the altering, widening, draining and improving of the road and the location thereof in, over and upon the original highway and the land hereby conveyed and the land over which the aforesaid slopes and embankments extend.

TO HAVE AND TO HOLD the said granted premises with all the privileges and appurtenances to the same belonging, to fit the said State of New Hampshire it and its successors and assigns, to it and their own use and benefit forever. And we the said George H. Smith and Janet S. Smith--- and our heirs, executors and administrators do hereby covenant, grant and agree, to and with the said State of New Hampshire, it and its successors and assigns, that until the delivery hereof we are the lawful owner of the said premises and are seized and possessed thereof in our own right in fee simple; and have full power and lawful authority to grant and convey the same in manner aforesaid; that the premises are free and clear from all and every incumbrance whatsoever; and that we and our heirs, executors and administrators, shall and will WARRANT and DEFEND the same to the said State of New Hampshire it and its successors and assigns, against the lawful claims and demands of any person or persons whomsoever.

And we, the said George H. Smith and Janet S. Smith--- for the consideration aforesaid, do hereby grant, discharge and release unto the said grantee, it and its successors and assigns, all right of Homestead in the above described premises.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 6 day of JAN. in the year of our Lord, 1977.

Signed, sealed and delivered in the presence of:

Robert A. Hibbard
Robert Hibbard
Charles E. Cummings
Charles E. Cummings

George H. Smith
George H. Smith
Janet S. Smith
Janet S. Smith

STATE OF NEW HAMPSHIRE STRAFFORD, SS. CTH JAN A.D., 1977.

Personally appeared the above-named George H. Smith and Janet S. Smith---

and acknowledged the foregoing instrument to be their voluntary act and deed. Before me:

Robert A. Goodrich
Robert A. Goodrich
Justice of the Peace - Notary Public

My commission expires

Edward D. Cury

REGISTER OF DEEDS
STRAFFORD COUNTY

DEED OF WARRANTY

THAT, WE, GEORGE H. SMITH and JANET S. SMITH, HUSBAND AND WIFE, BOTH OF SILVER STREET, MILTON
OF Strafford COUNTY, STATE OF NEW HAMPSHIRE, for consideration paid, grant to The State of New Hampshire, with WARRANTY covenants,

A tract of land situated on the Northerly side of Silver Street and the Easterly side of the new Ford's Hill Road in the Town of Milton, County of Strafford, State of New Hampshire, and being near Station 11 + 50 Ford's Hill Road Construction Center Line as shown on a Plan of Rochester-Milton - P-2282 on file with the New Hampshire Department of Public Works and Highways and to be recorded in the Strafford County Registry of Deeds, more particularly bounded and described as follows:

Beginning at a point in the Northerly Sideline of Silver Street, as now travelled, said point also being in the Division Line between land now or formerly of Martin J. and Dorothy M. McManis and land of the Grantors; thence Northeasterly with said Division Line to the Northwesterly corner of said land of McManis; thence Northwesterly to a point in the Easterly Sideline of Ford's Hill Road, as now travelled, said point being fifty (50') feet Northeasterly of and directly opposite Station 13 + 93.73; thence generally Southerly with said Right-of-Way Line to a point in the Northerly Sideline of Silver Street; thence Southeasterly with said Sideline to the point of beginning.

Containing forty-seven hundredths (0.47) of an acre, more or less, and being a portion of that real estate described in the Strafford County Registry of Deeds, Book 993, Page 166.

It is hereby made a part of the before-mentioned consideration and a condition to this instrument that the 1976 Property Taxes are to be pro-rated as of July 15, 1980.

AND, the Grantors does hereby convey to the State of New Hampshire the right to extend and maintain water, sewer and gas lines beyond the limits of the land hereby conveyed and may be necessary to construct, alter, or remove such lines and appurtenances and the water in or on said slopes or appurtenances and any necessary, together with the right to construct and maintain on other lands of the grantor pipes or ditches incidental to the above described property.

AND, we, George H. Smith and Janet S. Smith wife, ⁷ husband, release to the said Grantee all - respective - rights of ~~conveyance~~ Homestead and other interests therein.

WITNESS our hands and faces this 22nd day of July, A.D., 1980

WITNESS

Robert Hibbard
Robert Hibbard

George H. Smith
George H. Smith

Janet S. Smith
Janet S. Smith

STATE OF NEW HAMPSHIRE
County of Strafford

On this the 22nd day of July, 1980, before me, Louis W. Brisette, the undersigned officer, personally appeared George H. Smith and Janet S. Smith known to me to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand.

Louis W. Brisette
Justice of the Peace - ~~NOTARY PUBLIC~~
Louis W. Brisette

REGISTER OF DEEDS
STRAFFORD COUNTY

Qualifications

Carol A. Pittman – Appraiser II

Experience:

September 2014-Present	NH Department of Transportation, Bureau of Right- of-Way Appraiser II
March 2007 – September 2014	NH Department of Transportation, Bureau of Right-of- Way, ROW Agent II
August 2003-MARCH 2007	The Gove Group Real Estate, Stratham, NH New Construction and Land Development Specialist
August 1995-August 2003	Carlson GMAC Real Estate, NH Licensed Real Estate Agent

Education:

Westfield State College, Westfield, MA – B.A. History

JMB Real Estate Academy-Principles of Real Estate Appraisal-2015

JMB Real Estate Academy-Basic Appraisal Procedures-2015

JMB Real Estate Academy-USPAP-2015

IRWA-304-When Public Agencies Collide-2013

Nat'l Business Institute- Title Law in New Hampshire-2011

IRWA – Ethics and the Right of Way Profession-2011

FHWA-NHI-141030-Advanced Relocation Under the Uniform Act-2009

FHWA-NHI-141031-Business Relocation Under the Uniform Act-2009

IRWA- 401 Appraisal of Partial Acquisitions-2008

FHWA-NHI-141043 Appraisal for Federal Aid Highway Programs-2007

FHWA-NHI-Basic Relocation Under the Uniform Act-2007

Charlene Mason, School of Real Estate- 1997 and 2007

Professional Affiliations:

IRWA Member # 7896515

NH Licensed Real Estate Broker #046961

STATE OF NEW HAMPSHIRE INTER-DEPARTMENT COMMUNICATION

FROM: Charles R. Schmidt, PE
Administrator

DATE: May 17, 2016

AT: Dept. of Transportation
Bureau of Right-of-Way

SUBJECT: Leasing of State Owned Land in Holderness
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 lease a parcel of State owned land consisting of 1.33 +/- Acres, located on the Northerly side of NH Route 175 A in Holderness to Plymouth State University for a term of five (5) years at five hundred dollars (\$500.00) per year plus a one-time Administrative Fee of one thousand one hundred dollars (\$1,100.00) with an option for an additional five (5) years at a renegotiated value, subject to the conditions as specified in this request.

EXPLANATION

The Department has received a request from Plymouth State University concerning the opportunity to lease a parcel of State owned land located on the Northerly side of NH Route 175A in the Town of Holderness.

Plymouth State University (PSU) is interested in leasing this area to use as a parking lot in conjunction with PSU facilities on their adjoining properties.

The parcel, acquired by the Department in 1996, is a portion of the ROW acquired in connection with the construction of Interstate 93 Exit 25 Southbound off ramp and the widening of NH Route 175A through the area.

As a condition of this lease, no direct access will be allowed from this parcel to NH Route 175A.

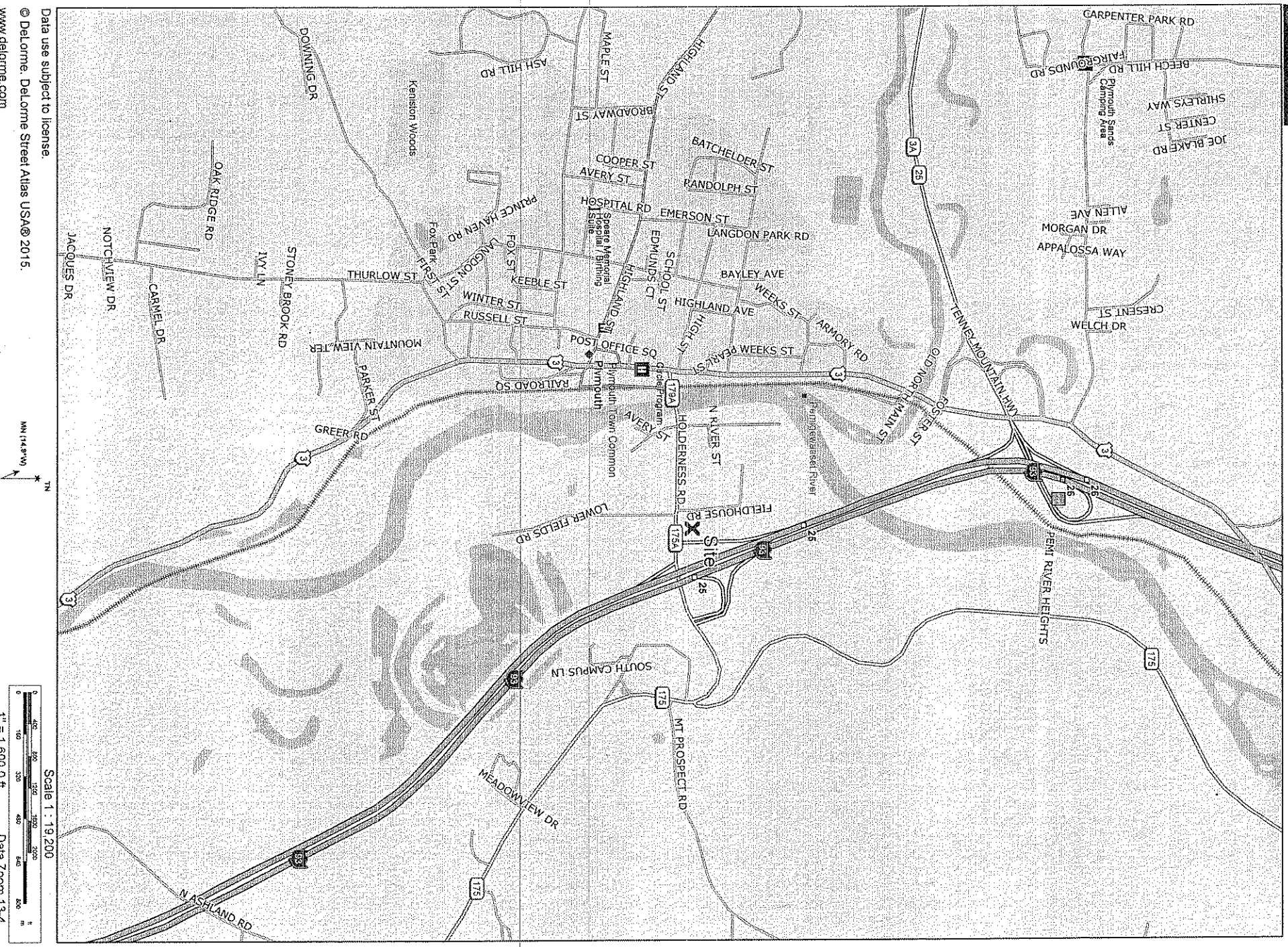
This request has been reviewed by this Department and it has been determined that the requested area is surplus to our operational needs and interest for the purpose of leasing.

An appraiser from the Department completed an opinion of value for the subject property to determine an estimated ground lease value for this parcel. The appraiser used three (3) sales in Plymouth and surroundings towns as comparable. Based upon the analysis and adjustments of those sales, it was felt that a reasonable estimated ground lease value for the subject as of April 13, 2016 was \$500.00 per year.

The Department respectfully requests authorization to enter into a five year lease at \$500.00 per year with an option for an additional five (5) years of the then established fair market value. In addition, the Department will assess an Administrative Fee of \$1,100.00

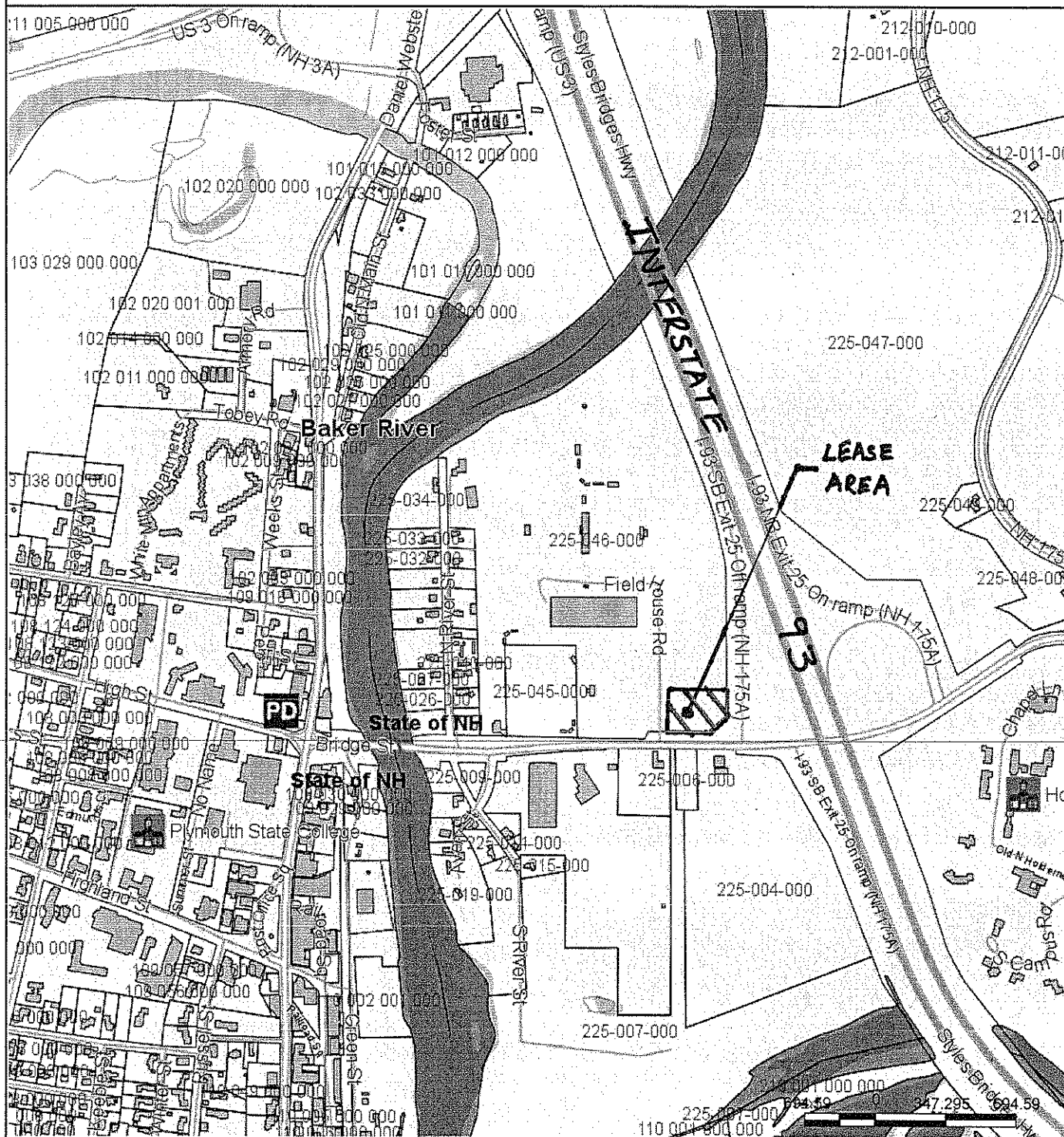
Authorization is requested to lease the subject parcel as outlined above.

CRS/PJM/jl
Attachments



STATE OF NEW HAMPSHIRE
DEPARTMENT OF REVENUE
ADMINISTRATION

MOSAIC PARCEL
MAP SHARING
POOL



- STATE OF NEW HAMPSHIRE -

-- BUREAU OF RIGHT-OF- WAY MEMORANDUM--

TO: Phillip J. Miles, Chief Property Management
THRU: Charles R. Schmidt, P.E., ROW Bureau Administrator
FROM: Steve Bernard, NHCG # 654, Chief ROW Appraiser
DATE: April 13, 2016
RE: 1.32± Land Lease, West Side Exit 25 Southbound I-93, Plymouth, NH

As requested, the purpose of this memorandum is to provide the Department with an opinion as to the estimated value of a potential ground lease for the subject parcel based upon a review of an analysis and subsequent summary report completed by staff appraiser Thomas Hughes. Mr. Hughes' surplus land appraisal was written on September 9, 2013 with an effective date of July 31, 2013. The surplus land appraisal was for the purpose of estimating the contributory value of a 1.33± acre parcel of surplus land identified as being a portion of the I-93 Limited Access Right of Way west of the southbound off ramp at exit 25. Upon completing his research and site analysis of the surplus land; taking into account the zoning, the site characteristics and other limitations such as existing encumbrances, Mr. Hughes concluded that it was his opinion that the market value of the subject land was in the range of between \$3,600 and \$3,900 per acre.

The reason for considering Mr. Hughes' surplus land appraisal is because the subject of his report includes land area common to the land area that is the subject of this report. It is the commonality of the location, highest and best use and physical and legal restrictions that lends credibility to the potential use of the land values estimated by Mr. Hughes. This internal memo is not to be construed as an appraisal of the subject property, as it does not conform to USPAP requirements, and is not written as such. My scope of work involved research into the subject market, including comparable land sales, existing market conditions and research into other factors that may have an impact on the value of the subject property. I did not inspect the subject site, although I am very familiar with the location from working on other assignments in the area.

My initial research was to collect information on potential comparable land sales in the subject market area. Research included collecting data from the Multiple Listing Service (MLS), the New England Commercial Property Exchange, Real Data, CB Richard Ellis/New England and other local brokers. My research into the subject market resulted in sales prices that confirmed the values arrived at in the Hughes appraisal of September 9, 2013. The prices indicated by the comparable sales research coincided with the range in price of \$3,600 to \$3,900 per acre concluded in the Hughes appraisal.

Ground Rent Calculation:

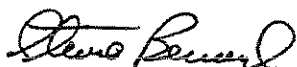
Based on the price per acre applied to the leased area, the pro rata value of the leased area is:

$$1.32 \text{ acres} \times \$3,900/\text{acre} = \$5,148$$

Applying an impact factor of 95% to recognize that the intended purpose of the LAROW has been considerably diminished would seem reasonable. Therefore, the adjusted value of the leased area is \$4,900, rounded. Multiplying this value by an overall capitalization rate of 10% would result in an annual ground rent for the 1.32 acre leased area:

$$\$4,900/.10 = \$500 \text{ per year, rounded}$$

Respectfully submitted,



Steve Bernard, NHCG #654, Chief Right of Way Appraiser

- STATE OF NEW HAMPSHIRE -
-- BUREAU OF RIGHT-OF- WAY MEMORANDUM--

TO: Phillip J. Miles, Chief Property Management
THRU: Charles R. Schmidt, P.E., ROW Bureau Administrator
FROM: Steve Bernard, NHCG # 654, Chief ROW Appraiser
DATE: April 13, 2016
RE: 1.32± Land Lease, West Side Exit 25 Southbound I-93, Plymouth, NH

As requested, the purpose of this memorandum is to provide the Department with an opinion as to the estimated value of a potential ground lease for the subject parcel based upon a review of an analysis and subsequent summary report completed by staff appraiser Thomas Hughes. Mr. Hughes' surplus land appraisal was written on September 9, 2013 with an effective date of July 31, 2013. The surplus land appraisal was for the purpose of estimating the contributory value of a 1.33± acre parcel of surplus land identified as being a portion of the I-93 Limited Access Right of Way west of the southbound off ramp at exit 25. Upon completing his research and site analysis of the surplus land; taking into account the zoning, the site characteristics and other limitations such as existing encumbrances, Mr. Hughes concluded that it was his opinion that the market value of the subject land was in the range of between \$3,600 and \$3,900 per acre.

The reason for considering Mr. Hughes' surplus land appraisal is because the subject of his report includes land area common to the land area that is the subject of this report. It is the commonality of the location, highest and best use and physical and legal restrictions that lends credibility to the potential use of the land values estimated by Mr. Hughes. This internal memo is not to be construed as an appraisal of the subject property, as it does not conform to USPAP requirements, and is not written as such. My scope of work involved research into the subject market, including comparable land sales, existing market conditions and research into other factors that may have an impact on the value of the subject property. I did not inspect the subject site, although I am very familiar with the location from working on other assignments in the area.

My initial research was to collect information on potential comparable land sales in the subject market area. Research included collecting data from the Multiple Listing Service (MLS), the New England Commercial Property Exchange, Real Data, CB Richard Ellis/New England and other local brokers. My research into the subject market resulted in sales prices that confirmed the values arrived at in the Hughes appraisal of September 9, 2013. The prices indicated by the comparable sales research coincided with the range in price of \$3,600 to \$3,900 per acre concluded in the Hughes appraisal.

Ground Rent Calculation:

Based on the price per acre applied to the leased area, the pro rata value of the leased area is:

$$1.32 \text{ acres} \times \$3,900/\text{acre} = \$5,148$$

Applying an impact factor of 95% to recognize that the intended purpose of the LAROW has been considerably diminished would seem reasonable. Therefore, the adjusted value of the leased area is \$4,900, rounded. Multiplying this value by an overall capitalization rate of 10% would result in an annual ground rent for the 1.32 acre leased area:

$$\$4,900/.10 = \$500 \text{ per year, rounded}$$

Respectfully submitted,



Steve Bernard, NHCG #654, Chief Right of Way Appraiser

– STATE OF NEW HAMPSHIRE –
– INTERNAL BUREAU OF RIGHT-OF-WAY MEMORANDUM –

TO: Phillip J. Miles, Chief of Property Management
Bureau of Right of Way

FROM: Thomas P. Hughes, ROW Staff Appraiser

DATE: September 6, 2013

RE: *Surplus Property - Contributory Value Estimate Of:
1.33 Acre Section of Vacant Land Abutting Plymouth State University
Recreational Fields*

Appraisal Problem: This internal memorandum constitutes a summary appraisal report on the above referenced property. The effective date of value is July 31, 2013, the date of my on-site inspection. The purpose of this appraisal is to estimate the sales value of a proposed surplus lot.

The intended recipients and those requesting this report are officials, employees and agents of the Department of Transportation, Bureau of Right of Way. The intended use is to provide support for a reasonable sales price.

The proposed lot is abutted on three sides by limited access right-of-ways, from which access will not be granted. The remaining two sides are abutted by land owned by Plymouth State University (PSU). PSU desires to acquire the subject lot in order to increase the parking for their recreational fields.

The subject parcel consists of a portion of the I-93 Limited Access Right of Way that is located to the west of the Exit 25 southbound off-ramp, in the town of Holderness. It has an area of 1.33 acres (57,897 sf) and is encumbered with a 0.55 acre (23,844 sf) square foot utility easement.

PLYMOUTH STATE UNIVERSITY – SURPLUS LAND PURCHASE

Based on an “As Is” and “As Assembled” Sales Comparison Approach analyses, a reasonable contributory value for the proposed surplus area, as of July 31, 2013 is estimated to be:

1.33 Acre Area.....\$5,000

SUMMARY APPRAISAL REPORT

Intended User and Intended Use: The intended recipients and those requesting this report are officials, employees and agents of the Department of Transportation (DOT), Bureau of Right of Way. The intended use is to provide support for a reasonable sales price.

Property Identification: The proposed subject parcel consists of a portion of the I-93 Limited Access Right of Way. The portion is located to the west of the Exit 25 southbound off-ramp, in the town of Holderness. It is more clearly identified as the area highlighted in red and labeled "SUBJECT" on the attached plan titled - PROJECT 11627 RIGHT-OF-WAY PLANS – SHEET 10 EXCERPT.

Per Holderness assessment records, the Abutter parcel is identified as 56 North River Street - Map 225, Lot 46 (42 acres). It is further identified as Abutter - PSU on the attached map titled - Holderness Tax Map 225 – Excerpt.

Purpose of Appraisal: The purpose of this appraisal is to estimate the value of the proposed surplus lot (Proposed Lot) to its respective abutter lot (Abutter Lot), as of the effective date of value, July 31, 2013. The client has instructed that the value estimate is to be based upon the contributory value of the fee simple interest of the Proposed Lot, subject to a utility easement. In order to estimate the contributory value of the Proposed Lot to the Abutter Lot, it is necessary to compare the "as-is", market value of the Abutter Lot to the market value of the Abutter Lot and Proposed Lot "as-if assembled". This is done using certain conditions and assumptions described herein.

Property Rights Appraised: The fee simple interest, subject to a utility easement. Fee Simple interest is defined in the *Dictionary of Real Estate Appraisal, 5th ed.* (Chicago: 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.

Definitions of Value: There are two types of values used in this report. They are contributory value or the "value sought" and market value - which is used as an intermediary value.

The term ***Contributory Value***, as provided by the client, is defined as:

The contributory value of a property is the incremental increase in market value expected to occur for another property as a consequence of assembling the subject property to it.

The term ***Market Value*** referenced in the USPAP Advisory Opinions 2012-2013 Edition, page A-72 and defined as:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this

definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) Buyer and seller are typically motivated;*
- (2) Both parties are well informed or well advised, and acting in what they consider their own best interests;*
- (3) A reasonable time is allowed for exposure in the open market;*
- (4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*

Hypothetical Conditions: As defined by USPAP, a hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. The valuation provided in this report is ***subject to the following hypothetical conditions:***

- The Proposed Lot has been subdivided out from the I-93 Limited Access Right of Way and exists on its own as legal lot of record.
- In the “as-if assembled” scenario the Abutter Lot and the Proposed Lot have been combined to create one unique lot.
- The Abutter Lot is an unimproved, vacant lot.
- A multi-parcel land swap between PSU and DOT, involving a narrow strip of land that intersects the Proposed Lot and an irregular shaped parcel that abuts the Proposed Lot to the north, has already taken place.

Extraordinary Assumptions:

- The subject is clean and free of contamination. If any contamination is found on the subject, this report becomes null and void.
- The subject will be transferred with a utility easement similar in area and location as shown on the attached “Easement Area” plan and with terms similar to those detailed in the abutter’s current easement agreement with Public Service of New Hampshire (ref. attached “Easement Agreement”).

General Assumptions:

1. All maps, plans, and photographs I used are reliable and correct;
2. The legal interpretations and decisions of others are correct and valid;
3. The parcel area given to me has been properly calculated;
4. Broker and assessor information is reliable and correct;
5. The title and other legal information available are accurate;
6. There are no encumbrances or mortgages other than those reported;
7. Information from all sources is reliable and correct unless otherwise stated;

8. There are no hidden or unapparent conditions on the property, in the subsoil (including hazardous waste or ground water contamination), or within any of the structures, which would render the property more or less valuable.
 9. All personal property is excluded; and
 10. All non-compensable items are excluded.
-

Limiting Conditions:

1. Sketches and photographs in this report are included to assist the reader in visualizing the property. I have not performed a survey of the property or any of the sales, and do not assume responsibility in these matters.
2. 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.
3. Possession of this report (or a copy) does not carry with it the right of publication. 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 conditions and assumptions.

Scope of Work: The scope of work is the type and extent of research and analyses in an assignment. My research included an on-site inspection and photographing of the subject property; examining Town and County property records including assessment data, zoning regulations; and reviewing the details regarding the Proposed Lot provided to me by the client (included herein).

Property data was collected and compiled from several sources, including the Towns of Holderness, and surrounding towns, Grafton County Registry of Deeds, New Hampshire Commercial Property Exchange (NHCPE), Northern New England Real Estate Network (MLS), Real Data, and local real estate professionals.

My analysis included forming an opinion of the site's highest and best use based on legal, physical, and neighborhood land use characteristics; compiling comparable land sales data; verifying and analyzing the data; and estimating the value of the subject site. All work was completed in compliance with the most current version of USPAP, as of the effective date of this report, July 31, 2013.

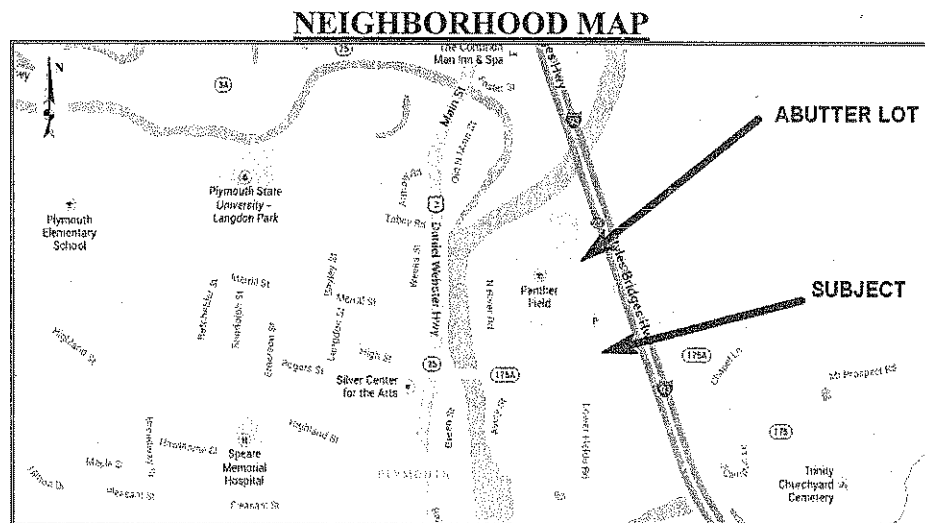
Subject Property Ownership History: The Proposed Lot is owned by the state of New Hampshire, as part of the I-93 Limited Access Right of Way. It is comprised of portions of two lots that were originally acquired as part of the Department of Transportation Project 11627 I-93 – Exit 25 Project, 1996. The transfers are recorded in the Grafton Registry of Deeds in Book 2198, Page 773 and Book 2204, Page 667.

The Abutter Lot is owned by Plymouth State University (PSU). It appears to have been created by the assemblage of multiple parcels that were acquired by PSU over a period of time. The Abutter Lot has not transferred since it was assembled and as such no written legal description has been recorded. For the purposes of this assignment, I have assumed that the town records relating to the Abutter Lot are accurate and have relied upon them.

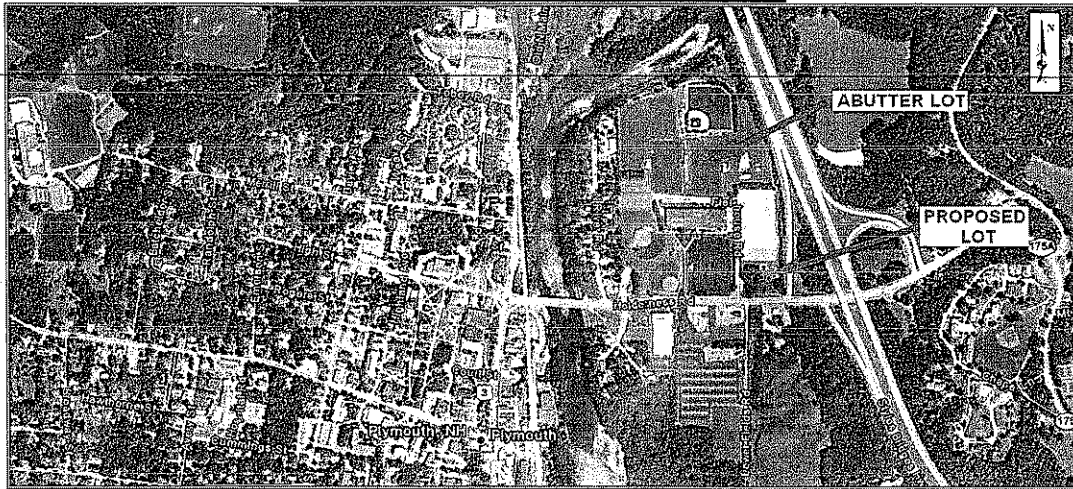
Neighborhood: Holderness is primarily a residential community, with very little commercial development. The town's two largest employers are the Holderness School – a private college preparatory school and Holderness Central School – a public school for grades kindergarten through eighth grade. The Holderness population has steadily increased over years and as of 2010 there were 2,108 people living in the town.

The subject area is zoned General Residential, which requires a minimum lot size of 2 acres, 100 feet of road frontage and 35 foot front, side and rear yard setbacks. However, the subject area is also located in the Flood Hazard District (FHD), which has much more restrictive zoning regulations. The FHD zoning allows for agricultural use, private and public recreational use and accessory uses such as lawns, gardens, parking areas, and play areas. Due to its close proximity to the Pemigewasset River, the area is subject to significant periodic flooding. In past 2 years, floodwaters have twice risen over 4 feet and have risen over 7 feet within the past 25 years.

The subject property is located in the northwestern section of the Holderness. This section of town has several key attributes that make it somewhat unique; Interstate 93 separates it from the rest of the town; the majority of the developed area is related to the abutting town of Plymouth, located on the western side of the Pemigewasset River and; it is located entirely in a FEMA flood zone. The largest, developed parcels in the area are owned by Plymouth State University and are dedicated to the schools recreational activities. This association with the nearby PSU and the close proximity to the Plymouth town line cause the subject to be more closely related to downtown Plymouth than to the town of Holderness.



AERIAL NEIGHBORHOOD MAP



Parcel Descriptions: In the “as is” scenario, Abutter Lot is approximately 42 acres in area. In the “as if” assembled scenario Abutter Lot & Proposed Lot have a combined area of approximately 43.33 acres. The only key property feature that differs between the “as is” and the “as if” assembled scenarios is the lot size, therefore unless otherwise noted, the description that follows will be for the subject property in both scenarios.

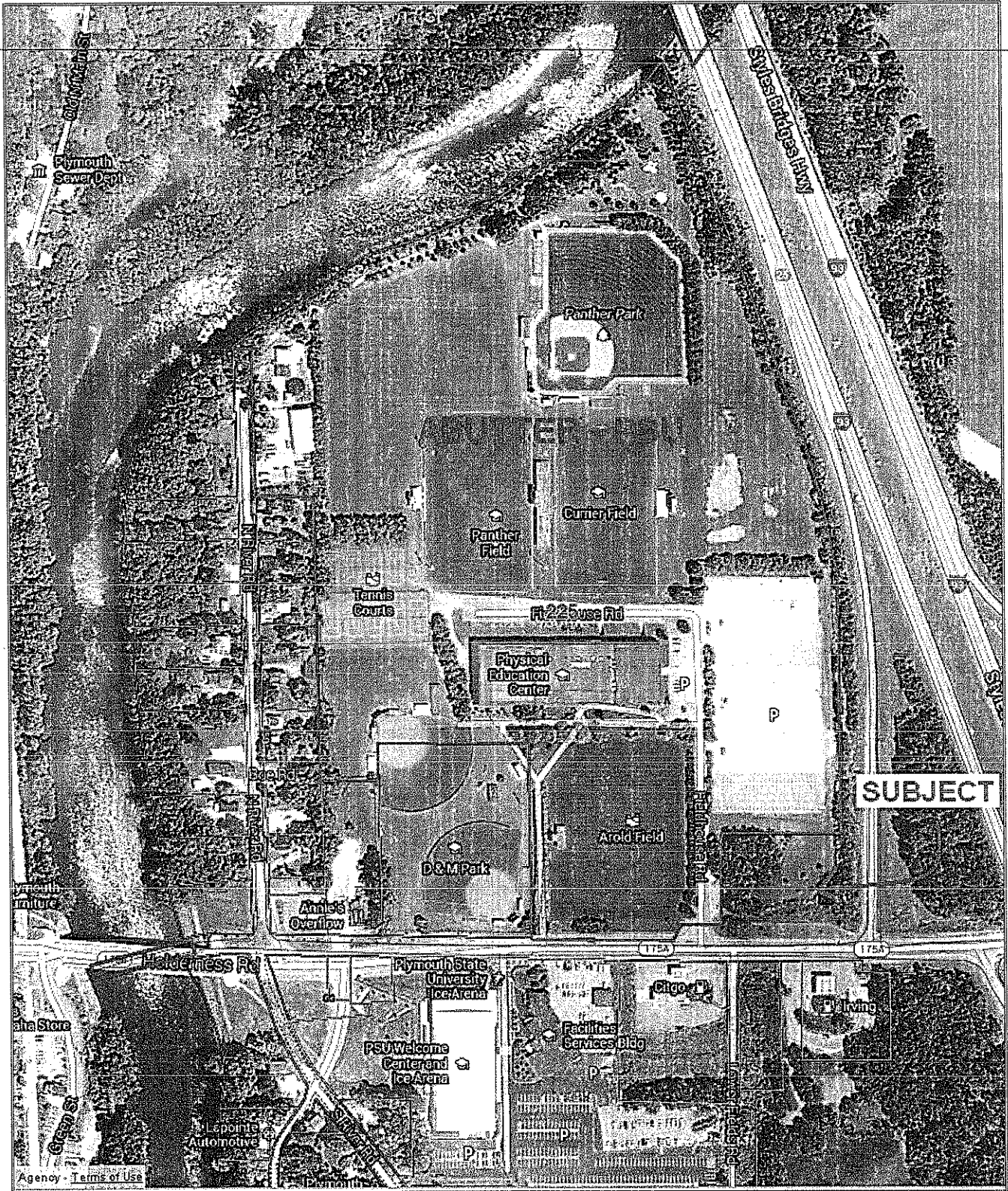
The Abutter Lot is irregular in shape with approximately 845 feet of frontage along the NH Route 175A LAROW, 383 feet of frontage along North River Street and 1,220 feet of frontage along the Pemigewasset River. In the “as if” assembled scenario, the addition of the 1.33 acre Proposed Lot results in an increase in lot size along with a shift in the Route 175A LAROW frontage.

The Abutter Lot’s primary access point is off of Route 175A. It has secondary access point on North River Street that is used to access grounds equipment/storage buildings. The Proposed Lot will not be granted access to Route 175A and therefore in the “as if” assembled scenario there will be no additional access points.

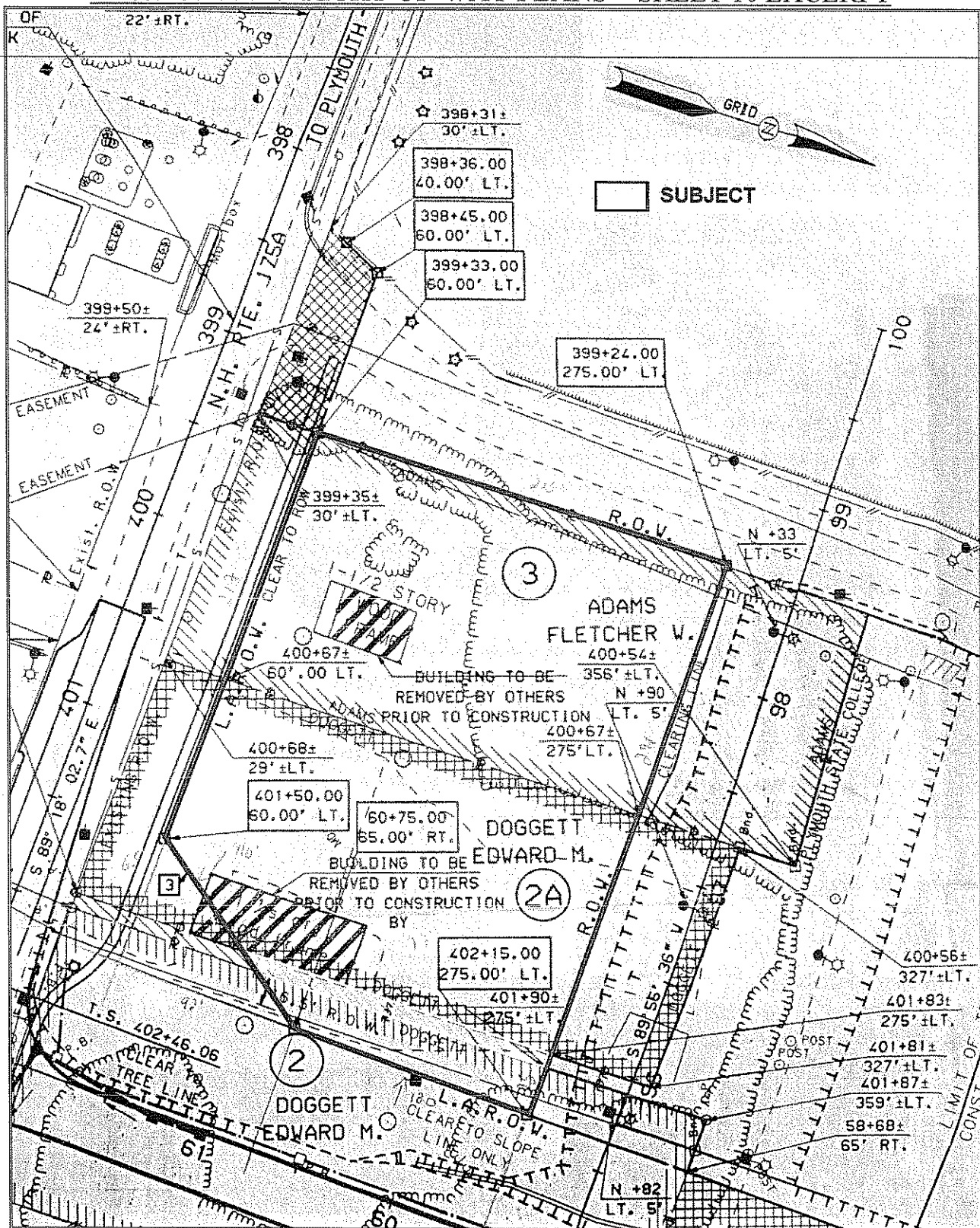
The site is flat and level, with the exception of a built up area in the middle where the university’s fitness center is situated and along the river frontage where the land drops off towards the river. The attached FEMA Flood Insurance Rate Map indicates that the subject site lies in Zone AE, an area subject to inundation by the 1-percent-annual-chance flood event. While the attached Web Soil Survey, indicates that 95% of the subject parcel is comprised of Ondawa fine sandy loam, which is defined as being frequently flooded and is considered to be prime farmland.

In both scenarios, the site is encumbered with a power company utility easement that is approximately 100 feet wide and runs along the eastern boundary of the property. Based on the PSNH easement plan, the easement area encompasses 3.55 acres in the “as-is” scenario and 4.10 acres in the “as-assembled” scenario. The easement appears to be highly restrictive in that it: involves both subsurface and air rights; does not allow for the maintenance or construction of any structure in the easement area; and does not allow any changing of the grade by excavating or filling within the easement area. However, the easement does allow for the expansion of pre-existing, parking facilities (parking lot) and it appears that agricultural use, which does not involve improvements, would also be acceptable. The exact wording of the easement agreement can be referenced in the attached “Easement Agreement”.

HOLDERNESS TAX MAP 225 – EXCERPT

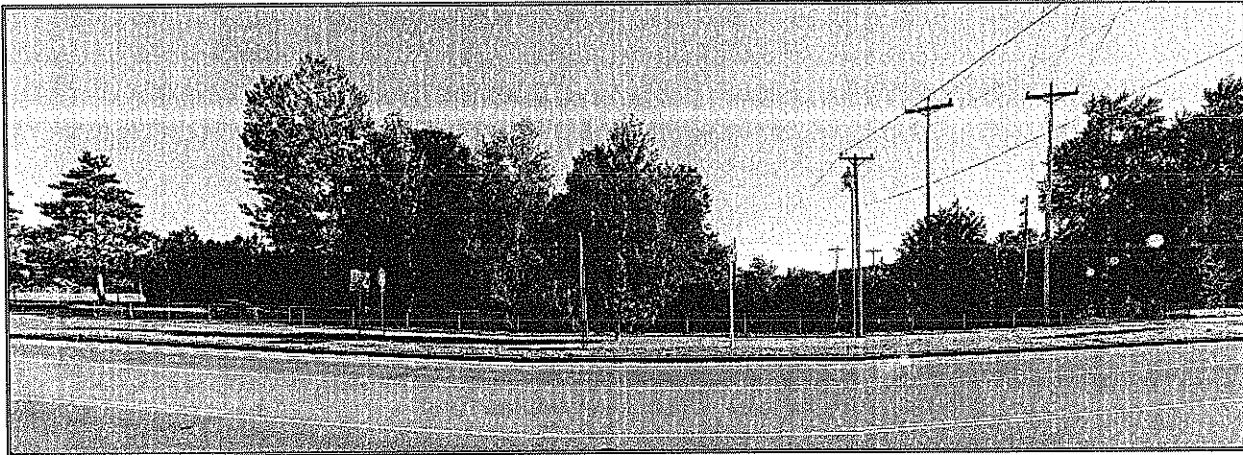


PROJECT 11627 RIGHT-OF-WAY PLANS – SHEET 10 EXCERPT

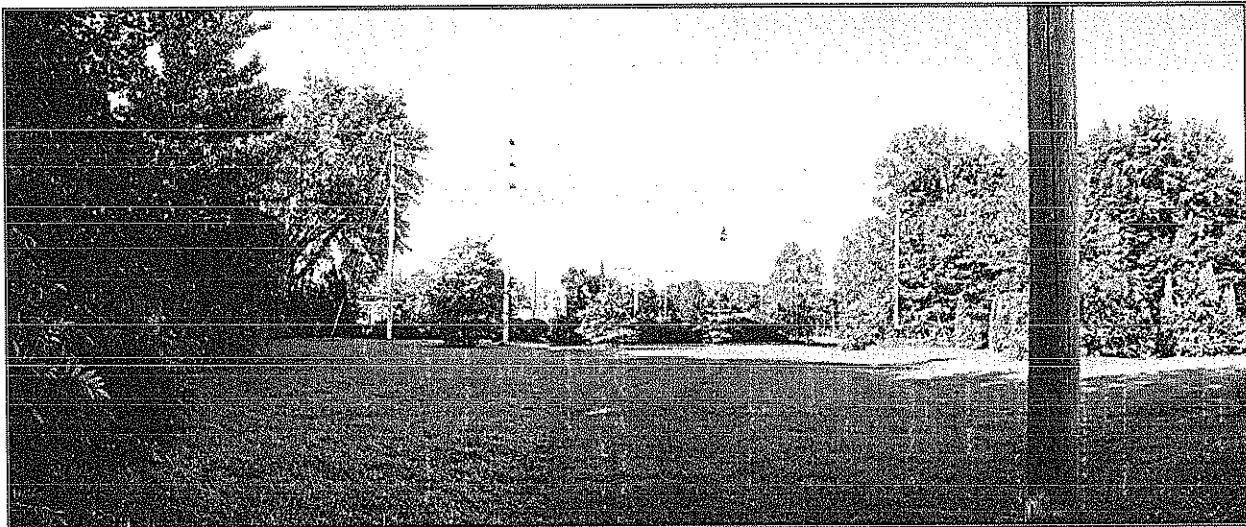


ABUTTER & PROPOSED LOT PHOTOGRAPHS

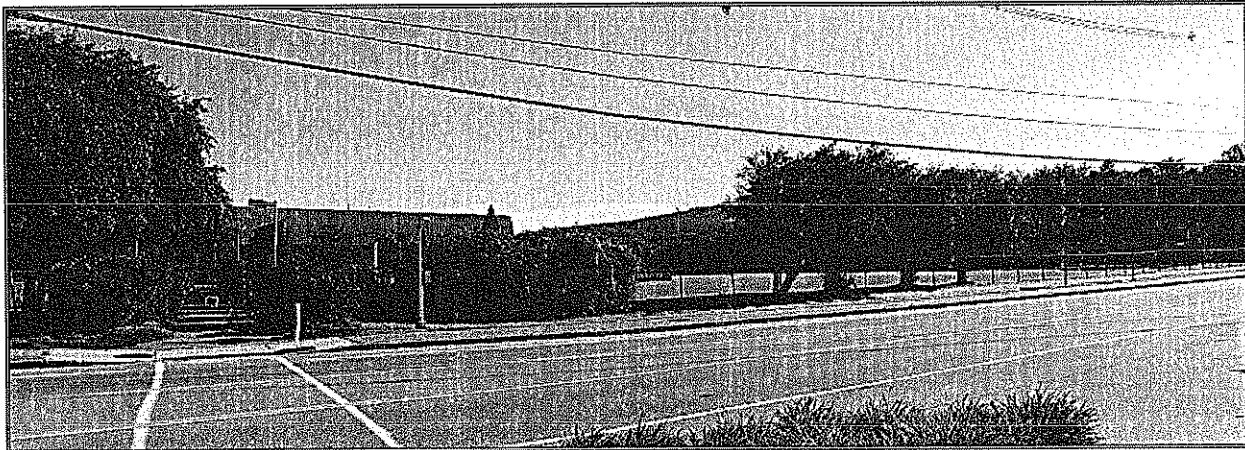
(All photos taken on July 31, 2013, by Tom Hughes)



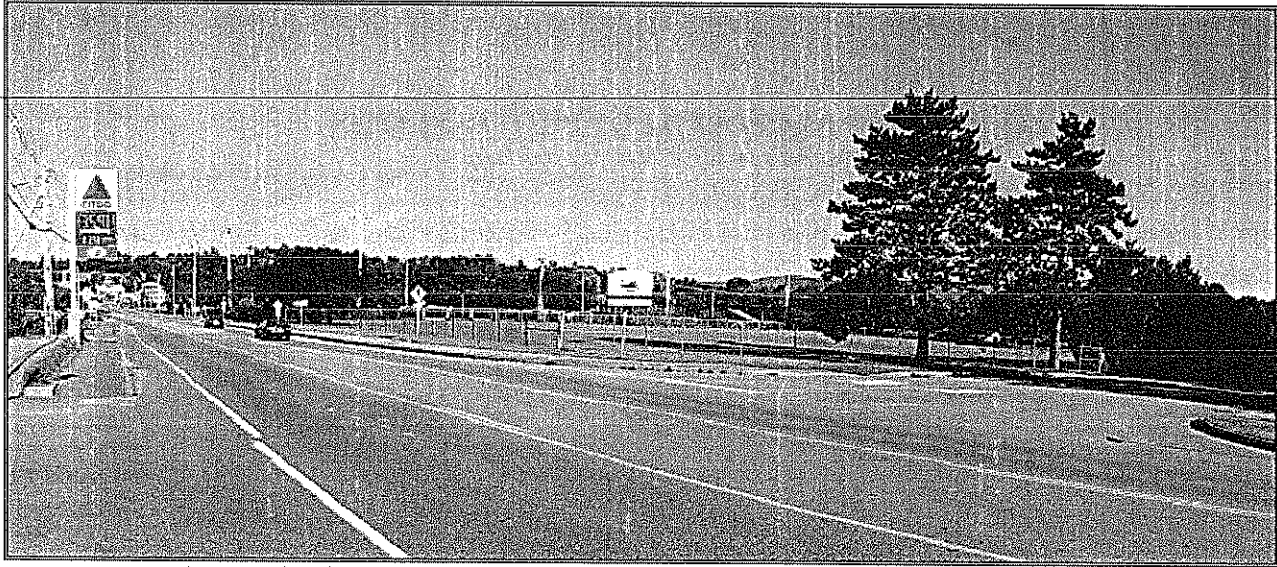
Proposed Lot - NH Route 175A Frontage - Facing North



Proposed Lot - From the Rear - Facing South



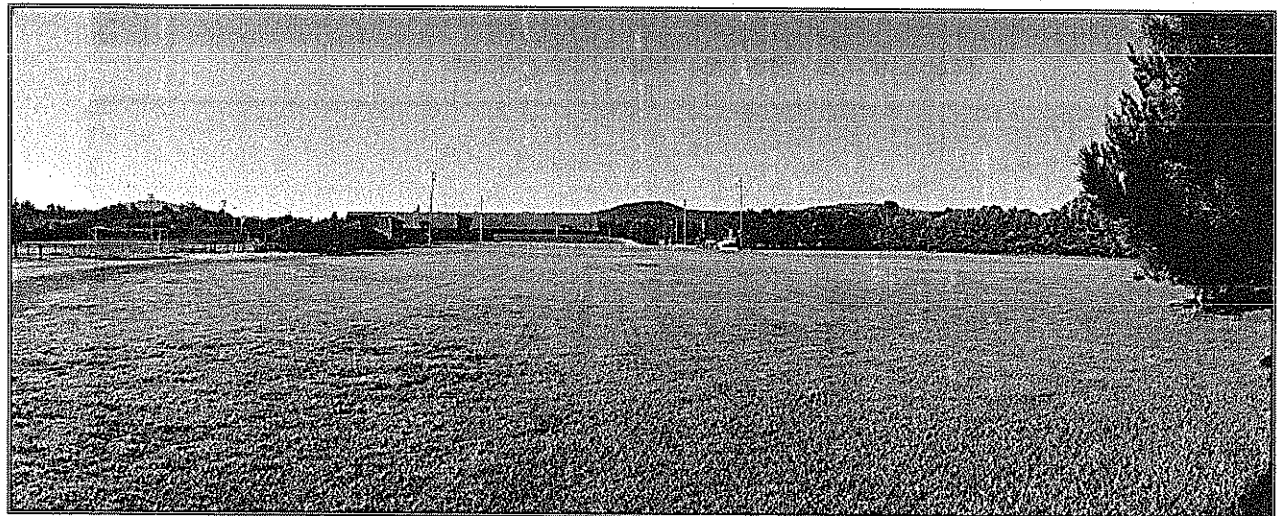
Abutter Lot Frontage - From Southwestern End



Abutter Lot Frontage - From Southeastern End

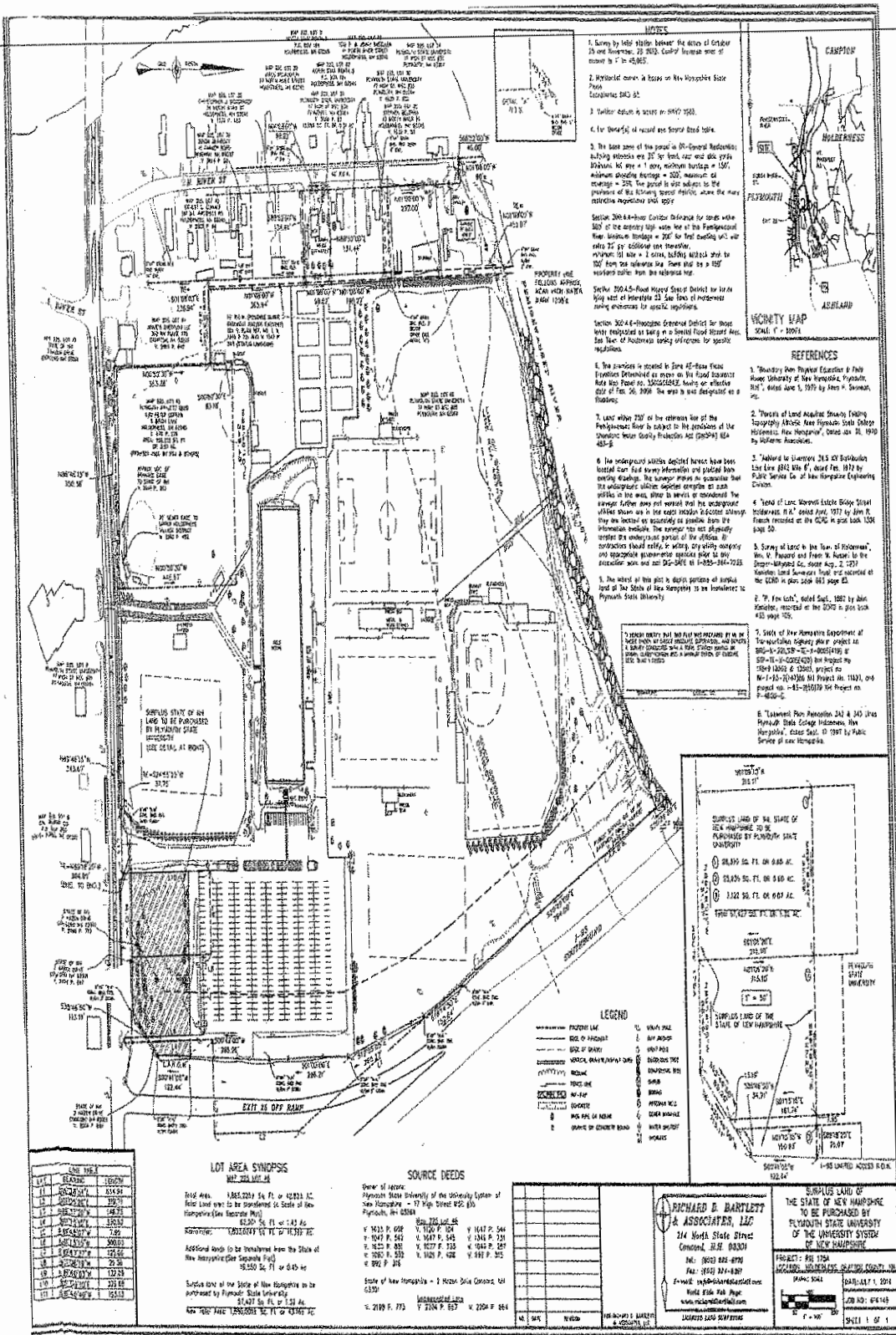


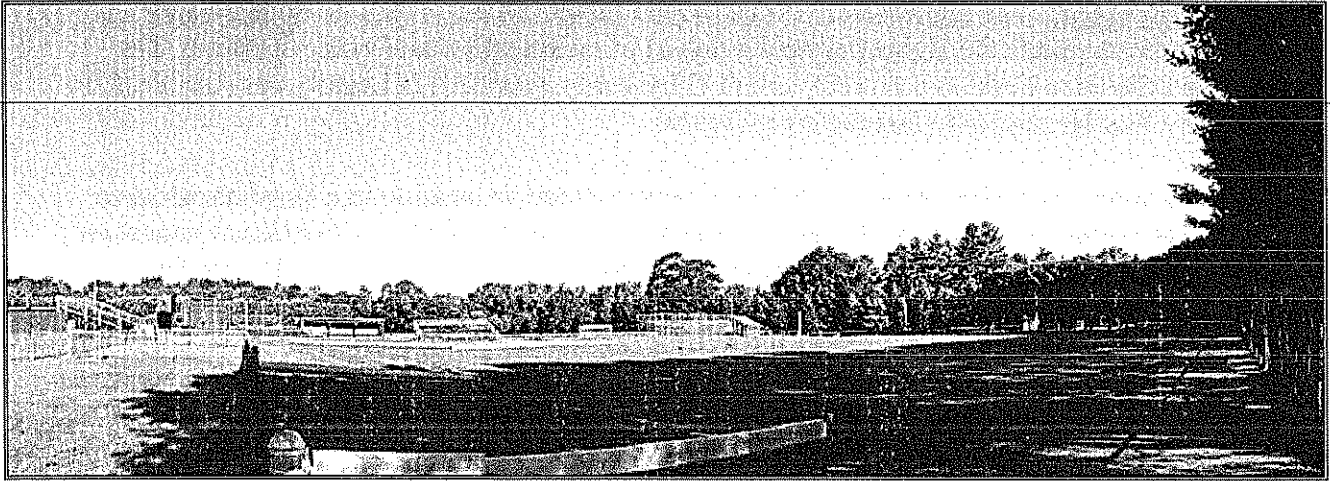
Abutter Lot Parking Lot - Facing West Towards Physical Education Center



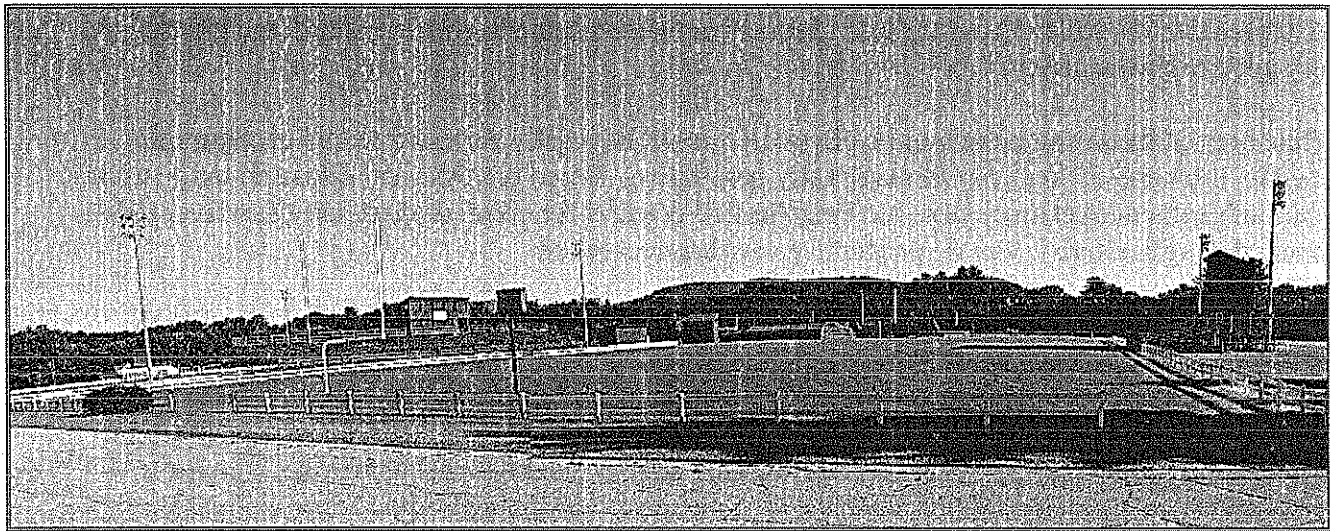
Abutter Lot Athletic Field Lot - Facing South Towards Physical Education Center

Plan of Potential Lease Area

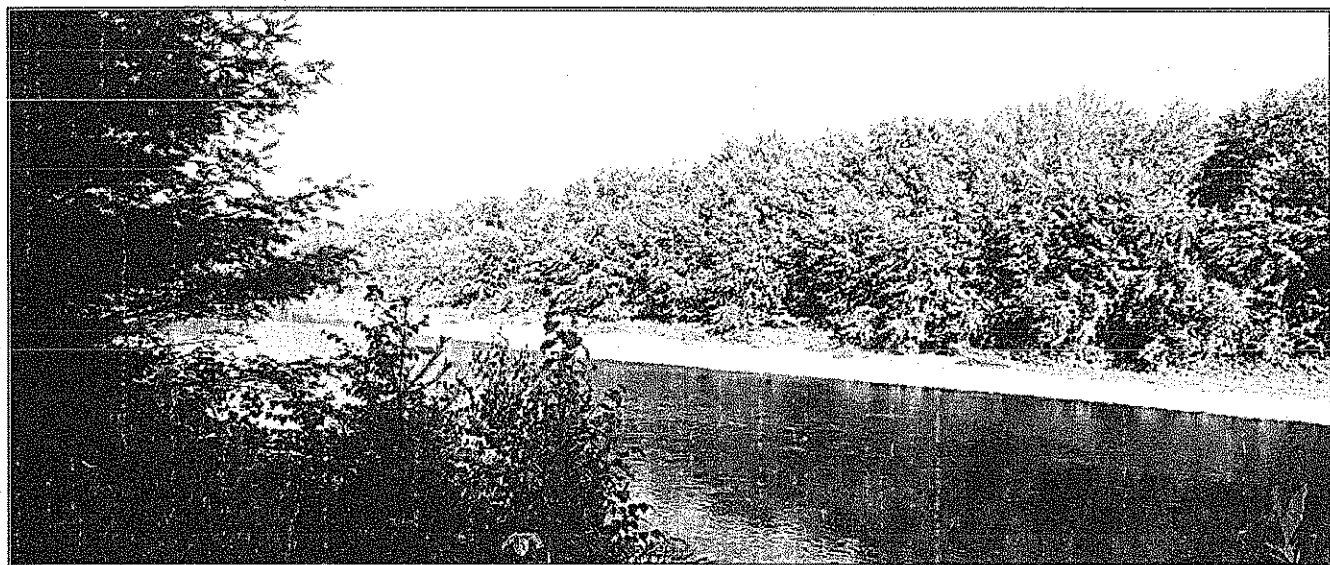




Abutter Lot Baseball Field Lot - Facing West



Abutter Lot Football Field Lot - Facing North



Abutter Lot Riverfrontage - Along Northern Boundary

Highest and Best Use: The highest and best use of the subject parcel is “that reasonable and probable use that supports the highest present value as of the effective date of the appraisal. The tests that are utilized to develop a property are (1) Physically possible, (2) Legally permissible, (3) Economically feasible, and (4) Maximally productive.

As previously noted, two of the subject’s defining attributes are its location in a flood hazard area and its close proximity to downtown Plymouth. Each of these attributes has a significant impact on the site’s highest and best use. First and foremost is the flood hazard. Holderness FHD zoning restricts the site’s primary uses to agriculture or public/private recreation.

When considering recreational use, positive factors to keep in mind are: the site’s close proximity to downtown Plymouth; the site’s close proximity to Plymouth State University and the Holderness School; and that the site has very good highway access.

When considering agricultural use, positive factors to keep in mind are that: the frequent flooding of the site causes the soils to be considered prime farmland; the site is primarily level and; the site has very good highway access.

While both of these uses appear to be physically possible, legally permissible and economically feasible, only one of them can be maximally productive. Based on historical sales and usage trends in the subject’s market area, there has been limited demand for either of these uses, however it does appear that agriculture is a more productive use than recreation.

In conclusion, based on the subject’s location and its current zoning (Flood Hazard District) the highest and best use is considered to be agricultural use.

Approaches To Value: There are five generally recognized methods to valuing vacant sites. They are the sales comparison approach, abstraction (allocation), land residual technique, income approach (direct capitalization of ground rent), and cost of development (land development) method. For this analysis, I have relied exclusively on the sales comparison approach. Given the nature of the subject, the nature of this assignment, and the market data available, the other valuation methods would not produce as reliable results as the sales comparison approach. The approach is based on comparing sales of parcels that are similar to the subject parcel, in order to arrive at a value indication.

Abutter Lot - Comparable Sales Summaries:

Summary of Sale 1:

Location/Address: Clough Road, Haverhill

Grantor > Grantee: Shauna F Kimball 1997 Revocable Trust > Howard H. & Kendra V. Hatch,
Kristen S. & David C. May and Preston Hatch

Sale Price / Date: \$454,640 / March 4, 2011

Registry Ref: 3781 / 0741

Site Area / Unit Value: 82.41 acres at \$5,517/acre. Adjusted – 82.41 acres at \$4,121/acre.

Frontage: 549.9 feet

Available Utilities: On-Site Well & Septic Needed, Electric

Zoning / Map Ref: Aquifer Protection District / Map - Lot: 409/ 001

Conf. Source / By: Assessor, Registry, Kristen May (Buyer) / Laura Davies

H & B Use at Sale: Agricultural

Comments: The property was purchased for \$454,640 on March 4, 2011, as part of a lot line adjustment. At the time of the sale the property was improved with barns and outbuildings. According to one of the buyers, they allocated \$115,000 of the actual sale price to the buildings, resulting in an effective sale price for the farmland of \$339,640 or \$4,121 per acre. The buyer also reported that they paid slightly more than what they perceived to be market value to reunite this land with their abutting farm and that the transaction involved partial owner financing and partial conventional financing. The buyers did not believe that seller financing influenced the sale price.

Buyer information was obtained from Kristen May (buyer) who referred to the notes of Howard Hatch (lead buyer) regarding the transaction.

Summary of Sale 2:

Location/Address: School Street, Rumney

Grantor > Grantee: Spooner Hill, LLC > SAAD Living Trust

Sale Price / Date: \$103,300 / March 26, 2010

Registry Ref: 3689 / 0248

Site Area / Unit Value: 28.5 acres at \$3,625/acre

Frontage: No public road frontage – Accessed via – 40 foot right of way
River frontage – 2,027 +/- feet

Available Utilities: On-Site Well & Septic Needed, Electric at Street

Zoning / Map Ref: None – Planning Board approval required / Map - Lot: 13 / 05007

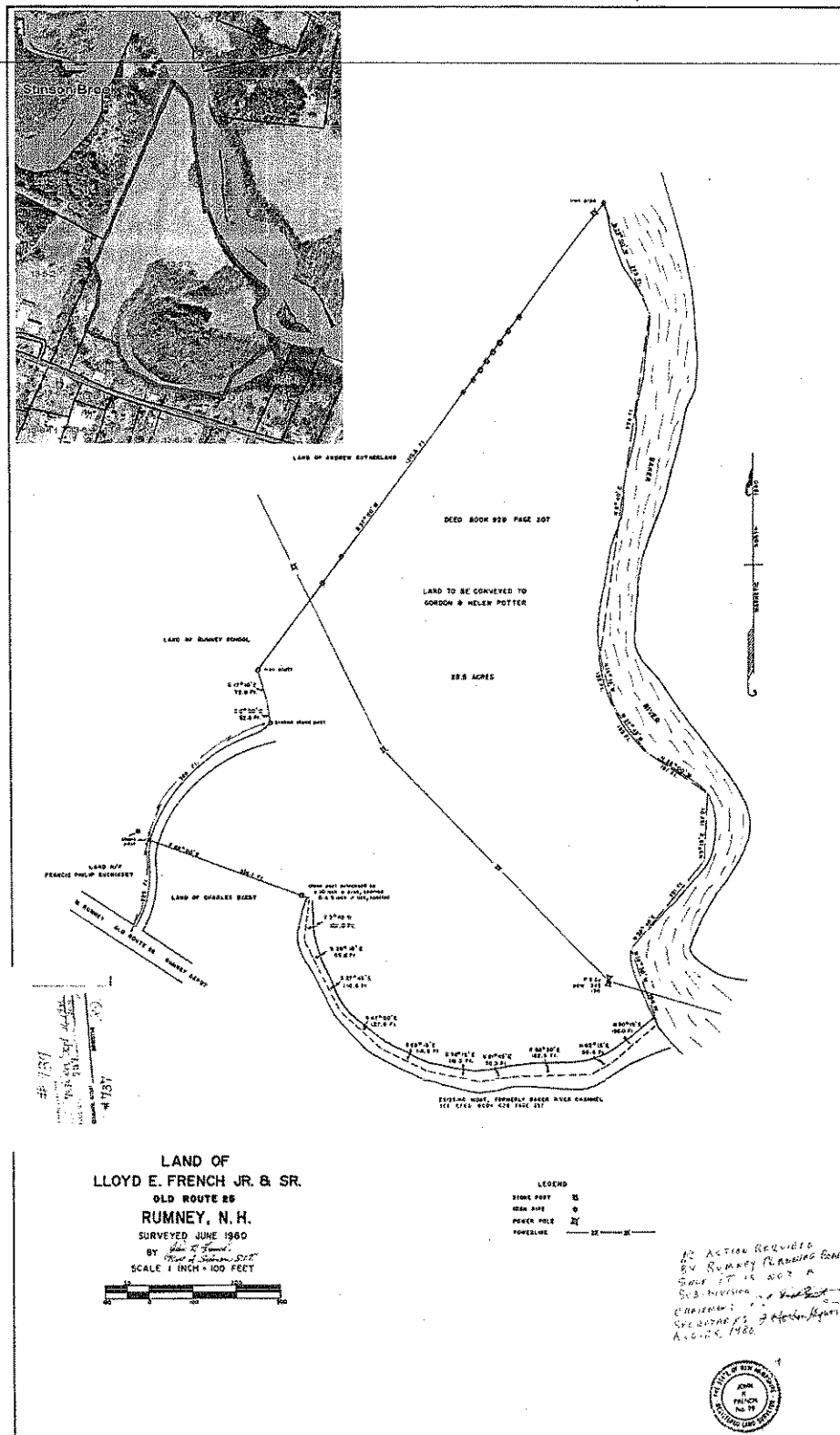
Conf. Source / By: MLS # 2778049, Town, Registry / Tom Hughes

H & B Use at Sale: Recreational Site

Comments: The property is 28.5 acres in size and has 2,027 feet of frontage along the Baker River. It has no public road frontage and is accessed via a deeded right of way easement. It transferred to Spooner Hill, LLC & SAAD Living Trust on March 26, 2010 for \$103,300. The property was originally listed on June 1, 2008 for \$250,000 with the list price reduced multiple times to final list price of \$140,000. Although the property was purchased by an abutter, it was on the market for a long enough time period (638 days) to have more than adequate market exposure and therefore can be considered an arm's length transaction.

According to the buyer's agent, the buyers were aware that the property is located entirely within a flood zone; however they made the purchase with the intent to build a residence for their children. Town officials indicated that although they have no flood zone building restrictions, most people are deterred from building in a flood zone after learning of the State restrictions and that it can be very difficult to obtain lender financing. All of which brings into question the economic feasibility of improving the site with a residence.

TAX MAP / SITE PLAN – SCHOOL STREET, RUMNEY



Summary of Sale 3:

Location/Address: 13 NH Route 25, Plymouth

Grantor > Grantee: Eastman Family Trust > James Koren & Cecilia Rai

Sale Price / Date: \$68,000 / September 20, 2012

Registry Ref: 3917 / 0493

Site Area / Unit Value: 37.6 acres at \$1,809/acre. Adjusted – 37.6 acres at \$2,074/acre.

Frontage: 217.2 feet

Available Utilities: On-Site Well & Septic Needed, Electric, Cable at Street

Zoning / Map Ref: Agricultural / Map - Lot: 214 / 007

Conf. Source / By: Assessor, Seller, Registry / Tom Hughes

H & B Use at Sale: Residential or Commercial Site

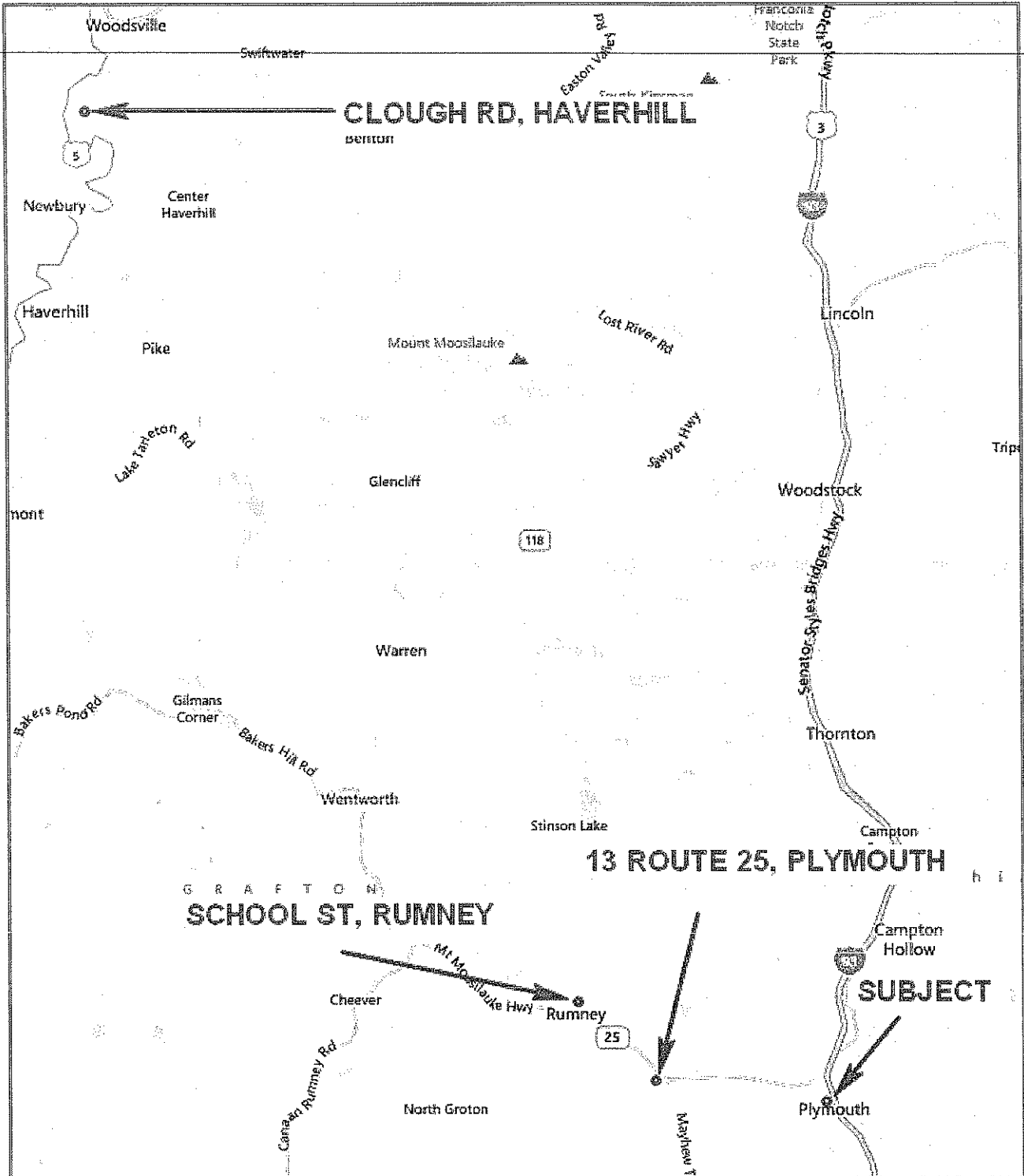
Comments: The property is located in the Agricultural zone and is 37.6 acres in size, with approximately 217 feet of frontage along Route 25. The sellers had privately financed the prior sale of the property and then foreclosed upon it on September 12, 2011. It was then transferred to James Koren & Cecilia Rai on September 19, 2012 for \$68,000. At the time of the transfer, the lot was improved with a 2,126 square foot single-family residence. The residence was in complete disrepair and not salvageable. It was razed, shortly at the transfer, at an estimated cost of \$10,000. Due to the condition of the property the sale is considered to be a land sale.

According to the trustee of seller, the family trust had privately financed the prior sale of the property and then foreclosed upon it on September 12, 2011. The family did not want to keep the property and priced it accordingly. He also indicated that they did not believe that the back acreage could be easily developed as it had some stream related water issues. At one point there had been a building further back on the lot that had a stream running through the basement. He was told by the buyers that they planned to hold onto to it, speculating that the market prices would go up in the future.

The site has frontage along a state highway and it has more than enough acreage to allow for large scale residential or commercial development, however due to its limited road frontage, highly irregular shape and potential water issues, a substantial amount of infrastructure work would be necessary. After factoring in estimated demolition costs, the adjusted sales price calculates out to \$2,074 per acre.

[illegible]

COMPARABLE SALES MAP



Abutter Lot - Basis For Adjustments: At this point of the sales analysis all further adjustments to the comparable sales will be applied to the adjusted sale prices as previously noted in the Comments on Comparable Sales section. Sale 1 was adjusted to account for value added by improvements and Sale 3 was adjusted to account for the cost to remove a defunct residential structure.

The sales presented occurred between March 2010, and September 2012 and are all similar in property rights conveyed. Based on an analysis of the market and comparable sales, no discernable trends were observed. Therefore, an adjustment for market conditions was not applied.

One of the buyers of Sale 1 reported that they paid slightly more than what they perceived to be market value in order to reunite the land with their abutting farm. A downward adjustment of 5%, rounded to \$200 per acre, was made to account for the slight premium. The buyer also indicated that the transaction involved partial owner financing and partial conventional financing, however they did not believe that seller financing influenced the sale price. Sale 2 was also purchased by an abutter, however it was a publicly listed, cash sale that did not appear to involve any concessions or premiums.

According to the trustee of Sale 3's seller, the family trust had privately financed the prior sale of the property and then foreclosed upon it. The family did not want to keep the property and priced it accordingly. The trustee also indicated that they did not believe that the back acreage could be easily developed as it had some stream related water issues. Despite the diminished utility of Sale 3's lot, its overall utility is still considered to be far superior than that of the subject and other comparable sales, which are all located in floodplains and as such it was necessary to make an adjustment to account for this difference.

Due to a lack of relevant paired sales data it was necessary to derive a combined adjustment for Sale 3's condition of sale and its superior utility. This adjustment was derived by simultaneously performing a paired sale analyses on both attributes. The paired sales analysis was performed with Sale 1 & Sale 2, both of which have an overall similarity to the subject. After pairing Sale 1 with Sale 3 and then Sale 2 with Sale 3, a \$1,700 per acre condition of sale / utility adjustment was considered reasonable. It should be noted that prior to analysis, Sale 1 was adjusted for the buyer's premium.

Economy of scale can be a factor when comparing lots of different sizes. Buyers typically expect to pay more per square foot for smaller parcels than for larger parcels with otherwise equal utility. After analyzing the comparable sales it appears that all of the comparable sales are in the same size category as the subject property and therefore economy of scale is not a factor.

Easements and encumbrances are both factors that can have an impact on value. The subject property does have a significant area encumbered with a utility easement, however as previously noted, it does not appear to impact its highest and best use. Sales 1 & 3 involve no known easements, while Sale 2 is the dominant tenement of a right of way access easement. Sale 2 has no public road frontage and is accessed via a 40 foot wide right of way across an abutting lot. Given that Sale 2's highest and best use is considered to be recreational, the lack of road frontage and right of way easement access is not considered to have a significant impact on value; therefore no adjustment is warranted.

The three land sales shown in the following grid were considered to be the most recent and proximate, comparable sales. The sale descriptions include dollar per acre adjustments, based on the rationale cited in this section. If a significant item in the comparable property is superior to, or more favorable than, the subject site, a negative (-) adjustment is made, thus reducing the indicated value for the subject; if a significant item in the comparable property is inferior to, or less favorable than, the subject site, a positive (+) adjustment is made, thus increasing the indicated value for the subject.

Abutter Lot "As Is" Sales Grid

	Subject Property	Sale 1		Sale 2		Sale 3	
Address	Rte 175A, Holderness	Clough Rd, Haverhill		School St, Rumney		13 Route 25, Plymouth	
Book / Page		3781 / 741		3689 / 248		3917 / 493	
Proximity		29.8 +/- Miles NW		6.4 +/- Miles NW		4.0 +/- Miles W	
Adjusted Sales Price			\$ 339,640		\$ 103,300		\$ 78,000
Price Per Acre			\$ 4,121		\$ 3,625		\$ 2,074
Data Source	Inspection	Real Data		MLS # 2778049		MLS # 4145452	
Verification Source	Town, Registry	Town, Registry, Buyer		Town, Registry, Buyer Agent		Town, Registry, Seller	
Date of Sale / Time Adjustment	Insp. July 31, 2013	Description	Adjustment	Description	Adjustment	Description	Adjustment
Conditions of Sale / Utility	Not Applicable	Abutter Premium	\$ (200)	Abutter - no premium known		Sale By Private Financed - REO	1,700
Utility	Floodplain / Res	Floodplain / Res		Floodplain / Res		Irregular -no flood	
Area (acres)	42.00	82.41		28.50		37.60	
Net Adjustments			\$ (200)		\$ -		1,700
Gross Adjustments			\$ 200		\$ -		1,700
Indicated \$ / Acre			\$ 3,921		\$ 3,625		\$ 3,774
Ind. \$ / Acre (Rounded)			\$ 3,900		\$ 3,600		\$ 3,800

NOTE: Sale 3 - Condition of Sale adjustment is a compound adjustment that also includes an adjustment for Utility

Sales Comparison Approach Reconciliation - Abutter Lot "As-Is": After adjustments, the comparable sales provide a narrow range of value. Sale 2 was given the most weight, as it required no adjustments. Sale 1 is the least recent sale and is least proximate, but required only a minimal adjustment. Sale 3 is most proximate and most recent, but is least similar in utility. Sales 1 & 3 were given less weight, but equal consideration.

The indicated value most heavily considered was \$3,600 per acre, with \$3,900 per acre and \$3,800 per acre, given lesser but equal consideration. Therefore, a unit value of, \$3,700 per acre is considered reasonable in this instance. At 42.0 acres, this equates to an indicated value of \$155,400 therefore, **I estimate the site value of Abutter Lot "as-is", as of July 31, 2013 to be \$155,500.**

Sales Comparison Approach Valuation – Abutter Lot & Proposed Lot “As-If Assembled”: This analysis relies on the same comparable sales and logic for adjusting the sales as the “As Is” scenario did, therefore it was deemed unnecessary to reproduce the developmental details in this section.

Abutter Lot & Proposed Lot “As-If Assembled” Sales Grid

	Subject Property	Sale 1		Sale 2		Sale 3	
Address	Rte 175A, Holderness	Clough Rd, Haverhill		School St, Rumney		13 Route 25, Plymouth	
Book / Page		3781 / 741		3689 / 248		3917 / 493	
Proximity		29.8 +/- Miles NW		6.4 +/- Miles NW		4.0 +/- Miles W	
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Price Per Acre		\$ 4,121		\$ 3,625		\$ 2,074	
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Verification Source	Town, Registry	Town, Registry, Buyer		Town, Registry, Buyer Agent		Town, Registry, Seller	
Date of Sale /		Description	Adjustment	Description	Adjustment	Description	Adjustment
Time Adjustment	Insp. July 31, 2013	Mar 04, 2011		Mar 01, 2010		Sep 20, 2012	
Conditions of Sale /	Not Applicable	Abutter Premium	\$ (200)	Abutter - no		Sale By Private	1,700
Utility				premium known		Financed - REO	
Utility	Floodplain / Res	Floodplain / Res		Floodplain / Res		Irregular -no flood	
Area (acres)	43.33	82.41		28.50		37.60	
Net Adjustments			\$ (200)		\$ -		1,700
Gross Adjustments			\$ 200		\$ -		1,700
Indicated \$ / Acre			\$ 3,921		\$ 3,625		\$ 3,774
Ind. \$ / Square Foot			\$ 0.09		\$ 0.08		\$ 0.09
Ind. \$ / Acre (Rounded)			\$ 3,900		\$ 3,600		\$ 3,800

NOTE: Sale 3 – Condition of Sale adjustment is a compound adjustment that also includes an adjustment for Utility

Sales Comparison Approach Reconciliation – Abutter Lot & Proposed Lot “As-If Assembled”:

After adjustments, the comparable sales provide a narrow range of value. Sale 2 was given the most weight, as it required no adjustments. Sale 1 is the least recent sale and is least proximate, but required only a minimal adjustment. Sale 3 is most proximate and most recent, but is least similar in utility. Sales 1 & 3 were given less weight, but equal consideration.

The indicated value most heavily considered was \$3,600 per acre, with \$3,900 per acre and \$3,800 per acre, given lesser but equal consideration. Therefore, a unit value of, \$3,700 per acre is considered reasonable in this instance. At 43.33 acres, this equates to an indicated value of \$160,321; therefore, I estimate the site value of Abutter Lot & Proposed Lot “as-if” assembled, as of July 13, 2013 to be \$160,500.

Sales Comparison Approach Contributory Value Estimate For The Proposed Lot: Contributory value is the difference between the estimated site value of the Abutter Lot “as-is”, and the estimated site value of the Abutter Lot & Proposed Lot “as-if assembled”, thus:

Abutter Lot & Proposed Lot “as-if assembled”.....	\$160,500
Abutter Lot “as-is”.....	\$155,500
Contributory value (difference).....	\$ 5,000

The three land sales shown in the following grid were considered to be the most recent and proximate, comparable sales. The sale descriptions include dollar per acre adjustments, based on the rationale cited in this section. If a significant item in the comparable property is superior to, or more favorable than, the subject site, a negative (-) adjustment is made, thus reducing the indicated value for the subject; if a significant item in the comparable property is inferior to, or less favorable than, the subject site, a positive (+) adjustment is made, thus increasing the indicated value for the subject.

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Indicated \$ / Acre			\$ 3,921		\$ 3,625		\$ 3,774
Ind. \$ / Acre (Rounded)			\$ 3,900		\$ 3,600		\$ 3,800

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Sales Comparison Approach Reconciliation – Abutter Lot "As-Is": After adjustments, the comparable sales provide a narrow range of value. Sale 2 was given the most weight, as it required no adjustments. Sale 1 is the least recent sale and is least proximate, but required only a minimal adjustment. Sale 3 is most proximate and most recent, but is least similar in utility. Sales 1 & 3 were given less weight, but equal consideration.

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Sales Comparison Approach Valuation – Abutter Lot & Proposed Lot “As-If Assembled”: This analysis relies on the same comparable sales and logic for adjusting the sales as the “As Is” scenario did, therefore it was deemed unnecessary to reproduce the developmental details in this section.

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Date of Sale /		Description	Adjustment	Description	Adjustment	Description	Adjustment
Time Adjustment	Insp. July 31, 2013	Mar 04, 2011		Mar 01, 2010		Sep 20, 2012	
Conditions of Sale /	Not Applicable	Abutter Premium	\$ (200)	Abutter - no		Sale By Private	1,700
Utility				premium known		Financed - REO	
Utility	Floodplain / Res	Floodplain / Res		Floodplain / Res		Irregular -no flood	
Area (acres)	43.33	82.41		28.50		37.60	
Net Adjustments (%)			\$ (200)		\$ -		1,700
Gross Adjustments (%)			\$ 200		\$ -		1,700
Indicated \$ / Acre			\$ 3,921		\$ 3,625		\$ 3,774
Ind. \$ / Square Foot			\$ 0.09		\$ 0.08		\$ 0.09
Ind. \$ / Acre (Rounded)			\$ 3,900		\$ 3,600		\$ 3,800

NOTE: Sale 3 – Condition of Sale adjustment is a compound adjustment that also includes an adjustment for Utility

Sales Comparison Approach Reconciliation – Abutter Lot & Proposed Lot “As-If Assembled”:

After adjustments, the comparable sales provide a narrow range of value. Sale 2 was given the most weight, as it required no adjustments. Sale 1 is the least recent sale and is least proximate, but required only a minimal adjustment. Sale 3 is most proximate and most recent, but is least similar in utility. Sales 1 & 3 were given less weight, but equal consideration.

The indicated value most heavily considered was \$3,600 per acre, with \$3,900 per acre and \$3,800 per acre, given lesser but equal consideration. Therefore, a unit value of, \$3,700 per acre is considered reasonable in this instance. At 43.33 acres, this equates to an indicated value of \$160,321; therefore, I estimate the site value of Abutter Lot & Proposed Lot “as-if” assembled, as of July 13, 2013 to be \$160,500.

Sales Comparison Approach Contributory Value Estimate For The Proposed Lot: Contributory value is the difference between the estimated site value of the Abutter Lot “as-is”, and the estimated site value of the Abutter Lot & Proposed Lot “as-if assembled”, thus:

Abutter Lot & Proposed Lot “as-if assembled”.....	\$160,500
Abutter Lot “as-is”.....	\$155,500
Contributory value (difference).....	\$ 5,000

Reconciliation and Final Value Estimate: This assignment involved estimating a sales price for the proposed surplus lot, located along the I-93 Exit 25 off ramp, in Holderness, NH. The valuation is as of July 31, 2013, the date of my on-site inspection. As requested, an "As Is" and "As-If Assembled" Sales Comparison Approach analysis was applied to the Proposed Lot resulting in estimated Contributory Value of \$5,000.

Therefore, as of July 31, 2013, I estimate the subject's sales price to be:

Five Thousand Dollars.....\$5,000

Thank you for the opportunity to be of service. If you have any questions regarding this appraisal, please do not hesitate to contact me at 271-2644.

Respectfully submitted,




Thomas P. Hughes, NHCR#655
Staff Appraiser, NHDOT

Appraiser's Certification

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

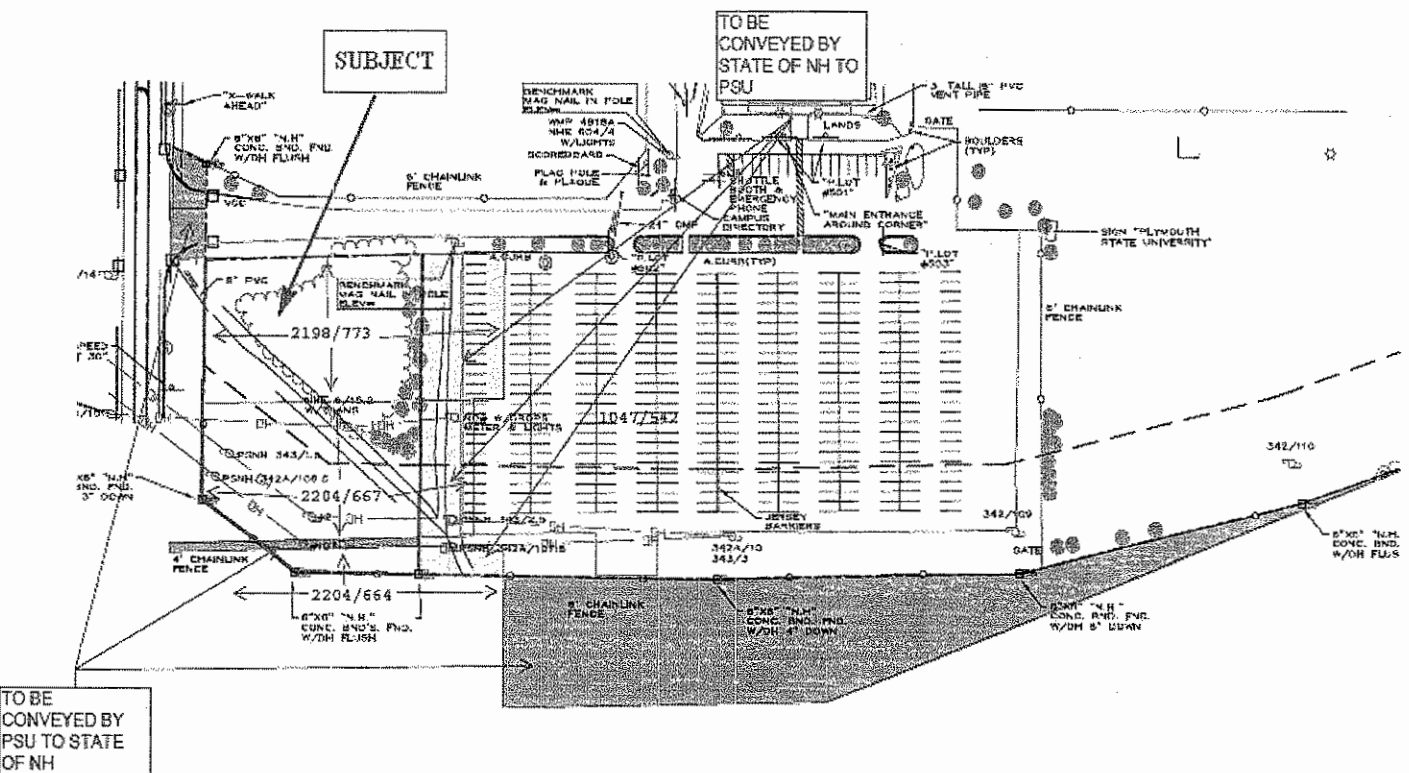
- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present 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 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 Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to me.
- I have performed no services, as an appraiser or in any other capacity, relating to the property that is the subject of this report within the 3-year period immediately preceding acceptance of this assignment.



Thomas P. Hughes, NHCR #655
Staff Appraiser, NHDOT

September 6, 2013
Date

PSU / STATE LAND SWAP



Job 3-6 Valuation on Plymouth State University Recreational Fields
56 North River St, Plymouth, NH
Owner: Plymouth State University

HOLDERNESS ZONING (03/13) – EXCERPT

300.4.5: Flood Hazard District (Special District) (FHD) (3/97): This District is intended to assure that development within the designated flood hazard area shall occur in such a manner as to minimize the danger to life and property from flooding and to minimize the potential for future flooding. It is also to prevent damage to associated, contiguous or intersecting waterways and wetlands.

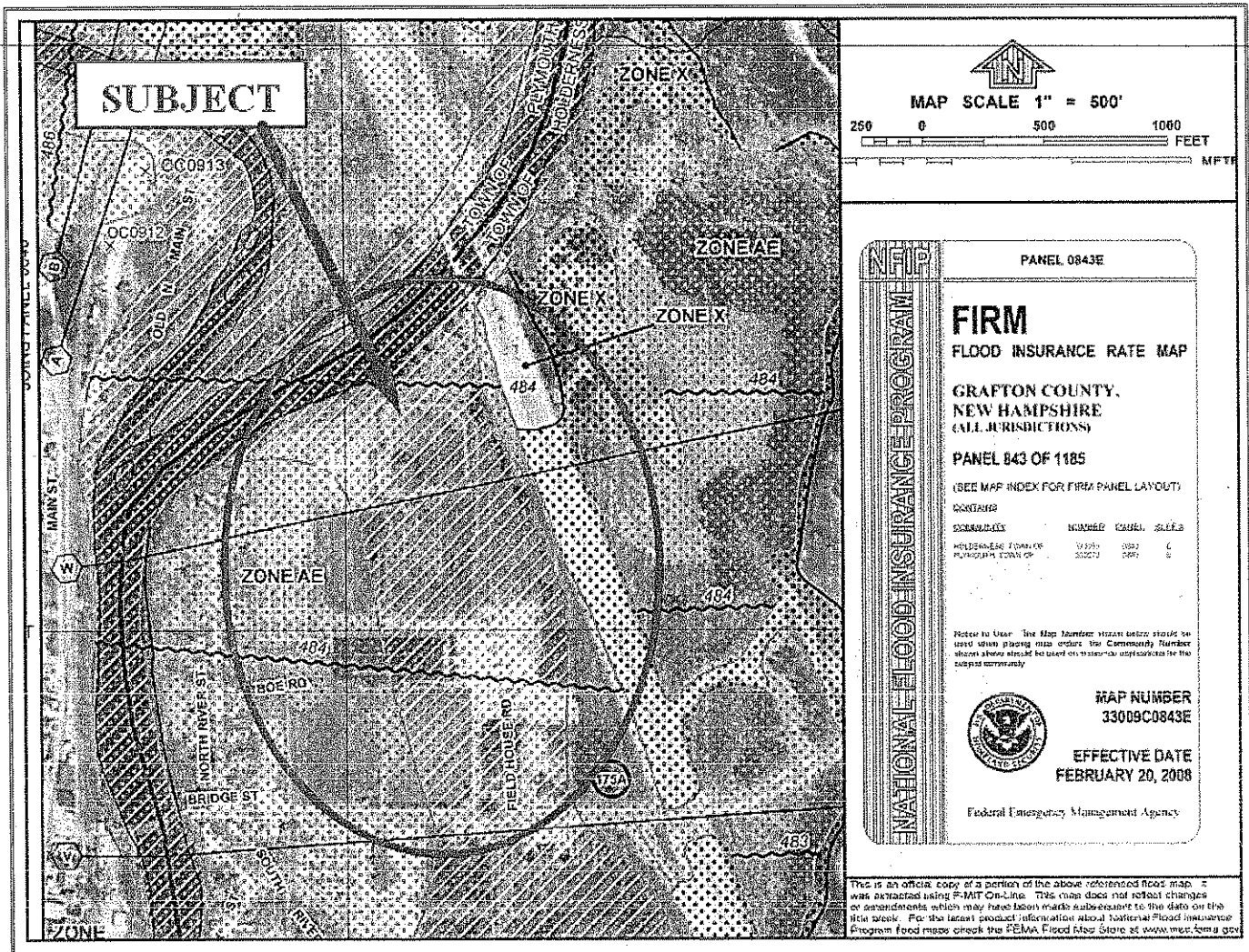
300.4.5.1: District Boundaries: The limits of the Flood Hazard District are hereby determined to be all lands west of Interstate 93.

300.4.5.2: Relations to Districts: Where the Flood Hazard District is superimposed over another zoning district, the more restrictive regulations shall apply.

300.4.5.3: Permitted Uses: The following open space uses shall be permitted within the Flood Hazard District to the extent that they are not prohibited by any other ordinance and provided they do not require structures, fill or storage of materials or equipment. In addition, no use shall adversely affect the efficiency or unduly restrict the capacity of the channels or flood ways of any tributary to main stream, drainage ditch, or any other drainage facility or system.

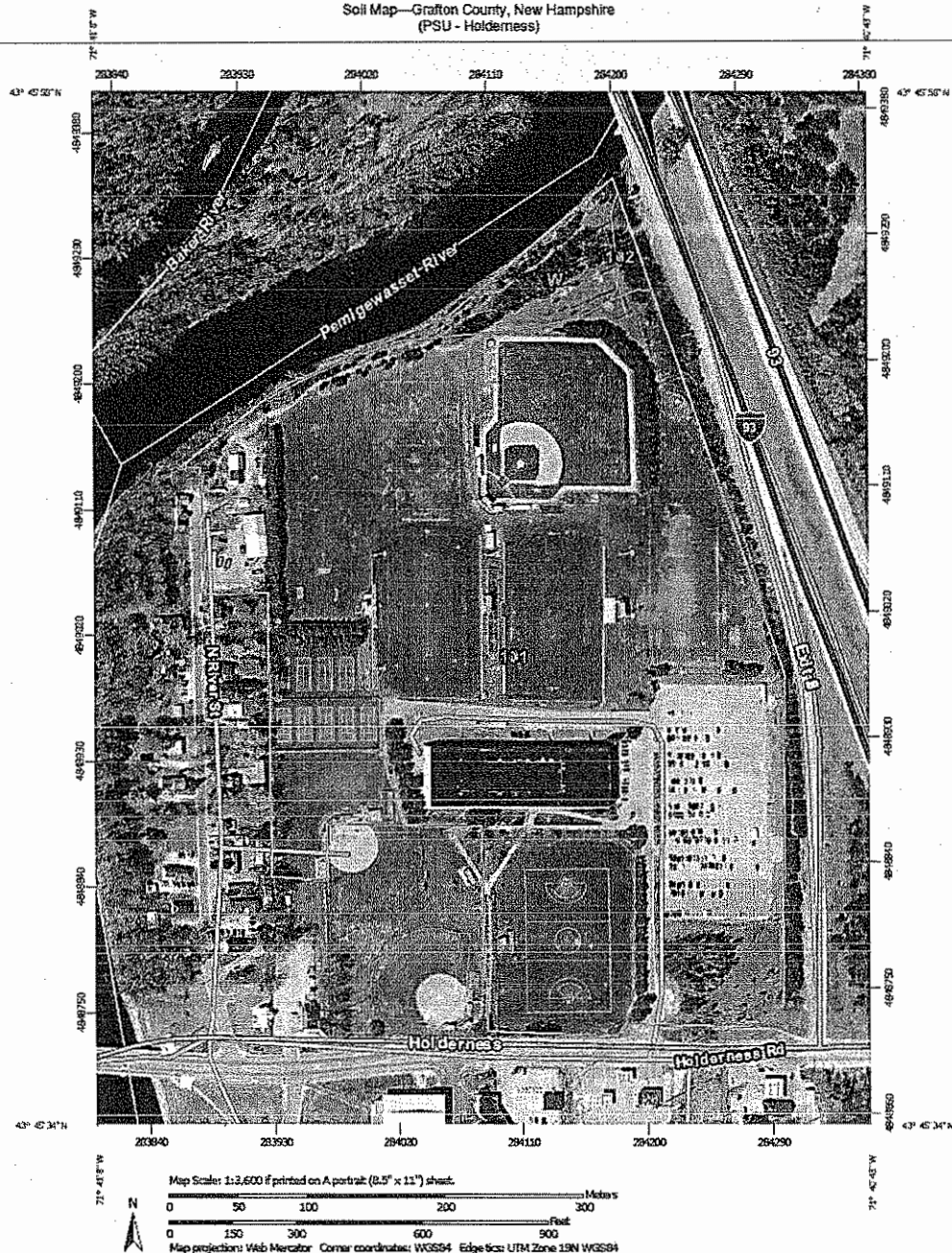
- (1) Agricultural uses such as general farming, pasture, grazing, outdoor plant nurseries, horticulture, viticulture, truck farming, sod farming and wild crop harvesting, so long as the use of fertilizers and pesticides is curtailed.
- (2) Private and public recreational uses such as golf courses, tennis courts, driving ranges, archery ranges, picnic grounds, boat launching ramps, swimming areas, parks, wildlife and nature preserves, hunting and fishing areas, biking, hiking and horseback riding trails, snowmobiling and cross-country skiing.
- (3) Accessory uses such as lawns, gardens, parking areas, and play areas.

FEMA - FLOOD INSURANCE RATE MAP



WEB SOIL SURVEY

Soil Map—Grafton County, New Hampshire
(PSU - Holderness)



Natural Resources
Conservation Service

Web Soil Survey
National Cooperative Soil Survey

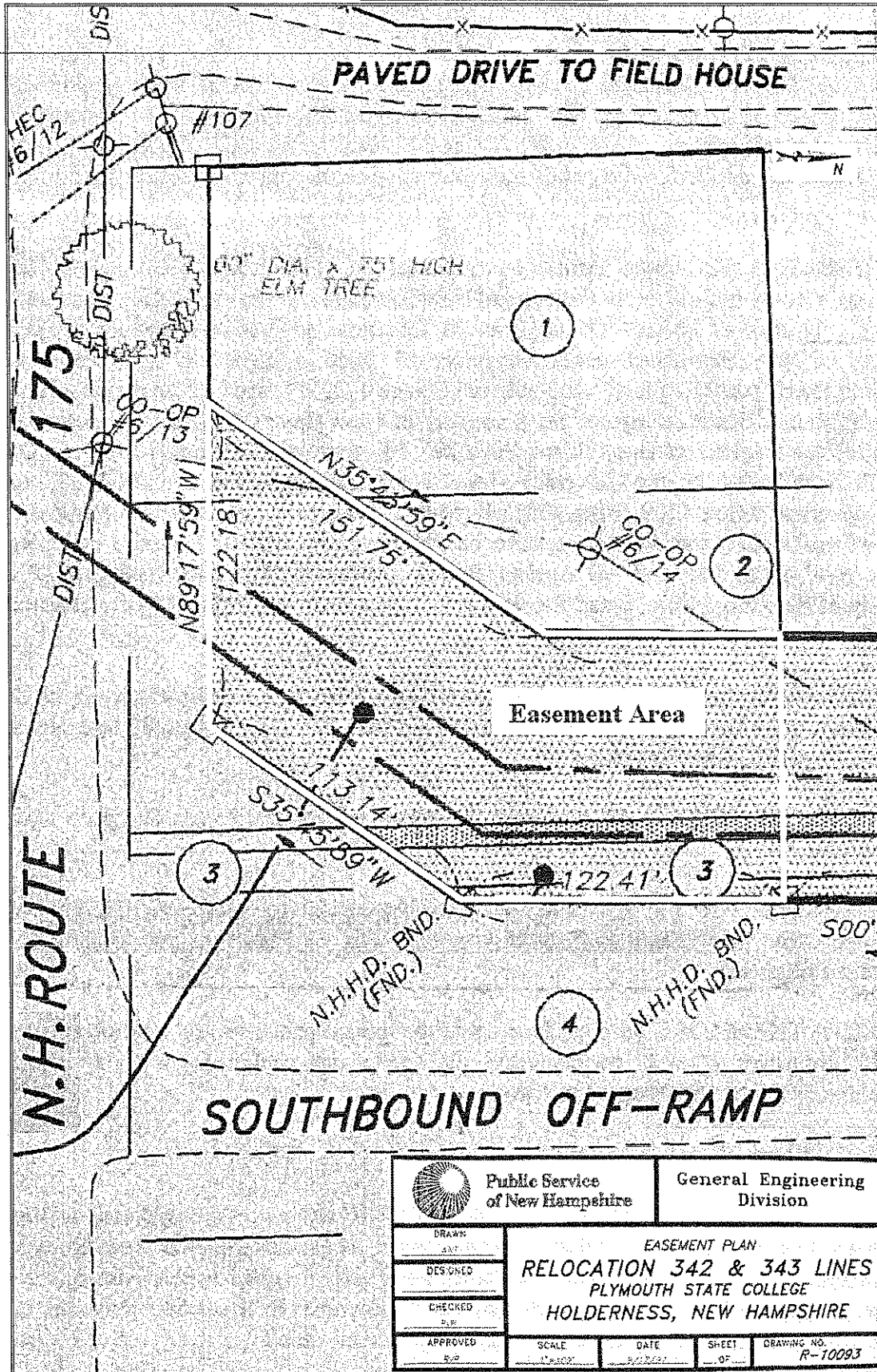
8/20/2013
Page 1 of 3

Map Unit Legend

Grafton County, New Hampshire (NH009)			
Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
101	Ondawa fine sandy loam, frequently flooded	39.4	95.0%
102	Sunday loamy sand	0.3	0.6%
W	Water	1.8	4.4%
Totals for Area of Interest		41.5	100.0%

* Subject area is approximate

EASEMENT AREA



EASEMENT AGREEMENT

AGREEMENT made this _____ day of _____, 1998 by and between PLYMOUTH STATE COLLEGE OF THE UNIVERSITY SYSTEM OF NEW HAMPSHIRE, a New Hampshire body corporate and politic with a mailing address of 14 Summer Street, Plymouth, New Hampshire 03265 ("PSC") and PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE, a New Hampshire public utility corporation, having its principal place of business at 1000 Elm Street, Manchester, New Hampshire ("PSNH").

WHEREAS, PSC owns certain land situated on N.H. Route 175A in the Town of Holderness, County of Grafton, in the State of New Hampshire, more particularly described in the following: 1) deed of Halston O. and Jean M. Lenentine to Plymouth State College of the University of New Hampshire, dated November 18, 1966, recorded in the Grafton County Registry of Deeds (the "Registry") at Book 1047, Page 542; 2) deed of Holderness School for Boys to Plymouth State College of the University of New Hampshire, dated January 3, 1967, recorded in the Registry at Book 1049, Page 287; 3) deed of Peter and Martha K. Dane to Plymouth State College of the University of New Hampshire, dated October 29, 1970, recorded in the Registry at Book 1129, Page 428; 4) deed of Barbara S. Dearborn to Plymouth State College of the University of New Hampshire, dated November 18, 1966, recorded in the Registry at Book 1047, Page 544; and 5) deed of Paul S. Durgin to Plymouth State College of the University of New Hampshire, dated September 19, 1963, recorded in the Registry at Book 992, Page 316.

WHEREAS, the PSC land is subject to a right-of-way and easement granted to Utilities Power Company by deed of N. B. Sanborn, dated October 10, 1925, recorded in the Registry at Book 592, Page 441 (the "Easement");

WHEREAS, PSNH is the successor in interest to Utilities Power Company under the Easement; and

WHEREAS, PSC and PSNH desire by this Agreement to replace the Easement with a new easement (the "New Easement") to be granted by PSC to PSNH, in exchange for PSNH's release of the Easement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other valuable consideration, the receipt and sufficiency whereof are hereby acknowledge, PSC and PSNH agree as follows:

A. Grant of New Easement

1. PSC, for consideration paid, grants to PSNH, its successors and assigns, the right and easement to construct, repair, rebuild, operate, patrol, and remove overhead and underground lines consisting of wires, cables, ducts, manholes, poles, and towers together with foundations, crossarms, braces, anchors, guys, grounds, and other equipment for transmitting electric current and/or communications over, under and across a strip of land situated in the Town of Holderness,

in the County of Grafton and State of New Hampshire, more particularly described below (the "Easement Area"); also this conveyance shall include the right to clear and keep clear the Easement Area of all trees and underbrush by such means as PSNH may select, to remove all structures or obstructions which are within the limits of the Easement Area, to cut or trim such trees on the premises as in the judgment of PSNH may interfere with or endanger said lines or their maintenance or operation, and the right to construct such temporary roads within said Easement Area as in the judgment of PSNH are needed in conjunction with the construction or maintenance of said transmission lines. PSC for themselves and their heirs, executors, administrators, successors and assigns, covenants and agrees to and with PSNH, its successors and assigns, that they will not erect or maintain any building or other structure, or permit the erection or maintenance of any building or other structure of any kind or nature upon the Easement Area or change the existing grade or ground level of the Easement Area by excavating or filling, or cut or trim trees or underbrush within said Easement Area.

Said Easement Area is bounded and described as follows:

Beginning at a point on the edge of the Limited Access Right-of-way (hereinafter referred to as "LAROW") for N.H. Interstate Highway 93 (hereinafter referred to as "I-93"), adjacent to the I-93 southbound exit leading to N.H. Route 175A, said point being N35°-45'-59"E a distance of approximately 67 feet from a "NHHD" concrete bound at the intersection of Route 175A with said southbound exit; thence running N35°-45'-59"E along the LAROW a distance of approximately 9 feet to a point at land of the N.H. Department of Transportation (hereinafter referred to "NHDOT"), formerly land of Doggett; thence turning and running northerly along said NHDOT land a distance of approximately 234 feet to a point being the northwesterly corner of said NHDOT land; thence turning and running easterly along said NHDOT land a distance of approximately 27 feet to a point on the I-93 LAROW; thence turning and running N00°-42'-25"E an approximate distance of 213 feet to a "NHHD" concrete bound; thence turning and running N01°-40'-58"W a distance of 151.86 feet to a NHHD concrete bound; thence turning and running N00°-20'-34"W a distance of 146.32 feet to a NHHD concrete bound; thence turning and running N-12°-56'-15"W a distance of 285.08 feet to a NHHD concrete bound; thence turning and running N18°-13'-37"W a distance of 152.83 feet to a NHHD concrete bound at the edge of the current I-93 LAROW; thence turning and running N21°-01'-48"W a distance of 476.40 feet to a point on the westerly edge of said LAROW; thence turning and running S66°-39'-47"W a distance of 104.52 feet to a point; thence turning and running S21°-01'-48"E a distance of 469.21 to a point; thence turning and running S18°-13'-37"E a distance of 146.29 to a point; thence turning and running S12°-56'-15"E a distance of 269.43 feet to a point; thence turning and running S00°-20'-34"E a distance of 136.45 feet to a point; thence turning and running S01°-40'-58"E a distance of 150.94 feet to a point; thence turning and running S00°-42'-25"W a distance of approximately 243 feet to a point at land of NHDOT; thence turning and running easterly by land of NHDOT, formerly land of Doggett, a distance of approximately 66 feet to a point at the northeasterly corner of said NHDOT land; thence turning and running southerly along said NHDOT land, a distance of approximately 214 feet to the point of beginning.

Meaning and intending to convey an easement that is mostly 100 feet in width, but varies in width from approximately 7 feet to approximately 105 feet, from a point on the edge of the LAROW

near N.H. Route 175A (the 7 foot wide strip), then along the westerly side of the LAROW for I-93 (the 100 to 105 wide strip) to other easement granted to PSNH by "Commissioners' Return of Highway Layout, Holderness I-93-2(51)79-P-5600-G, Interstate Route #93, 1963." Said easement is shown on a plan (the "Plan") entitled "Easement Plan, Relocation 342 & 343 Lines, Plymouth State College, Holderness, N.H.," dated September 17, 1997, Drawing Number R-10093, filed at PSNH.

2. PSNH, for itself and its successors and assigns, covenants and agrees that the foregoing rights shall be exercised in a reasonably careful and prudent manner, so that no injury which can be avoided by the exercise of reasonable care shall result to the Easement Area, or other land of PSC in the vicinity thereof, by reason of the construction, maintenance and operation of said lines and facilities. PSNH further agrees that it will grant PSC permission to expand its parking facilities within the Easement, provided that the new parking facilities do not adversely affect PSNH's electrical facilities, and said permission shall not be unreasonably withheld; and PSNH agrees not to place any poles in the "no pole area" shown on the Plan, adjacent to PSC's athletic field.

B. Release of Easement

1. PSNH, for consideration paid and in consideration of the grant of the New Easement by PSC under this Agreement, hereby releases to PSC all right, title and interest acquired by PSNH in the land of PSC under the Easement.

2. The Easement is released to PSC, without release or consent by the Trustee or Mortgagee under (i) PSNH's First Mortgage Indenture, dated as of August 15, 1978 to First Fidelity Bank, National Association, New Jersey, recorded in the Registry at Book 1909, Page 97 and (ii) PSNH's Mortgage, dated as of May 1, 1991 to Bankers Trust Company, recorded in the Registry at Book 1909, Page 321, as amended by PSNH Mortgage Amendment, dated as of April 1, 1996, recorded in the Registry at Book 2193, Page 461 and assigned to Chemical Bank by PSNH Mortgage Assignment, dated as April 1, 1996, recorded in the Registry at Book 2193, Page 452, pursuant to and in accordance with Section 7.2(g) of the said First Mortgage Indenture and Section 5.02(g) of the said Mortgage, which provisions allow PSNH to surrender any easement which it may hold without any release or consent by the Trustee or Mortgagee, provided PSNH has the right under a new easement received in exchange to conduct the same business in the same territory during the same or an unlimited period of time.

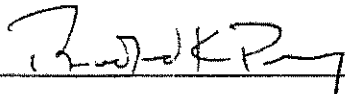
C. Miscellaneous

1. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns.

2. This Agreement shall be recorded in the Registry.

EXECUTED by the parties as of the date first written above.

PLYMOUTH STATE COLLEGE OF THE
UNIVERSITY SYSTEM OF NEW HAMPSHIRE


By: 
Name:
Title: **Bradford K. Perry**
Vice Chancellor for Financial Affairs
and Treasurer

PUBLIC SERVICE COMPANY OF
NEW HAMPSHIRE

By: _____
Name:
Title:

State of New Hampshire
County of Strafford

The foregoing instrument was acknowledged before me this 15, day of
January, 1998 by Bradford K. Perry


Notary Public/Justice of the Peace

My Commission Expires: November 8, 1998

State of New Hampshire
County of Hillsborough

The foregoing instrument was acknowledged before me this _____, day of _____,
1998 by _____ of Public Service Company of New
Hampshire, a New Hampshire corporation, on behalf of the corporation.

Notary Public/Justice of the Peace

My Commission Expires:

QUALIFICATIONS OF THOMAS P. HUGHES

PROFESSIONAL EXPERIENCE:

NH DEPARTMENT OF TRANSPORTATION, BUREAU OF ROW (May, 2012 to Present)
Staff Appraiser

AMOSKEAG APPRAISAL COMPANY (2002 to 2012)
Certified Residential Appraiser

THOMSON FINANCIAL TREASURY SOLUTIONS (1998 - 2001)
Financial Software Analyst
Product Consultant/Account Manager

FEDERAL HOME LOAN BANK OF BOSTON (1995 - 1998)
Senior Accountant
Accountant - Investments
Internal Auditor (Intern)

UNITED STATES ARMY RESERVES (1992 - 2006)
Captain (INF) - Assistant Battalion Plans Officer (368th Engineers)

EDUCATION:

Masters of Science in Management: Computer Information Systems
BENTLEY COLLEGE - Waltham, MA

Bachelors of Science in Business Administration: Accounting
UNIVERSITY OF MASSACHUSETTS - Lowell, MA

Associate in Engineering:
WENTWORTH INSTITUTE OF TECHNOLOGY - Boston, MA

CERTIFICATIONS:

Certified Residential Appraiser (NH - # NHCR-655)

Certified Public Accountant (IL - # 99626)

Plymouth State
UNIVERSITY
Office of Finance and Administration

DEPT. OF TRANSPORTATION
RIGHT-OF-WAY
APR 06 2016
RECEIVED

April 1, 2016

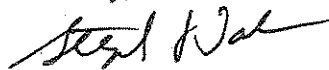
Cindy Poole
Dept. of Transportation
State of New Hampshire
7 Hazen Drive
PO Box 483
Room 100
Concord, NH 03302-0483

Dear Cindy,

I am enclosing three certified land surveys, stamped by Daniel J. Mullen, Licensed Land Surveyor for Richard D. Bartlett & Associates, LLC, showing the areas we have been discussing for a swap.

Please let me know what the next steps are in the process so we can bring this issue to closure.

Sincerely,



Stephen J. Taksar
Vice President for Finance and Administration

Attachment: Survey of Land owned by of the State of New Hampshire; and
Survey of Land owned by Plymouth State University,
of the University System of New Hampshire (2)

Plymouth State
UNIVERSITY

Office of Finance and Administration

March 2, 2016

Cindy Poole
Dept. of Transportation
State of New Hampshire
7 Hazen Drive
PO Box 483
Room 100
Concord, NH 03302-0483

RECEIVED
MAR 14 2016
DEPT. OF TRANSPORTATION
RIGHT-OF-WAY

Dear Cindy,

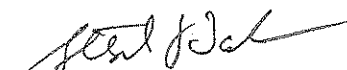
As you know, Plymouth State University had expressed interest in acquiring a parcel of land between the Rt. 93 exit ramp at exit 25 and Rt. 175. We conducted a level one environmental assessment and concluded that unless the DOT or state were to certify that it is a "clean site", as a result of the land being used as a gas station and hold the University harmless regarding liability, we could no longer consider this a viable purchase option. We would still be interested in buying the land if those terms were acceptable. Could you verify the DOT's position on that issue?

Assuming we cannot come to terms on selling the land, Plymouth State University is requesting an opportunity to lease the land we had been discussing as a purchase. We are seeking parcels close to campus to accommodate our parking demands which are increasing as a result of higher enrollments. Our goal would be to clear the land and put in a gravel lot to accommodate as many spaces as possible for PSU use. Time is of the essence on this as we would need to plan and do the work over the summer in time for the arrival of our students in August.

I'm attaching our most recent sketch of the property we are seeking to lease. We would appreciate a response as quickly as possible so we can finalize our summer plans.

Please let me know if you need anything else from the University. I can be reached at (603) 535-2550 or sitaksar@plymouth.edu. Thank you for your help with this issue.

Sincerely,



Stephen J. Taksar
Vice President for Finance and Administration

cc: Ellen Shippee
Attachment: Lot Proposed to Lease

STATE OF NEW HAMPSHIRE

INTER-DEPARTMENT COMMUNICATION

FROM: Charles R. Schmidt, PE
Administrator *CRS*

DATE: May 24, 2016

AT: Dept. of Transportation
Bureau of Right-of-Way

SUBJECT: Request to Extend a Listing Agreement and to Modify the Listing Price of State Owned Land Currently Being Marketed to Sell with Real Estate Professionals in Alstead
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 amend the listing price from \$35,000.00 to \$30,000.00, allowing negotiations within the Committee's current policy guidelines, assess an Administrative Fee of \$1,100.00, and further extend the listing agreement with H. G. Johnson Real Estate for a term of 6 months, to sell a 4.3 +/- acre parcel located on the southeast corner of NH Route 123 and Cobb Hill Road in the Town of Alstead subject to the conditions as specified in this request.

The Item (LRCP # 14-038) was most recently approved by the Long Range Capital Planning and Utilization Committee on November 18, 2014. This item was originally approved by the Long Range Capital Planning and Utilization Committee on June 23, 2009 (LRCP # 09-032), and subsequent approved actions on September 22, 2010 (LRCP # 10-053) and May 10, 2011 (LRCP # 11-022).

EXPLANATION

The Committee at their November 18, 2014 meeting (LRCP # 14-038) approved the sale of this property. The approval allowed the listing of the sale of this property for the Department by H. G. Johnson Real Estate of Swanzey, NH for the term of one (1) year with a real estate commission of 6% for the listing price of \$35,000.00, and allowed negotiations with prospective buyers within the Committee's current policy guidelines.

During this period, the Department entered into a Purchase and Sale Agreement for the sale of this property inside the range of the approved value. During this period, the perspective buyer fell into failing health and withdrew their offer to concentrate on their recovery.

H. G. Johnson Real Estate has received interest in this property but has not received any additional offers in writing to this point. Their current listing agreement with the Department expired on January 30, 2016. H. G. Johnson Real Estate still wishes to list this property. Greg Johnson, the realtor who is marketing this property, has discussed with the Department an adjustment in the listing price for this property, stating that a price reduction would be necessary to generate new activity on this parcel. After discussions with the realtor and reviewing the provided information, it was decided that a listing value of \$30,000.00 would be appropriate.

As part of the reduction of the listing price, it will be specified that the Department will be required to offer the property to the following entities as part of the real estate sale process:

1. NH Housing Finance Authority
2. Town of Alstead

It will also be specified in the listing agreement that the selected real estate firm will not collect a commission for sales to any of the above-listed entities, or any State agency that may express interest in the property.

The Department requests the Committee to revise the listing value of this 4.3 +/- acre parcel of State owned land located in the Town of Alstead to \$30,000.00, allow negotiating with prospective buyers within the Committee's current policy guidelines, with a real estate commission of 6%, and allow the Department to extend the listing agreement with H. G. Johnson Real Estate for a term of six (6) months. In addition, the Department will assess an Administrative Fee of \$1,100.00 to the purchase price.

CRS/PJM/jl
Attachments

NOV 21 2014

RECEIVED



LRCP 14-038

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

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

November 19, 2014

Charles R. Schmidt, P.E., Administrator
Department of Transportation
Bureau of Right-of-Way
John O. Morton Building
Concord, New Hampshire 03301

Dear Mr. Schmidt,

The Long Range Capital Planning and Utilization Committee, pursuant to the provisions of RSA 4:39-c, on November 18, 2014, approved the request of the Department of Transportation, Bureau of Right-of-Way, to enter into a listing agreement with H.G. Johnson Real Estate for a term of one (1) year for the sale of a 4.3 +/- acre parcel of State owned land located on the southeast corner of NH Route 123 and Cobb Hill Road in the Town of Alstead for \$35,000, assess an Administrative Fee of \$1,100, and allow negotiations within the Committee's current policy guidelines, subject to the conditions as specified in the request dated October 27, 2014.

This item (LRCP 09-032) was originally approved by the Long Range Capital Planning and Utilization Committee on June 23, 2009, with subsequent approved action on (LRCP 10-053) September 22, 2010 and (LRCP 11-022) May 10, 2011.

Sincerely,

A handwritten signature in cursive script, reading "Jeffry A. Pattison".
Jeffry A. Pattison
Legislative Budget Assistant

JAP/pe
Attachment

STATE OF NEW HAMPSHIRE
INTER-DEPARTMENT COMMUNICATION

LRCP 14-038

FROM: Charles R. Schmidt, PE
Administrator



DATE: October 27, 2014

AT: Dept. of Transportation
Bureau of Right-of-Way

SUBJECT: Sale of State Owned Land in Alstead
RSA 4:39-c

TO: Representative David Campbell, Chairman
Long Range Capital Planning and Utilization Committee

REQUESTED ACTION

The Department of Transportation, pursuant to RSA 4:39-c, requests authorization to enter into a listing agreement for a term of one (1) year with H. G. Johnson Real Estate with the real estate commission of 6%, for the sale of a 4.3 +/- acre parcel of State owned land located on the southeast corner of NH Route 123 and Cobb Hill Road in the Town of Alstead for \$35,000.00, assess an Administrative Fee of \$1,100.00, and allow negotiations within the Committee's current policy guidelines, subject to the conditions as specified in this request.

This item (LRCP 09-032) was originally approved and amended by the Long Range Capital Planning and Utilization Committee on June 23, 2009 with subsequent approval action taken on September 22, 2010 (LRCP 10-053) and on May 10, 2011 (LRCP 11-022).

EXPLANATION

The Department of Transportation wishes to dispose of a 4.3 +/- acre parcel of surplus land located on the southeast corner of the intersection of NH Route 123 and Cobb Hill Road, in the Town of Alstead.

The parcel was acquired in 2006 and is the remnant of a larger parcel acquired in connection with the construction of flood project and rebuilding NH Route 123.

This request has been reviewed by this Department and it has been determined that this parcel is surplus to our operational needs and interest.

This property was originally brought forward to this Committee as Item (LRCP 09-032) and was originally approved on June 23, 2009 to be marketed for the Department by H. G. Johnson Real Estate with subsequent approval actions to renew the listing agreement taken on September 22, 2010 (LRCP 10-053), and on May 10, 2011 (LRCP 11-022).

H. G. Johnson Real Estate had been marketing the property for the Department during that period and the State received two offers on the property during this time but they were under the value the State could accept.

Policy approved by this Committee states that after the State owned properties approved by this Committee for a listing period of one (1) year and two (2) six (6) month extensions were not sold or under agreement after this time, that the Department would request market analyses from realtors pre-qualified by the Department in the region where the property was located and would bring that information along with the Department's recommendation to this Committee for their approval.

In accordance with Tra 1000, "Process for Marketing and Sale of State Owned Property Utilizing Real Estate Professionals," and Tra 1003.03 (Selection Process), all pre-qualified from realtors pre-qualified by the Department in the region where the property was located and would bring that information along with Department's recommendation to this Committee for their approval.

Realtors in Region 2 (Cheshire and Sullivan counties) were sent a request to submit a market analysis for the subject property at a set real estate commission of 6%. Based on this request, the Department received response from one (1) firm. Data from this market analysis is as follows:

H. G. Johnson Real Estate	
PO Box 10	\$35,000.00
Swanzey, NH 03446	

State Appraisal	\$35,000.00
	to
	\$40,000.00

In accordance with Tra 1003.03, the Pre-qualification Committee reviewed the above information and felt that a value of thirty-five thousand (\$35,000.00) dollars was an appropriate value for this property and selected H. G. Johnson Real Estate of Swanzey, NH to market the property for the Department.

As part of the listing agreement with the selected realtor, it will be specified that the Department will be required to offer the property to the following entities as part of the real estate sale process:

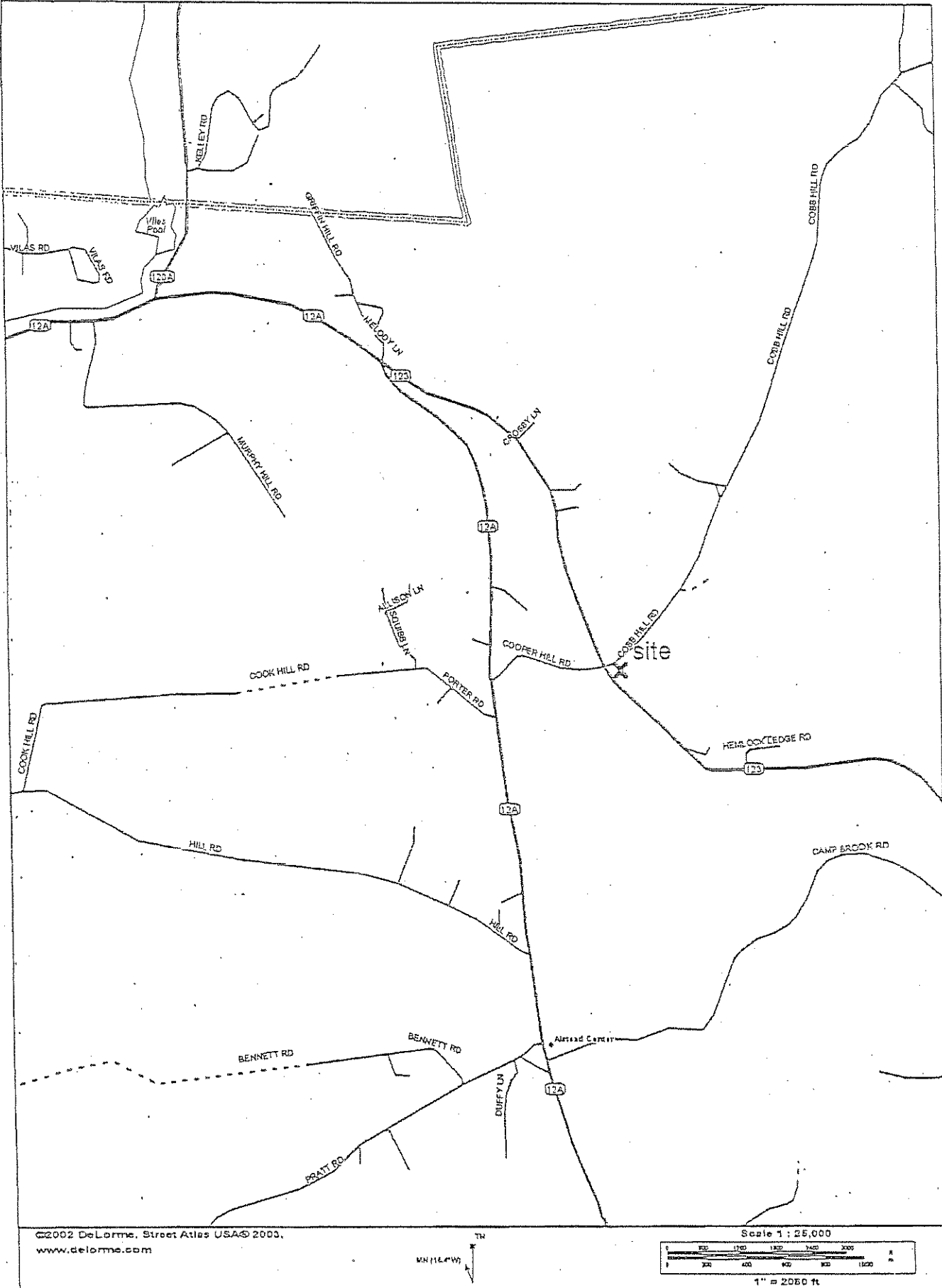
1. NH Housing Finance Authority
2. Town of Swanzey

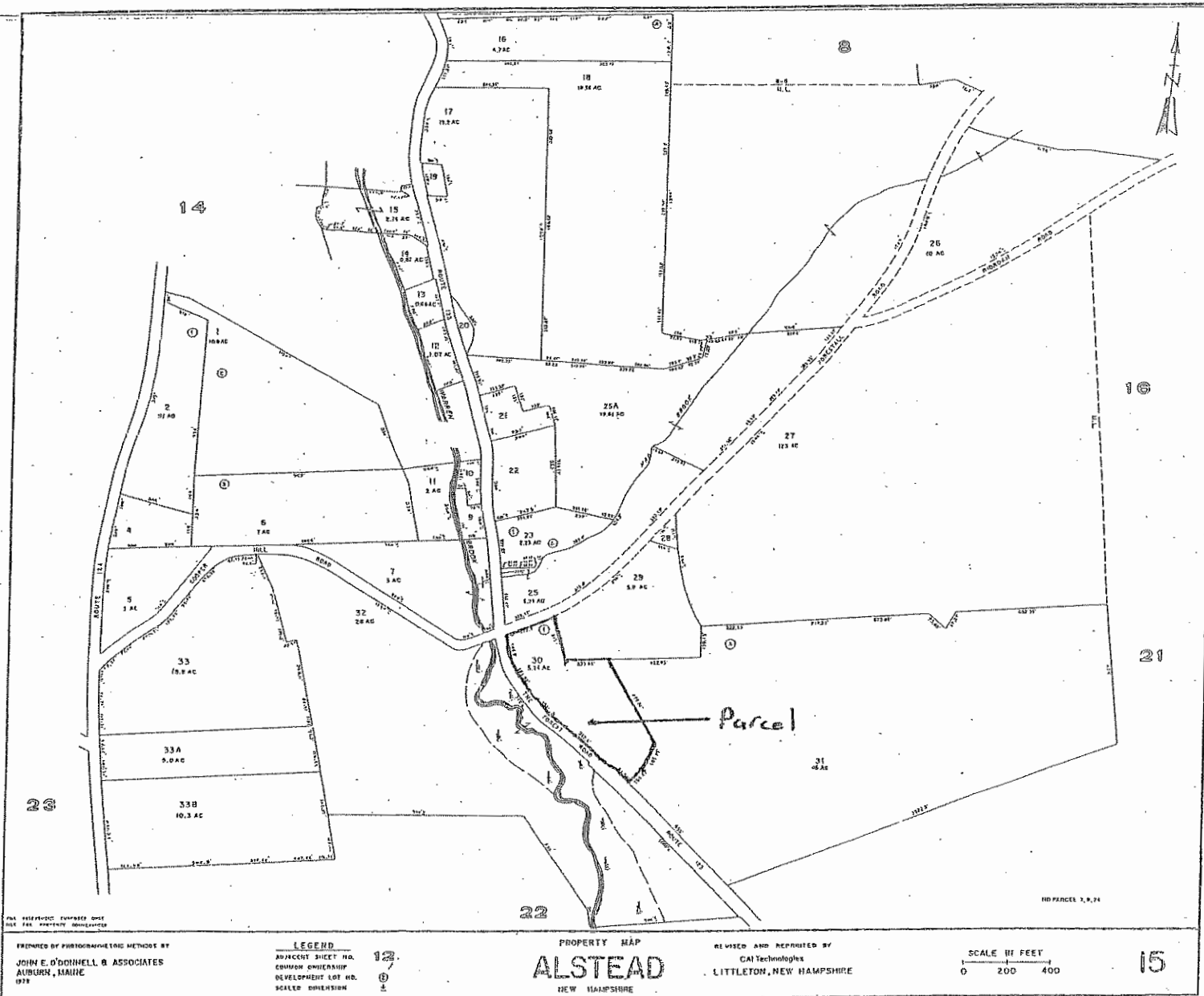
It will also be specified in the listing agreement that the selected real estate firm will not collect a commission for sales to any of the above-listed entities, or any State agency that may express interest in the property.

In addition, the Department will assess an additional Administrative Fee of \$1,100.00 to the purchase price.

Authorization is requested from the Committee to enter into a listing agreement with H. G. Johnson Real Estate of Swanzey, NH at a value of thirty five thousand (\$35,000.00) dollars for a term of one (1) year, with a set real estate commission of 6%, as described above, allowing negotiating within the Committee's current policy guidelines, assess an Administrative Fee of one thousand one hundred (\$1,100.00) dollars, and if a willing buyer is found to sell this parcel as stated above, subject to Governor and Executive Council approval.

CRS/PJM/dd
Attachments





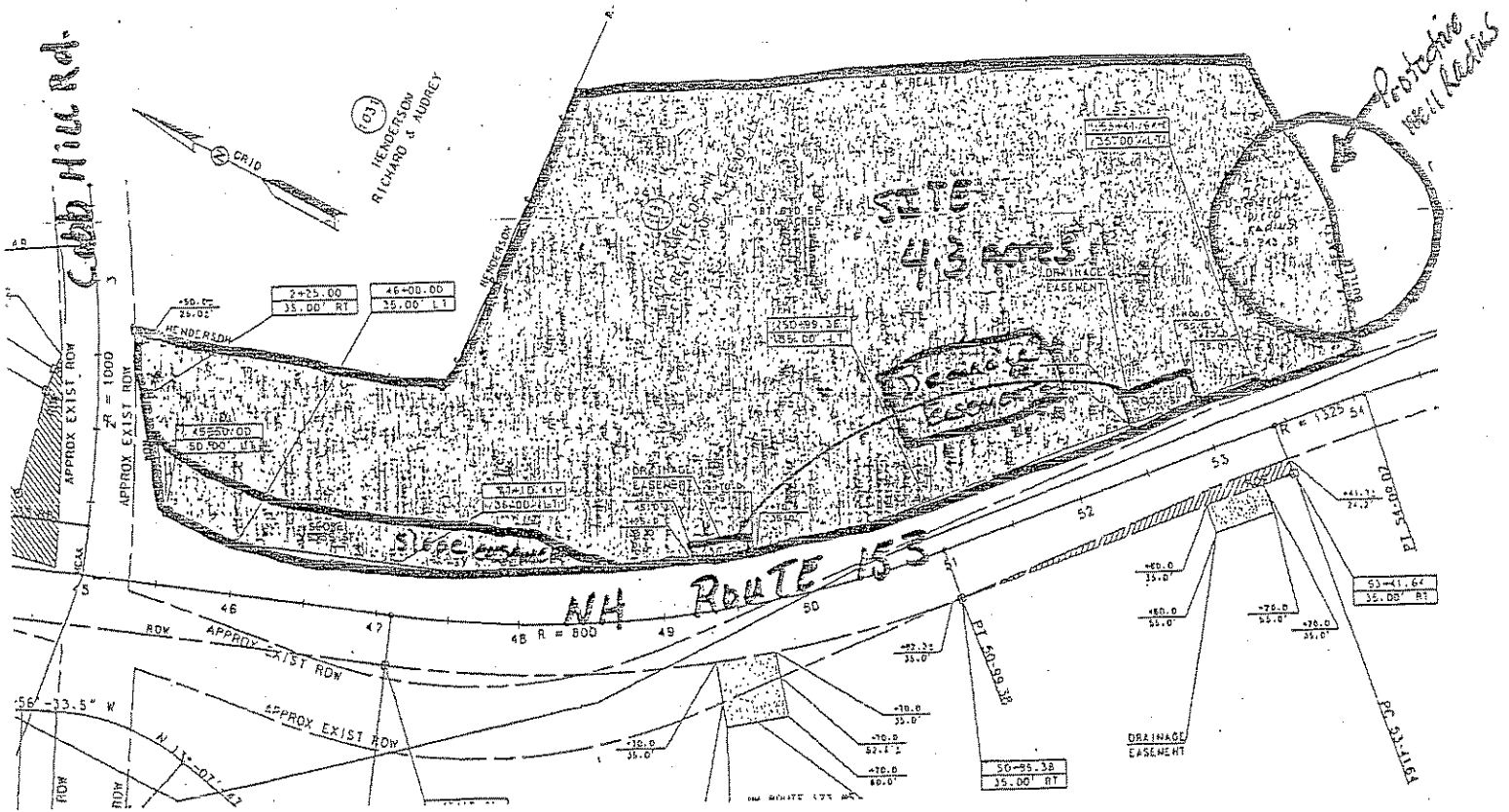
PREPARED BY PHOTOGRAMMETRIC METHODS BY
 JOHN E. D'ORNELL & ASSOCIATES
 AUBURN, MAINE
 1979

LEGEND
 ADJACENT SHEET NO.
 COMMON OWNERSHIP
 DEVELOPMENT LOT NO.
 SCALED DIMENSION

PROPERTY MAP
ALSTEAD
 NEW HAMPSHIRE

REVISED AND REPRINTED BY
 CAI Technologies
 LITTLETON, NEW HAMPSHIRE

SCALE IN FEET
 0 200 400



Phillip Miles

From: Greg Johnson <greg@hgjohnson.com>
Sent: Saturday, May 21, 2016 10:21 AM
To: Phillip Miles
Cc: greg@hgjohnson.com
Subject: Alstead Land

Hi Phil,

Sorry for the delay but I did some sales comps. I think we should drop the asking price to \$30,000. The land is only suitable for a (1) home site without going through town boards, etc. which most people avoid. In addition, the overall market is still pretty sluggish.

Let me know if you need anything else to go to the committee.

HG Johnson Real Estate
603-352-5533 Office
617-733-2124 Cell

EXCLUSIVE RIGHT TO SELL AGREEMENT

New Hampshire Commercial Investment Board of REALTORS® Standard Form

This is to be construed as an unequivocal *Exclusive Right To Sell* between the Seller and the undersigned BROKER.

1. The undersigned seller, State of NH DOT (hereafter referred to as "SELLER"), hereby gives the undersigned HG Johnson Real Estate ("BROKER"), on this date, January 30, 2015, in consideration of BROKER'S agreement to list and promote the sale or exchange of property located at NH Route 123 & Cobb Hill Road, Airstead, NH owned by SELLER, consisting of # 14540M, Parcel 33 (Land Only) 4.3 Acres, and together with personal property described in Section 8 of this Agreement, recorded in the Cheshire County Registry of Deeds in Book Page ("PROPERTY"), the exclusive right to sell or exchange said PROPERTY at a price of \$35,000.00 on the terms herein stated, or at any other price and terms to which SELLER may authorize or consent. If, during the period of time set forth within Section 3 of this Agreement, the Broker procures an individual or entity who is ready, willing and able to purchase the PROPERTY at said price, or upon another price and terms to which SELLER may agree, or the PROPERTY is sold, exchanged, transferred, or otherwise conveyed, then the SELLER agrees to pay BROKER a professional fee of 8.000 % of the purchase price or \$.
2. EFFECT OF EXCLUSIVE RIGHT TO SELL AGREEMENT. By granting BROKER exclusive right to sell or exchange the PROPERTY, SELLER agrees to conduct all negotiations pertaining to such sale or exchange through BROKER, and to refer all inquiries received in any form from real estate salespersons, brokers, prospective purchasers, or any other source during the time this Agreement is in effect. SELLER acknowledges SELLER'S duty to disclose to BROKER all pertinent information about the PROPERTY, adverse or otherwise, and understands that all such information will be disclosed by BROKER to prospective purchasers. SELLER hereby agrees to hold BROKER harmless from any claims which may result from SELLER'S failure to disclose such information about the PROPERTY. If any material fact, event or information about the PROPERTY comes to SELLER'S attention between the time that this Agreement and any Property Disclosure was signed by SELLER and the closing, SELLER will immediately notify the prospective purchasers and BROKER of the same in writing. SELLER shall allow the Broker to show the PROPERTY at reasonable times and upon reasonable notice and SELLER agrees to commit no act which might limit the BROKER'S performance hereunder. In consideration for SELLER's agreement set forth above, BROKER further agrees to use diligence in locating a purchaser for the PROPERTY.
3. EFFECTIVE DATES. This agreement shall be in effect from January 30, 2015 through January 30, 2016 ("TERM"). Upon full execution of a Purchase and Sale Agreement for the PROPERTY, all rights and obligations of this Agreement will extend through the date of closing. The professional fee as described above shall also be due if the PROPERTY is under contract for sale, or has been sold, conveyed, exchanged or otherwise transferred within 12 months after the expiration or rescission of this Agreement to anyone whom BROKER has procured and whose name was disclosed to SELLER during the TERM of this Agreement or within ten (10) days after the expiration or rescission of this Agreement. The term "procure" shall mean and shall include, but not be limited to, providing information about the PROPERTY, showing the PROPERTY, or presenting offers on the PROPERTY. This Agreement shall be binding upon SELLER's administrators, executors, heirs and any other authorized representatives.
4. COOPERATION ARRANGEMENTS. SELLER understands that BROKER and all real estate licensees in the BROKER's firm represent the SELLER and shall act solely as the agent of the SELLER, unless otherwise agreed upon by SELLER and BROKER. SELLER is hereby notified that SELLER may be liable for the acts of the licensees within the BROKER's firm who are acting within the scope of this Exclusive Right to Sell Agreement.

SELLER understands that BROKER may cooperate with salespersons and brokers from other real estate firms and may authorize the following forms of cooperation:

- (a) Cooperate with licensees from other firms who accept BROKER'S offer of subagency.

BROKER'S policy is to compensate the subagent a % commission of the contract price or

(check one box) ☐ Yes ☐ No ☒ Not Offered by BROKER

Pursuant to the requirements of New Hampshire RSA 331-A:25-b(1)(b)(4), SELLER is hereby notified that SELLER may be liable for the acts of the BROKER and any sub-agents who are acting on behalf of the SELLER when the principal broker or sub-agent is acting within the scope of this Exclusive Right to Sell Agreement.

Handwritten signatures and initials.

(b) Cooperate with licensees from other firms who will represent the interest of the buyer(s).

BROKER'S policy is to compensate the buyer agent a 2.000 % commission of the contract price or

(check one box) ☒ Yes ☐ No ☐ Not Offered by BROKER

(c) Cooperate with licensees from other firms who are not acting on behalf of the consumer either as a seller agent or buyer agent.

BROKER'S policy is to compensate brokers acting as facilitators a 2.000 % commission of the contract price or

(check one box) ☒ Yes ☐ No ☐ Not Offered by BROKER

(d) Cooperation arrangements or other provisions of this Agreement that differ from above will be detailed under Section 8 "ADDITIONAL PROVISIONS."

If none of the above boxes are checked "Yes", the PROPERTY cannot be placed in MLS per MLS by-laws. Section 6 of this Agreement lists other means of marketing the PROPERTY for sale or exchange.

5. DISCLOSED DUAL AGENCY. SELLER acknowledges that real estate agents may represent both the BUYER and SELLER in a transaction but only with the knowledge and written consent of both the BUYER and SELLER. If the agent obtains written consent to represent both SELLER and the BUYER, there is a limitation on agent's ability to represent either party fully and exclusively. Information obtained within the confidentiality and trust of the fiduciary relationship with one party must NOT be disclosed to the other party without prior written consent of the party to whom the information pertains.

If SELLER would like the property shown to buyers who are also represented by the BROKER, the potential for dual agency exists. In the event BROKER operates under a dual agency practice, then SELLER must select one of the options immediately below and either consent to BROKER's dual agency showings or withhold such consent at this time.

☐ SELLER hereby consents to dual agency showings. SELLER will be asked to sign a separate Dual Agency Informed Consent Agreement prior to considering an offer to purchase the property.

☐ At this time, SELLER does not consent to dual agency showings.

SELLER

DATE

SELLER

DATE

☒ Not applicable - BROKER does not practice dual agency.

6. SELLER authorizes BROKER to market the PROPERTY as follows:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Place a marketing sign on the property |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | PROPERTY will be advertised at BROKER'S discretion |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | Lock box may be placed on the property |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | A key to the building will be on file with BROKER |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | May submit the property listing data to commercial property databases and other databases to which the BROKER may subscribe |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Exterior pictures of the property may be taken |
| <input type="checkbox"/> Yes <input type="checkbox"/> No | Interior pictures of the property may be taken |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | Disclose existence of other offers |

Handwritten signatures and initials

SELLER represents and warrants that the PROPERTY ☐ is / ☒ is not utilized as SELLER's residence.

If the property is used as the SELLER's residence, does any person other than the SELLER possess homestead rights? ☐ Yes ☐ No

7. FORFEITED DEPOSITS: Any forfeited deposits shall be divided between the BROKER and the SELLER N/A to the BROKER (but not to exceed the compensation agreed upon herein) and the balance to the SELLER.

8. ADDITIONAL PROVISIONS:

All offers are subject to the following conditions:

1) First right of refusal to purchase the property by the Town where the property is located, the New Hampshire Housing Finance Authority and other State and County agencies. If one of these entities were to purchase the parcel, the transaction will be handled by the Department of Transportation and no commission will be paid to the realtor.

2) Sale subject to approval by the Governor and Executive Council

3) In addition to the purchase price, the buyer will be subject to an additional Administrative Fee of \$1,100.00 at closing.

This Agreement constitutes the entire Agreement between the parties relating to the subject thereof, and any prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this Agreement. The PROPERTY will be offered pursuant to Fair Housing Regulations, without respect to race, color, religion, sex, mental and/or physical disability, familial status, sexual orientation, age or national origin. This Agreement shall be governed by and construed in accordance with the laws of the State of New Hampshire, excluding its choice of law rules or rulings.

(I) (WE) HEREBY ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT AND AGREEMENT TO BE BOUND BY ITS TERMS.


SELLER 2/4/15
Date

SELLER _____ Date _____

ADDRESS _____

ADDRESS _____

CITY/STATE/ZIP _____

CITY/STATE/ZIP _____

HG Johnson Real Estate
BROKER


BY 2-6-15 HGD
Date
HG Johnson

PO Box 10234

Principal Broker / Owner

ADDRESS _____

TITLE _____

Swanzey, NH 03446

CITY/STATE/ZIP _____

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

FROM: Charles R. Schmidt, PE
Administrator



DATE: May 26, 2016

AT: Dept. of Transportation
Bureau of Right-of-Way

SUBJECT: Sale of State Owned Land with Improvement in Windham
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 enter into a listing agreement for a term of one (1) year with NAI Norwood Group for the sale of a 3.6 +/- acre parcel of State owned land improved with a single family residence located at 72 Range Road in the Town of Windham by amending Item LRCP 16-012 (which was previously approved by the Long Range Capital Planning and Utilization Committee on May 10, 2016) to change the real estate commission from 5% to the following real estate commission: First \$500,000.00 of sales price: 6%, \$500,000.01 and above of sales price : 5%, subject to the conditions as specified in this request.

EXPLANATION

The Department of Transportation wishes to sell this parcel of State owned land improved with a single family residence located at 72 Range Road in the Town of Windham.

This property was acquired in 2006 for the Salem-Manchester, 10418C project which is widening Interstate 93 through the area.

Conditions of the sale will include:

- Access will be provided to the parcel from both Range Road and the Relocated NH Route 111A. Relocated NH Route 111A will have a raised concrete median island down the center of the roadway restricting left turning movement from and to the parcel along Relocated NH Route 111A.
- The parcel will be sold with the one single family residence located at 72 Range Road. The Commercial Building currently located on the property at 70 Range Road will be removed by the Department prior to the sale of this property.
- The purchaser of this parcel would at their expense have a survey plan prepared by a Licensed Land Surveyor describing the parcel being sold, and record this plan in the Rockingham County Registry of Deeds. The Department will use this plan to prepare deeds for the sale of this parcel.

The need for the 3.6 +/- acre parcel with improvement has been reviewed by the Department, which has determined that the subject parcel and improvement is surplus to our operational needs and interest for the purpose of disposal.

This Committee at their May 10, 2016 meeting (LRCP 16-012) approved the enter into a listing agreement for a term of one (1) year for the sale of this property with NAI Norwood with the real estate commission of 5% for the sale of a 3.6 +/- of an acre parcel of State owned land improved with a single family residence for \$725,000.00. In addition, the Department will assess an additional Administrative Fee of \$1,100.00 to the purchase price.

As the Department was working with NAI Norwood to enter into a listing agreement for marketing this property for sale, it was discovered that the sales commission submitted by the Department was incorrect.

When the request for market analysis was sent to prequalified realtors for this parcel, the proposed real estate commission to be paid to the realtor when the sale of this parcel was completed was as follows:

First \$500,000.00 of sales price:	6%
\$500,000.00 and above:	5%

Normally the Department would pay a 5% commission when the Department would be marketing a residential property. While this property does have a single family residence on this, this property is zoned Gateway Commercial District and would be marketed as commercial land. The Department would customarily pay a 6% commission on the marketing on vacant land. Due to the value of this parcel, the proposed commission is on a sliding scale.

As part of the listing agreement with the selected realtor, it will be specified that the Department will be required to offer the property to the following entities as part of the real estate sale process:

1. NH Housing Finance Authority
2. Town of Windham

It will also be specified in the listing agreement that the selected real estate firm will not collect a commission for sales to any of the above-listed entities, or any State agency that may express interest in the property.

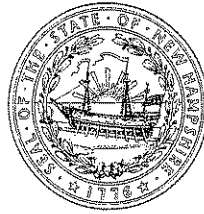
Authorization is requested from the Committee to enter into a listing agreement with NAI Norwood Group for the sale of a 3.6 +/- acre parcel improved with a single family residence in Windham at a value of seven hundred twenty-five thousand (\$725,000.00) dollars for a term of one (1) year, with a real estate commission of the first \$500,000.00 of sales price: 6%, \$500,000.01 and above of sales price: 5% as described above, allowing negotiating within the Committee's current policy guidelines, and if a willing buyer is found to sell this parcel as stated above, subject to Governor and Executive Council approval.

CRS/PJM/jl
Attachments

MAY 11 2016

RECEIVED

LRCP 16-012



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

CHRISTOPHER M. SHEA, 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

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

May 10, 2016

Charles R. Schmidt, P.E., Administrator
Department of Transportation
Bureau of Right-of-Way
John O. Morton Building
Concord, New Hampshire 03301

Dear Mr. Schmidt,

The Long Range Capital Planning and Utilization Committee, pursuant to the provisions of RSA 4:39-c, on May 10, 2016, approved the request of the Department of Transportation, Bureau of Right-of-Way, to enter into a listing agreement for a term of one (1) year with NAI Norwood Group for the sale of a 3.6 +/- acre parcel of State owned land improved with a single family residence located at 72 Range Road in the Town of Windham for \$725,000, assess an Administrative Fee of \$1,100, and allow negotiations within the Committee's current policy guidelines, subject to the conditions as specified in the request dated April 18, 2016.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael W. Kane".

Michael W. Kane
Legislative Budget Assistant

MWK/pe
Attachment

LRCP 16-012

STATE OF NEW HAMPSHIRE
INTER-DEPARTMENT COMMUNICATION

FROM: Charles R. Schmidt, PE
Administrator



DATE: April 18, 2016

AT: Dept. of Transportation
Bureau of Right-of-Way

SUBJECT: Sale of State Owned Land with Improvement in Windham
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 enter into a listing agreement for a term of one (1) year with NAI Norwood Group with the real estate commission of 5% for the sale of a 3.6 +/- acre parcel of State owned land improved with a single family residence located at 72 Range Road in the Town of Windham for \$725,000.00, assess an Administrative Fee of \$1,100.00, and allow negotiations within the Committee's current policy guidelines, subject to the conditions as specified in this request.

EXPLANATION

The Department of Transportation wishes to sell this parcel of State owned land improved with a single family residence located at 72 Range Road in the Town of Windham.

This property was acquired in 2006 for the Salem-Manchester, 10418C project which is widening Interstate 93 through the area.

Conditions of the sale will include:

- o Access will be provided to the parcel from both Range Road and the Relocated NH Route 111A. Relocated NH Route 111A will have a raised concrete median island down the center of the roadway restricting left turning movement from and to the parcel along Relocated NH Route 111A.
- o The parcel will be sold with the one single family residence located at 72 Range Road. The Commercial Building currently located on the property at 70 Range Road will be removed by the Department prior to the sale of this property
- o The purchaser of this parcel would at their expense have a survey plan prepared by a Licensed Land Surveyor describing the parcel being sold, and record this plan in the Rockingham County Registry of Deeds. The Department will use this plan to prepare deeds for the sale of this parcel

The need for the 3.6 +/- acre parcel with improvement has been reviewed by the Department, which has determined that the subject parcel and improvement is surplus to our operational needs and interest for the purpose of disposal.

In accordance with Tra 1000, "Process for Marketing and Sale of State Owned Property Utilizing Real Estate Professionals," and Tra 1003.03 (Selection Process), all pre-qualified Realtors in Region 4 (Rockingham and Strafford Counties) were sent a request to submit a market analysis for the subject property at a set real estate commission of 5%. Based on this request, the Department received responses from seven (7) firms. Data from each market analysis is listed below as follows:

T:\PROPMNGT\2016\Long Range\WindhamShelton0329.doc

NAI Norwood Group 116 South River Road Bedford NH 03110	\$586,500.00 - \$685,000.00
Berkshire Hathaway Verani Realty One Verani Way Londonderry NH 03053	\$595,000.00
CB Richard Ellis/ New England 2 Wall Street, 2 nd floor Manchester NH 03101	\$750,000.00
KW Commercial 168 South River Road Bedford NH 03110	\$728,000.00
Shea Commercial Properties Inc. 88 Stiles Road, Suite 204 Salem NH 03079	\$625,349.00
Coldwell Banker Commercial 4 Nashua Road Londonderry NH 03038	\$576,500.00- \$685,000.00
Paul McInnis Inc. 1 Juniper Road North Hampton NH 03862	\$475,000.00
State Appraisal	\$675,000.00- \$750,000.00

In accordance with Tra 1003.03, the Pre-qualification Committee reviewed the above information and also interviewed each of the firm concerning the sale of this property. Following this, the Pre-qualification Committee and selected NAI Norwood Group to market this property for the Department. After further discussions with the NAI Norwood Group concerning the property, it was felt that a value of seven hundred twenty five thousand (\$725,000.00) dollars was an appropriate value for this property.

As part of the listing agreement with the selected realtor, it will be specified that the Department will be required to offer the property to the following entities as part of the real estate sale process:

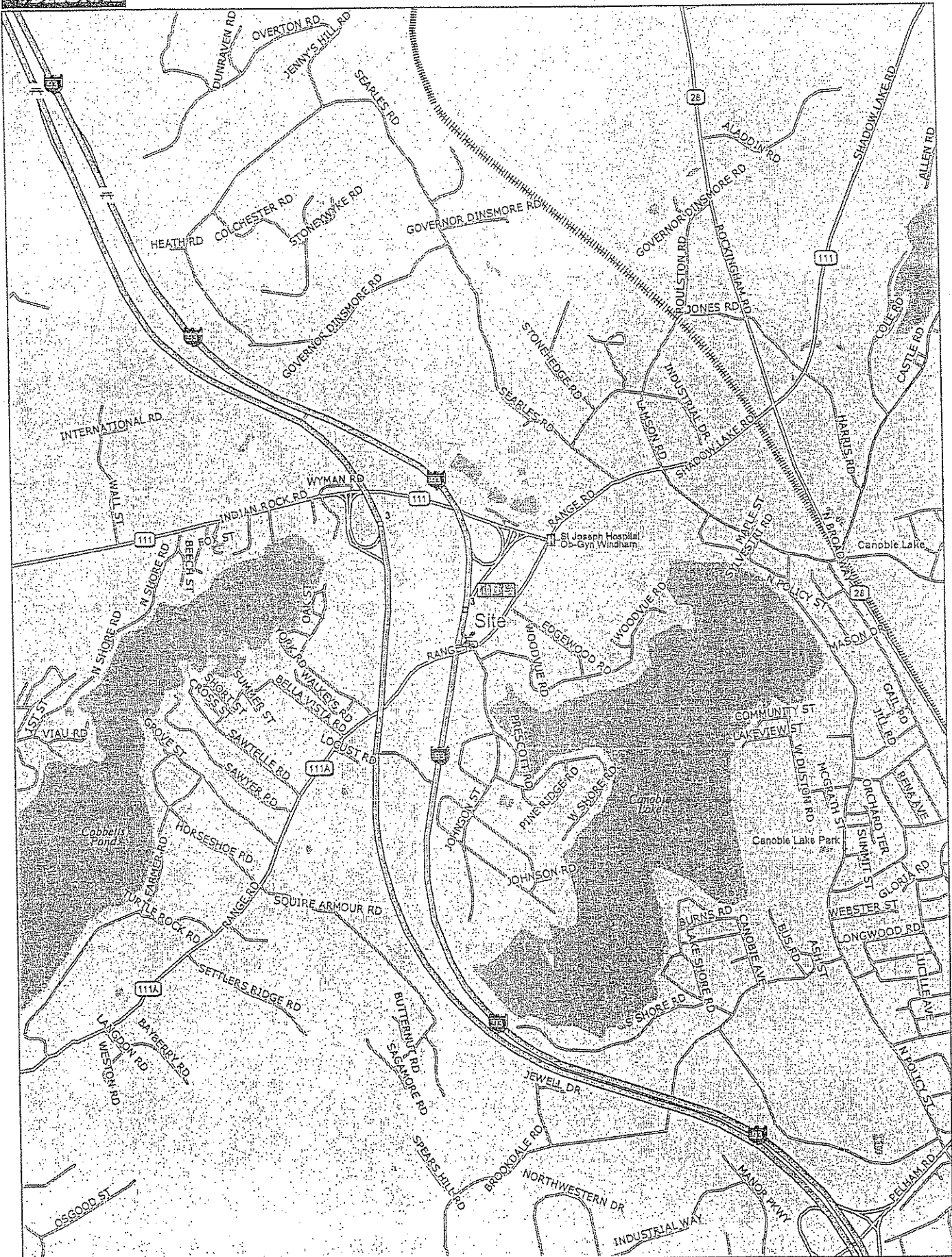
1. NH Housing Finance Authority
2. Town of Windham

It will also be specified in the listing agreement that the selected real estate firm will not collect a commission for sales to any of the above-listed entities, or any State agency that may express interest in the property.

In addition, the Department will assess an additional Administrative Fee of \$1,100.00 to the purchase price.

Authorization is requested from the Committee to enter into a listing agreement with NAI Norwood Group for the sale of a 3.6 acre parcel improved with a single family residence in Windham at a value of seven hundred twenty-five thousand (\$725,000.00) dollars for a term of one (1) year, with a real estate commission of 5% as described above, allowing negotiating within the Committee's current policy guidelines, and if a willing buyer is found to sell this parcel as stated above, subject to Governor and Executive Council approval.

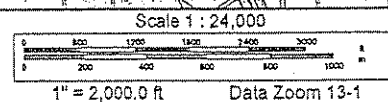
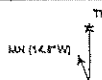
CRS/PJM/jl
Attachments



Data use subject to license.

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www.delorme.com



I-93 NB	
AVERAGE DAILY TRAFFIC 20 15	49,800
AVERAGE DAILY TRAFFIC 20 25	67,900
PERCENT OF TRUCKS	4%
DESIGN SPEED	70 mph
LENGTH OF PROJECT	22,802 ft

STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION
CONSTRUCTION PLANS

I-93 SALEM - MANCHESTER CORRIDOR WIDENING

BI-A000(128)

N.H. PROJECT NO. 13933-H

I-93 NB, I-93 NB OFF RAMP, I-93 NB ON RAMP,
NH RTE 111, NH RTE 111A, NH ROUTE 111A CONNECTOR

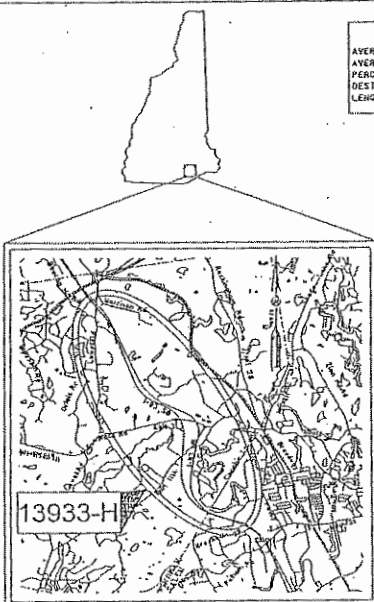
I-93 NB OFF RAMP		I-93 NB OFF SLIP RAMP	
AVERAGE DAILY TRAFFIC 20 15	14,400	AVERAGE DAILY TRAFFIC 20 15	5,800
AVERAGE DAILY TRAFFIC 20 25	19,400	AVERAGE DAILY TRAFFIC 20 25	1,800
PERCENT OF TRUCKS	6%	PERCENT OF TRUCKS	4%
DESIGN SPEED	40 mph	DESIGN SPEED	30 mph
LENGTH OF PROJECT		LENGTH OF PROJECT	

I-93 NB ON RAMP	
AVERAGE DAILY TRAFFIC 20 15	5,200
AVERAGE DAILY TRAFFIC 20 25	1,800
PERCENT OF TRUCKS	4%
DESIGN SPEED	40 mph
LENGTH OF PROJECT	2,850 ft

I-93 NB ON SLIP RAMP	
AVERAGE DAILY TRAFFIC 20 15	3,600
AVERAGE DAILY TRAFFIC 20 25	4,800
PERCENT OF TRUCKS	4%
DESIGN SPEED	20 mph
LENGTH OF PROJECT	

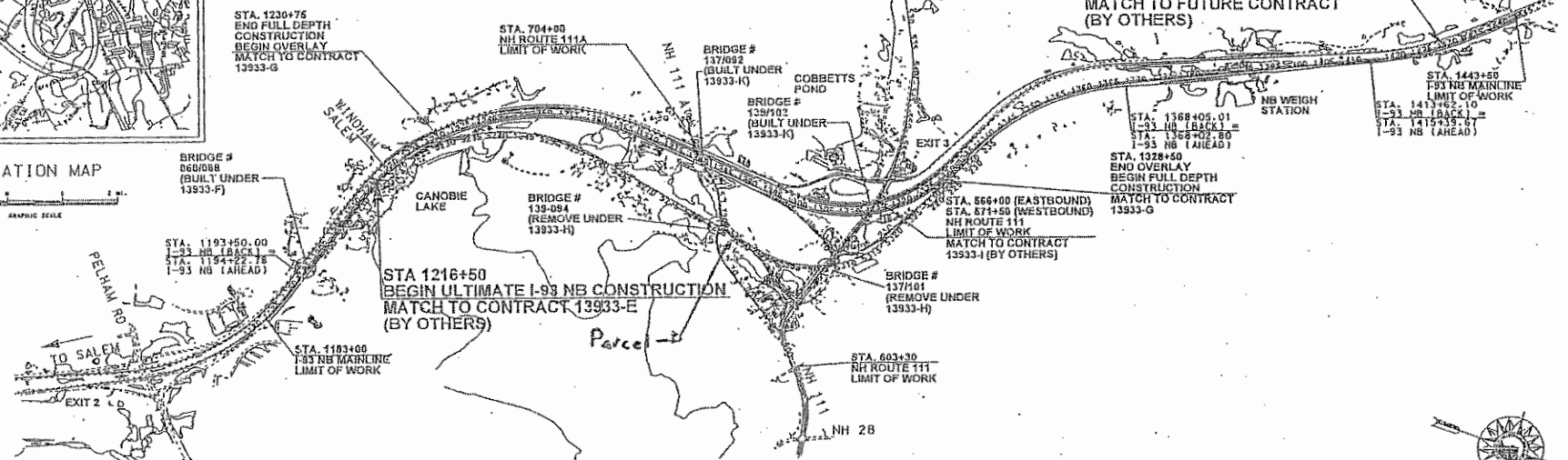
NH RTE 111	
AVERAGE DAILY TRAFFIC 20 15	27,600
AVERAGE DAILY TRAFFIC 20 25	32,700
PERCENT OF TRUCKS	4%
DESIGN SPEED	40 mph
LENGTH OF PROJECT	3,730 ft

VOLUME 1 OF 4
SHEETS 1-374



LOCATION MAP

GRAPHIC SCALE



TOWNS OF SALEM & WINDHAM

COUNTY OF ROCKINGHAM

SCALE: 1"=1,000'

DATE 08/03/2012
DATE 08/03/2012
DRAWN BY NEW
CHECKED BY LSF

HIGHWAY DESIGN (LRB)	HIGHWAY DESIGN (DIA)	LT & SIGNALS (OIR)	SOULHWALLS (HOBIS)	STORMWATER QUALITY DESIGN BMAP 1241, 1245, 1304, 674, 677, 204, 84 (LRG)	STORMWATER QUALITY DESIGN BMAP 1379, 1388, 1389, 1433 (OIR)

NH RTE 111A		NH RTE 111A CONNECTOR	
AVERAGE DAILY TRAFFIC 20 15	10,900	AVERAGE DAILY TRAFFIC 20 15	NA
AVERAGE DAILY TRAFFIC 20 25	14,300	AVERAGE DAILY TRAFFIC 20 25	2,300
PERCENT OF TRUCKS	4%	PERCENT OF TRUCKS	4%
DESIGN SPEED	40 mph	DESIGN SPEED	30 mph
LENGTH OF PROJECT	3,700 ft	LENGTH OF PROJECT	2,350 ft

NH DOT THE STATE OF
NEW HAMPSHIRE
DEPARTMENT OF
TRANSPORTATION

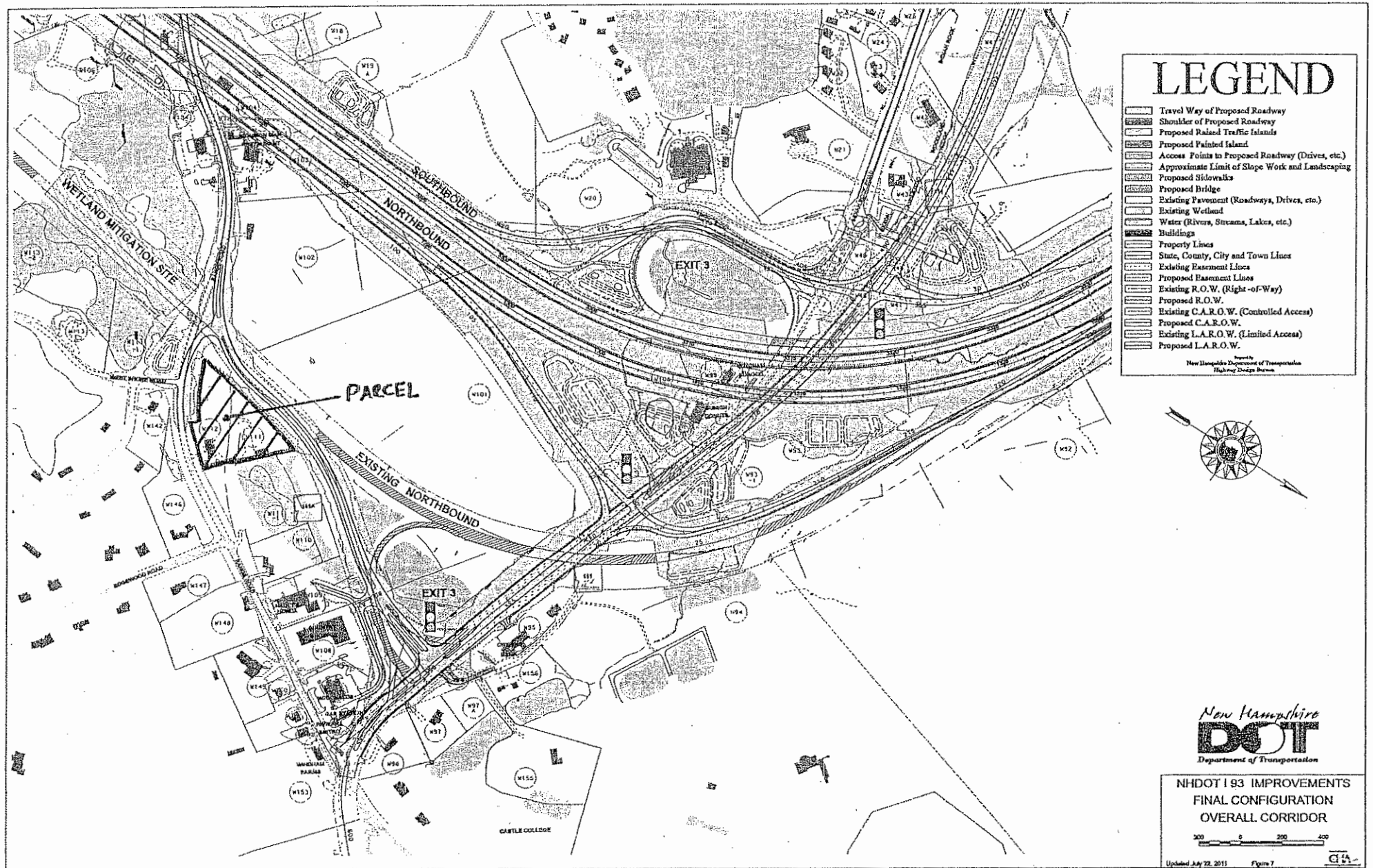
RECOMMENDED FOR APPROVAL

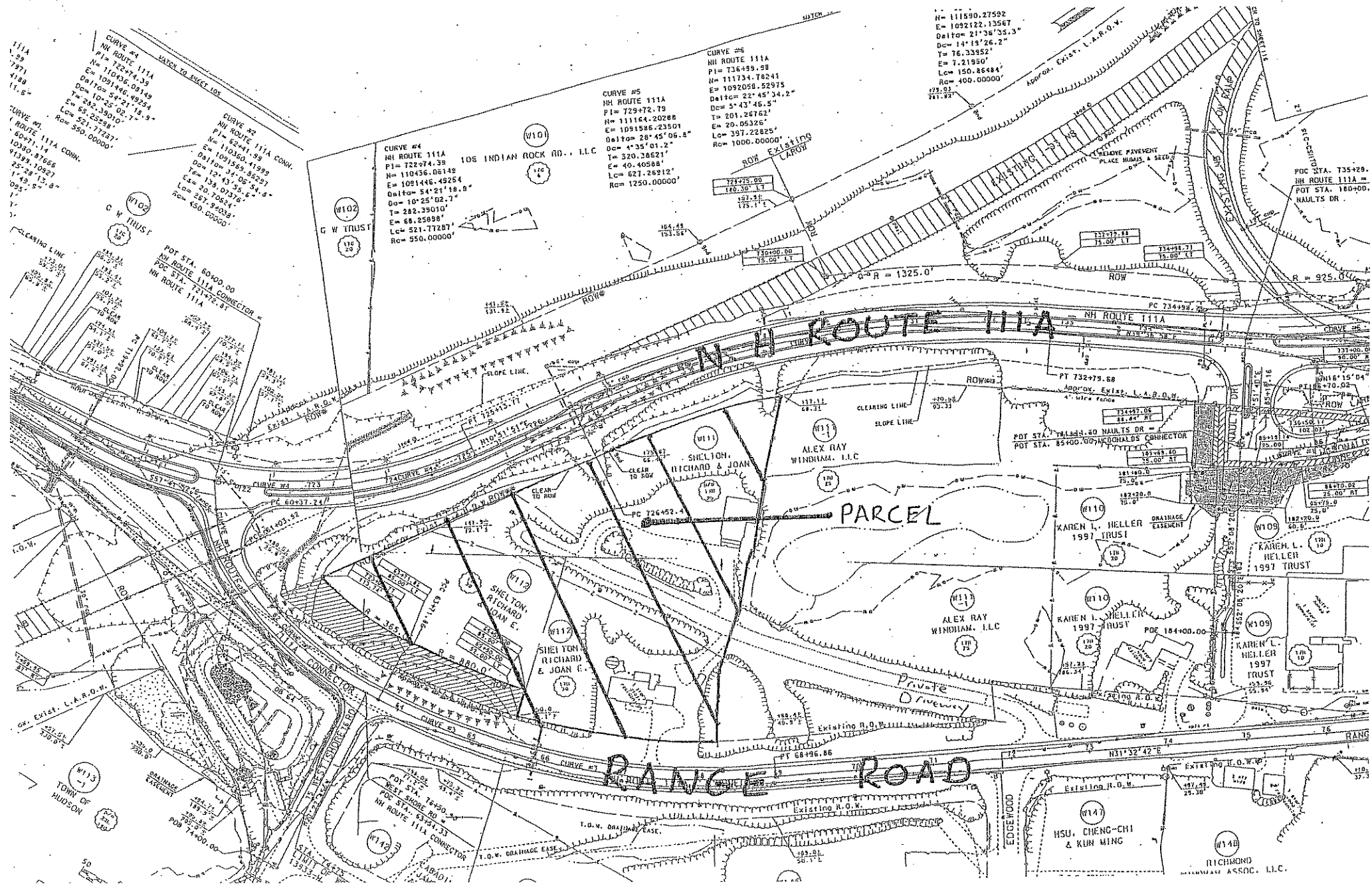
DIRECTOR OF PROJECT DEVELOPMENT DATE

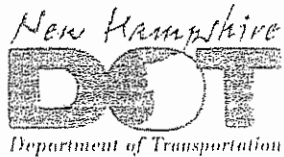
APPROVED:

ASSISTANT COMMISSIONER AND CHIEF ENGINEER DATE

FEDERAL PROJECT NO.	STATE PROJECT NO.	SHEET NO.	TOTAL SHEETS
81-A000(128)	13933-H	1	1142







Victoria F. Sheehan
Commissioner

THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



William Cass, P.E.
Assistant Commissioner

November 9, 2015

Judy Niles-Simmons
NAI Norwood Group
116 South River Road
Bedford, NH 03110

Re: Salem-Manchester 10418C, Parcel W111, W112
Request for Market Analysis, Sale of State Owned Land with Improvements in Windham

Dear Ms. Niles-Simmons:

The State of New Hampshire requests a Market Analysis for the following parcel of State owned land with improvements located in the Town of Windham. This parcel is located at 72 Range Road and consists of a wood-framed ranch style house situated on a 3.84 +/- acre lot. This parcel is shown on Windham Tax Map 17, Block H, Lot 30.

Conditions of the sale include:

- o Access will be provided to the parcel from both Range Road and the Relocated NH Route 111A. Relocated NH Route 111A will have a raised concrete median island down the center of the roadway restricting left turning movement from and to the parcel along Relocated NH Route 111A. An existing driveway that accesses this parcel that travels through the abutting parcel is a private drive and is not a permissible access for this parcel.
- o The parcel will be sold with the one single-family residence located at 72 Range Road. The commercial building currently located on the property at 70 Range Road will be removed by the Department prior to the sale of this property.
- o The purchaser of this parcel would, at their expense, have a survey plan prepared by a Licensed Land Surveyor describing the parcel being sold, and record this plan in the Rockingham County Registry of Deeds. The Department will use this plan to prepare the deed for the sale of this parcel.


The viewing date for this property is scheduled for Thursday, November 19, 2015 from 12:00 pm to 2:00 pm.

Your Market Analysis should meet the requirements listed in Tra 1003.03 Selection Process. A real estate commission, based on the sales price, is proposed to be paid to the selected realtor when the sale is completed as follows:

First \$500,000.00 of sales price:	6%
\$500,000.01 to \$1,000,000.00 of sales price:	5%.
\$1,000,000.01 and above of sales price	4%

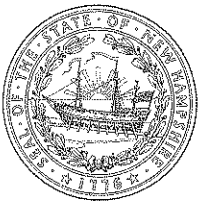
Should you have any questions or comments please feel free to contact me at (603) 271-6917.

Sincerely,



Phillip J. Miles
Chief of Property Management

Bureau of Right-of-Way
JO Morton Building - Room 100
7 Hazen Drive
PO Box 483
Concord, NH 03302-0483
Tel: (603) 271-3222
Fax: (603) 271-6915



State of New Hampshire

LRCP 16-021

DEPARTMENT OF ADMINISTRATIVE SERVICES
OFFICE OF THE COMMISSIONER
25 Capitol Street – Room 120
Concord, New Hampshire 03301

VICKI V. QUIRAM
Commissioner
(603) 271-3201

JOSEPH B. BOUCHARD
Assistant Commissioner
(603) 271-3204

June 1, 2016

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

REQUESTED ACTION

Pursuant to RSA 4:40, the Department of Administrative Services, acting on behalf of the New Hampshire Liquor Commission, requests approval to enter into a marketing agreement with The Norwood Group, Inc. (DBA "NAI Norwood Group"), allowing negotiations within the Committee's current policy guidelines, for a term of up to one year to sell the property located at 13 West Street in the Town of Ashland (including a single-story concrete block commercial retail building with approximately 3,600 square feet of space and approximately 0.41 acres of land) for \$1,100,000 plus an administrative fee of \$1,100.

EXPLANATION

The subject property (the "Property") is comprised of a parcel of land approximately 0.41 acres in size at the intersection of West Street and U.S. Route 3, New Hampshire State Liquor Store #46, a single-story concrete block retail building with approximately 3,600 square feet of space that was originally constructed in 1967, and a paved surface parking lot on three sides of—and immediately adjacent to—the building. The Property is located at 13 West Street in Ashland, New Hampshire (Tax Map 4, Block 3, Lot 7) and includes both access and parking easements over the abutting parcel, which currently hosts an Irving station and a Circle K convenience store. As of the date of this request the liquor store continues to operate on the Property, but the Liquor Commission (the "NHLC") is preparing to discontinue operations on site within the next month or so. The Property enjoys a prime location within full view of Interstate 93 directly adjacent to Exit 24. The NHLC will no longer have any need or use for the Property after it has been vacated. The Department has been asked by the NHLC to dispose of the Property by sale on its behalf.

On March 23, 2016, the Department issued a Request for Proposal to Provide Real Estate Services ("RFP"). The RFP was posted on the Department's Current Bidding Opportunities web site and was advertised in the Manchester Union Leader March 23-25, 2016 and by a direct email solicitation sent to over thirty-five (35) real estate brokers licensed by the New Hampshire Real Estate Commission. In response to the RFP the Department

received only one conforming proposal. The proposal included a proposed commission rate of 6%.

The sole proposal was submitted by The Norwood Group, Inc. (DBA NAI Norwood Group) ("Norwood"). Norwood has worked with the Department before, having successfully marketed two other surplus State properties over the past three years. As a result of Norwood's qualifications and experience with other surplus State properties, the Department is satisfied with the results of the RFP notwithstanding the low rate of response. Therefore, the Department proposes to enter into an exclusive listing agreement with Norwood to sell the Property for \$1,100,000. The Department proposes this price at the behest of the NHLC, which has indicated its firm belief that one or more national restaurant chains would be willing to pay that amount for the Property.

The marketing agreement will specify that the Department is required to offer the Property to the Town of Ashland at the sale price approved by the Long Range Capital Planning and Utilization Committee as part of the statutory disposal process, and that the real estate broker will not receive any commission for a sale to the Town of Ashland or the County of Grafton.

Authorization is hereby requested: to enter into an exclusive marketing agreement with a maximum term of one (1) year that will be subject to final approval by the Governor and Executive Council for the sale of the Property at or above the proposed sale price and subject to the conditions outlined above; to pay from the proceeds of such sale a commission to the selected broker at the rate of six percent (6%) of the sale price; and to retain for the Department together with the proceeds of such sale an administrative fee of \$1,100, or such larger amount as the Committee may deem appropriate, in accordance with RSA 4:40, III-a.

Respectfully submitted,

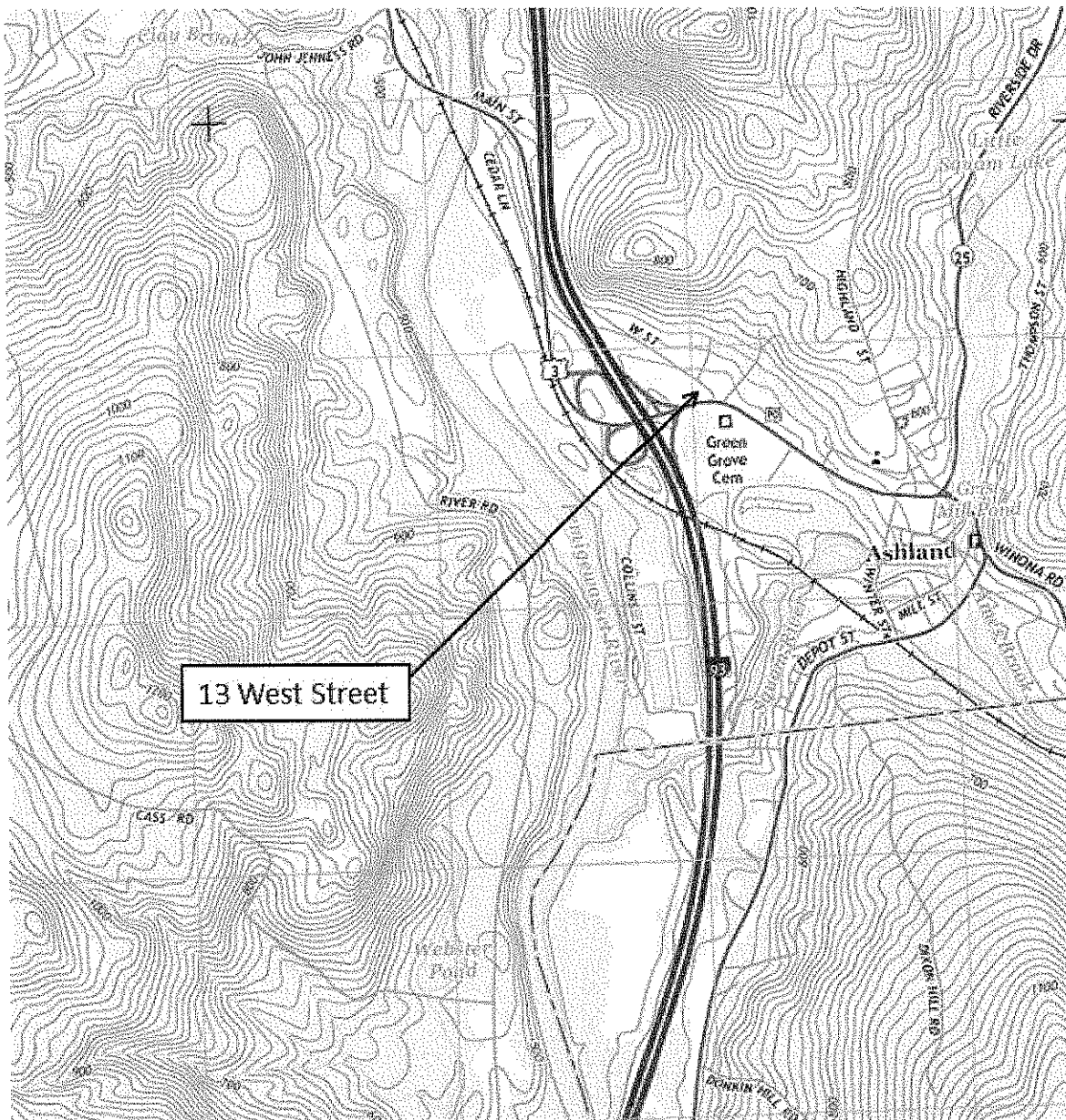


Vicki V. Quiram
Commissioner

Attachments

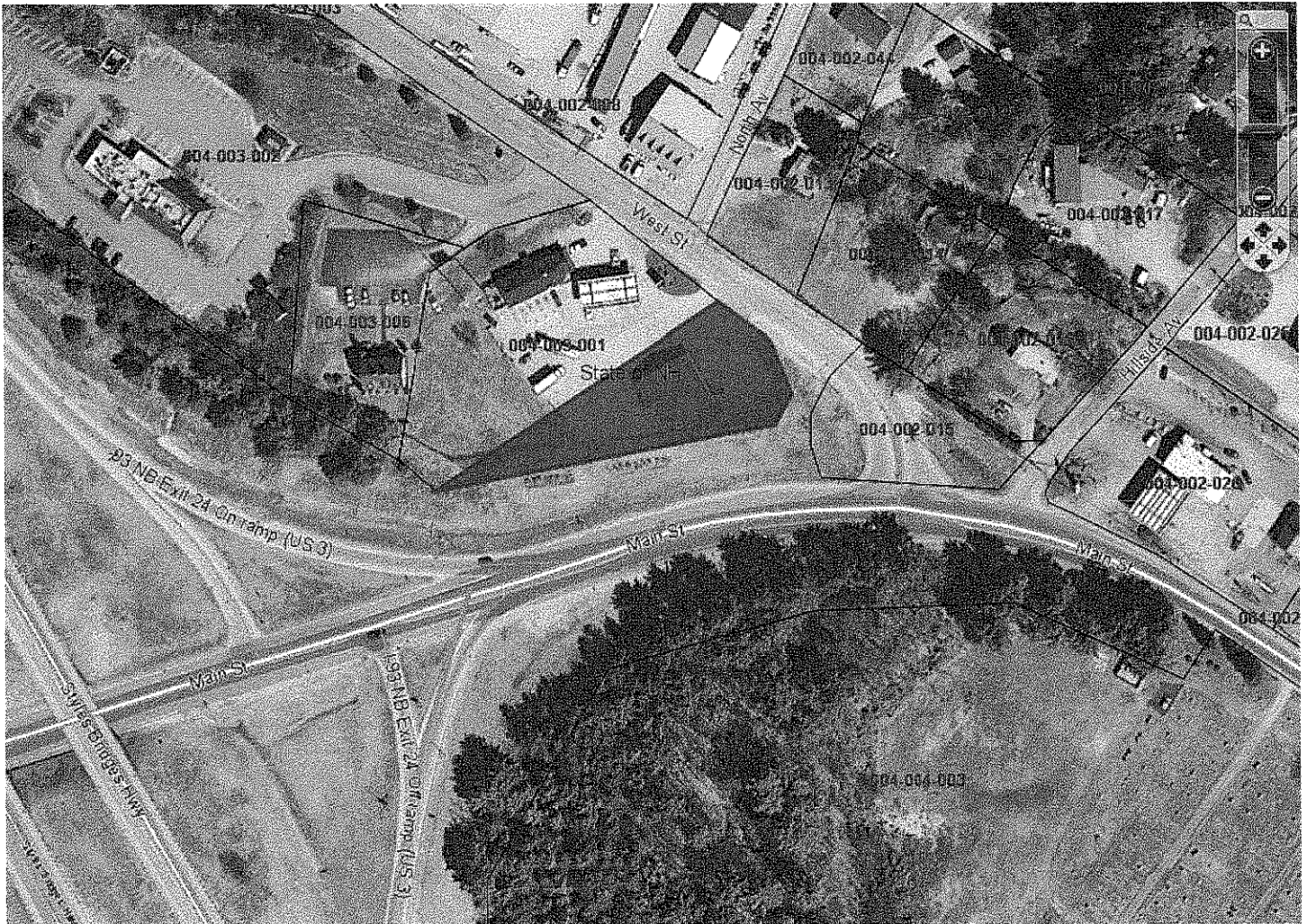
LIST OF EXHIBITS

1. Location map
2. Aerial view of parcel showing tax parcel boundaries
3. Aerial view of building
4. Subdivision plat circa 1975 showing current parcel boundaries
5. Council on Resources and Development (CORD) final action memo



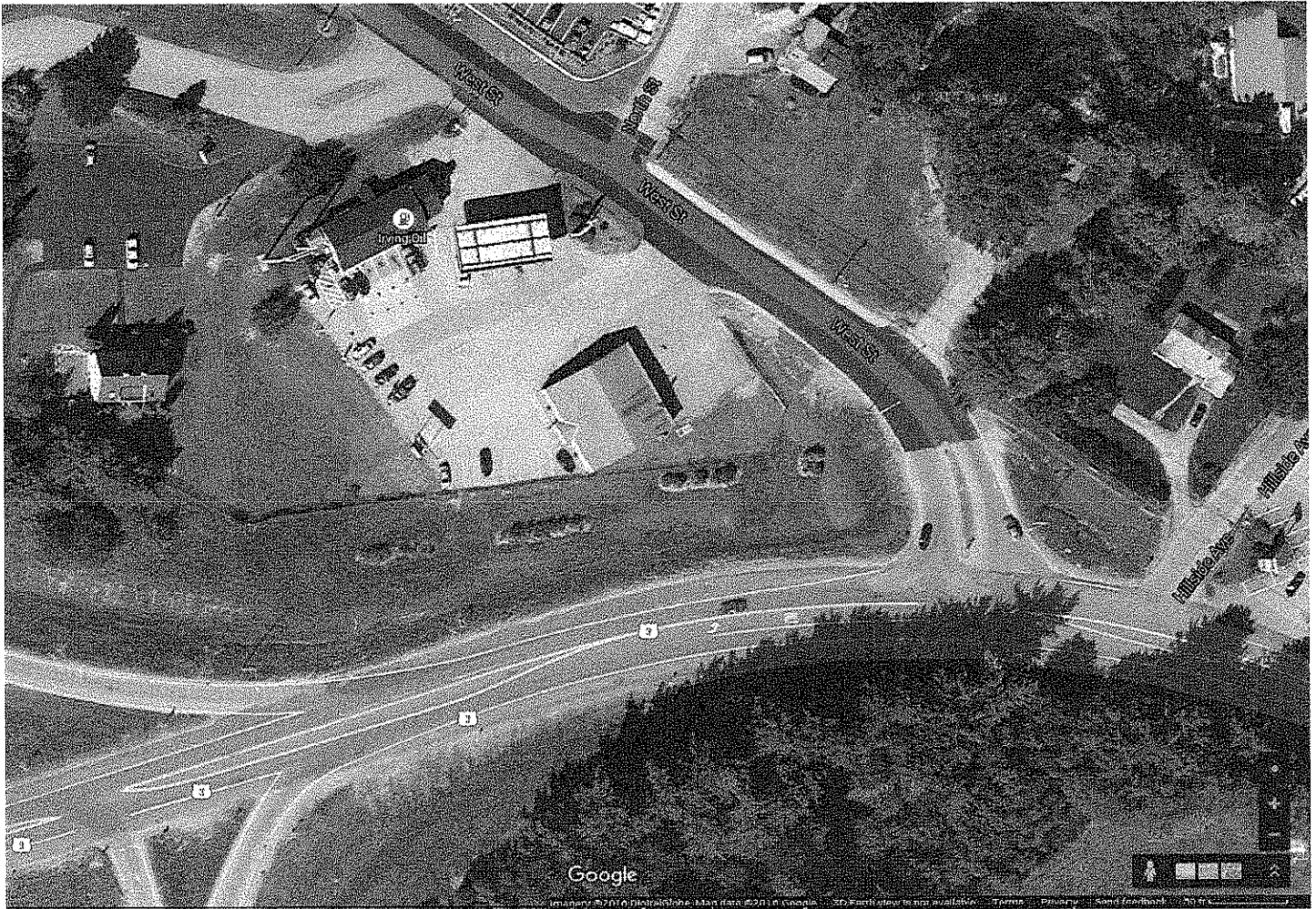
Ashland Liquor Store (#46)
13 West Street
Ashland, New Hampshire

USGS Ashland Quadrangle



**Ashland Liquor Store (#46)
13 West Street
Ashland, New Hampshire
(Tax Map 4, Block 3, Lot 7)**

**Aerial View
(showing tax parcel boundaries in black and subject parcel shaded in blue)**



**Ashland Liquor Store (#46)
13 West Street
Ashland, New Hampshire**

**Aerial Photo of Facility
(shown at center above)**

n/f HOWARD D. JOHNSON, Co.

150.00'
S 75° 43' 50" W

EXIST. BLDG.

U.S. RTE. 3
N 40° 19' 19" W
200.00'

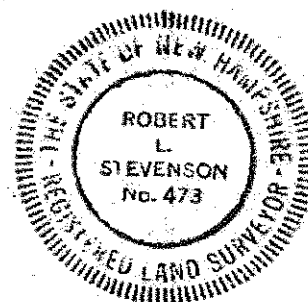
HARRY A. WALLACE
AREA = 1.41 ACRES ±

SCALE: 1" = 50'

AREA = 17,910 SF ± (0.41 AC)

N.H.S.L.C.
BLDG.

LAND OF STATE
OF N. H.



PROPOSED SUBDIVISION OF LAND OF
HARRY A. WALLACE
IN
ASHLAND, N. H.
(GRAFTON COUNTY)

NOTE: Based on original survey by TROJANO, Jan, 1966.
with additional detail by STEVENSON by swing ties.

New Hampshire Council on Resources and Development

NH Office of Energy and Planning
107 Pleasant Street, Johnson Hall
Concord, NH 03301
Phone: 603-271-2155
Fax: 603-271-2615



TDD Access: Relay NH
1-800-735-2964

MEMORANDUM

TO: Commissioner Vicki V. Quiram
Department of Administrative Services

FROM: Susan Slack, Principal Planner *Susan Slack*
NH Office of Energy and Planning

DATE: May 13, 2016

SUBJECT: Surplus Land Review, SLR 16-002-Ashland

On May 12, 2016, the Council on Resources and Development (CORD) took action on the following Surplus Land Review application:

Request from the Department Administrative Services, on behalf of the NH Liquor Commission, to dispose of by sale the Ashland Liquor Store property located at the intersection of U.S. Route 3 and West Street in Ashland, consisting of approximately 0.41 acres, a single-story concrete block commercial retail building with approximately 3,600 square feet of interior space, and pavement on three sides of the building for vehicular access and parking.

CORD members voted to RECOMMEND APPROVAL OF SLR 16-001 as submitted.

cc: Jared Nylund, NH Department of Administrative Services
Meredith Hatfield, Director, NH Office of Energy and Planning
Chair, Long Range Capital Planning and Utilization Committee



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ADMINISTRATIVE OFFICE

45 SOUTH FRUIT STREET
CONCORD, NH 03301-4857



LRCP 16-022

GEORGE N. COPADIS, COMMISSIONER

RICHARD J. LAVERS, DEPUTY COMMISSIONER

June 3, 2016

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 authorization to amend the selling price for NHES-owned properties located at 300 Hanover Street and 436 Maple Street in Manchester, New Hampshire to \$1,250,000.00, which is more than ten (10) percent below the \$1,520,000.00 amount approved by the Long Range Capital Planning and Utilization Committee ("LRCPUC") on February 17, 2016 (LRCP #16-005), and requests authorization to amend that the additional \$1,100.00 administrative fee pursuant to RSA 4:40, III-a be collected only once and not for each property as previously approved by the LRCPUC on February 17, 2016 (LRCP #16-005), and to sell the properties to George R. Attar ("the Buyer.")

EXPLANATION AND SUMMARY

NHES received approval from the LRCPUC on February 17, 2016 to market and sell 300 Hanover Street and 436 Maple Street in Manchester, New Hampshire for their updated, appraised values of \$1,425,000.00 and \$95,000.00, respectively, or higher. (A previous approval was granted on September 18, 2012 to sell the properties for their then market value.) Following the LRCPUC's most recent approval, a solicitation for offers was advertised and conducted with the assistance of a licensed real estate brokerage firm, NAI Norwood Realty. As a result of that process, NHES received bids and has reached a tentative agreement to sell both properties to the Buyer, George R. Attar, who will be purchasing the properties through a Limited Liability Company based in Manchester, New Hampshire.

The proposed combined sales price of \$1,250,000.00 is more than 10% below the previously approved sales prices for the properties. The Department believes that the offer submitted by the Buyer represents fair market value based on the fact that the Department has attempted to sell the 300 Hanover Street property twice previously. Although two previous, higher offers were received, neither the offers nor the resulting agreements culminated in a sale of the property.

Long Range Request Letter
Page 2

The offer received from the Buyer is the only one that the Department has received since 2014. In addition, NHES intends to lease back property for its Manchester Local Office from the Buyer and will benefit from the additional parking afforded by keeping 436 Maple Street in common ownership with 300 Hanover Street.

Prior to signature and execution, the Office of the Attorney General will review and approve the attached proposed Purchase and Sale Agreement. Your favorable consideration of the Department's proposed action is requested.

Please don't hesitate to contact me with any questions or concerns.

Respectfully submitted,



Richard J. Lavers
Deputy Commissioner

PURCHASE AND SALE AGREEMENT

This Agreement is dated this _____ day of _____, 2016, 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 300 Hanover Street LLC, having an address of 920 Candia Road, Manchester, New Hampshire 03109 (the "Buyer").

Reference is made to the following facts:

A. Seller is the owner of an approximately 1.18 acre parcel of land with the buildings and improvements thereon located at 300 Hanover Street, Manchester, New Hampshire, originally conveyed to the Seller by Warranty Deed recorded in the Hillsborough County Registry of Deeds at Book 5972, Page 1084, together with all buildings and improvements thereon. Seller is also the owner of an approximately 0.16 acre unimproved parcel of land located at 436 Maple Street, Manchester, New Hampshire, originally conveyed to the Seller by Warranty Deed recorded in the Hillsborough County Registry of Deeds at Book 6381, Page 1777, and currently configured as a parking lot. (Collectively referred to herein as "the Real Estate").

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 on February 17, 2016. 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 approval by LRCPUC of the revised sales price, which is more than 10% below the sales price approved on February 17, 2016, the City of Manchester'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, and final approval by Governor and Council.

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 Real Estate shall be ONE MILLION TWO HUNDRED FIFTY THOUSAND Dollars and no/cents (\$1,250,000.00), 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) THIRTY SEVEN THOUSAND FIVE HUNDRED Dollars (\$37,500.00) will be paid to the Seller as a deposit within fourteen (14) 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, specifically including consummation of a lease agreement as contemplated at Paragraph 13(h) herein. 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 a 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, or, if the period for some contingency or condition precedent of this Agreement has not yet passed or been waived, at some other mutually acceptable time and location (the "Closing Date"), TIME BEING OF THE ESSENCE. The Closing shall occur at the offices of the Seller, 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 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 assignee or 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; 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 30 days from the execution of this Agreement by Buyer and Seller to conduct an examination of title at Buyer's sole cost. If, due to no fault of the Buyer, the title examination is unlikely to be completed within said 30 days, then the Buyer may request, and the Seller will grant, an additional 14 days to complete the examination. 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 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 (without exception for said adverse material change). 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 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 in broom clean condition, free of all personal property and furnishings other than as expressly agreed by the parties.

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. Seller will also make reasonable efforts, as necessary, to proceed with obtaining appropriate authorization(s) for the lease back of office space as proposed in the Buyer's Offer, to be further negotiated between Buyer and Seller. In connection with the lease back of office space, NHES may require the incorporation of specific lease terms, including any and all terms set forth in the Standard State Lease, Form P-44, attached as Exhibit 1.

7. Condemnation/Casualty. 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.

Until its conveyance of clear title, Seller shall maintain in force all insurance for the Property at replacement value, or as otherwise agreed by the parties. Risk of loss with respect to the Property shall remain with Seller until its conveyance of clear title, and in the event of any casualty prior to the conveyance, Buyer shall have the option to cancel its acquisition of the Property with the return of its deposit in full, or if not canceled, accept delivery of the Property together with a valid assignment of all insurance proceeds.

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 date of Closing. 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 to terminate this Agreement without further liability hereunder, in which event the Deposit 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. In addition, if and only if all of the conditions set forth in Paragraph 14, subparagraphs (b), (c), and (d) of this Agreement have been satisfied, the Buyer may seek such remedy as permitted by RSA 491:8 as an additional, alternative remedy to termination if the Seller shall default and the Buyer remains willing to pay the full Purchase Price.

12. Brokerage. Buyer has not been represented by a real estate broker in this transaction. Seller is represented by NAI Norwood of Bedford, New Hampshire and shall be responsible for any fees or commission due to Norwood pursuant to a separate agreement.

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; and

(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.

(h) Seller having entered into a lease agreement with Buyer for Seller's Manchester local office, which shall continue operating at 300 Hanover Street during this transaction. Seller shall notify Buyer in writing at least 30 days prior to the closing if Seller is unable to secure approval for the lease agreement prior to the closing date for the subject property, in which case the closing date may be delayed by 60 days or such longer or shorter duration as mutually agreed to by the Seller and Buyer. If, after such extended period of delay, approval of the lease has still not been secured, then the Buyer may rescind this Agreement and all deposits shall be returned to the Buyer.

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 and all interest 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 Manchester'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, which offer shall be made promptly following Buyer's execution of the Purchase and Sales Agreement and delivery to Seller;

(c) Seller having entered into a lease agreement with Buyer to lease back space for Seller's Manchester Local Office, which shall continue operating at 300 Hanover Street during this transaction. The Seller shall notify the Buyer in writing at least 30 days prior to the closing if Seller is unable to secure approval for a lease agreement, in which case the closing date may be delayed by 60 days or such longer or shorter duration as mutually agreed to by the Seller and Buyer;

(d) final approval by LRCPUC of the sale at the agreed upon consideration and final approval of the transaction by G & C, 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 and all interest 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:

DRAFT

If to Seller: New Hampshire Department of Employment Security
45 South Fruit Street
Concord, New Hampshire 03301
Attn: Richard J. Lavers, Deputy Commissioner

If to Buyer: George R. Attar
920 Candia Road
Manchester, New Hampshire 03109

With Copies to: Jay Printzlau, Esquire
920 Candia Road
Manchester, New Hampshire 03109

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 in fee simple absolute 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.

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. Buyer shall provide Seller with written notice of any assignment or transfer to a successor.

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. Contingencies.

25.1 Buyer's Due Diligence. Upon the execution of this Agreement by the Buyer and Seller, the Buyer shall then have forty-five (45) days to enter the property for the following inspections: Environmental; Physical Inspection; Lead Paint; and Radon. The Seller shall provide Buyer reasonable access to the property during the due diligence period to carry out and conduct the inspections specifically mentioned herein. Such inspections may be conducted during Seller's normal business hours with cooperation by both parties to ensure that there is no unreasonable disruption to Seller's normal business operations. 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 sole discretion of Seller. The Buyer shall perform these investigations at its own risk and at its own expense. The Buyer accepts full responsibility for the use of the property during the inspections and due diligence. If the results of the inspections and due diligence are not satisfactory to Buyer, in Buyer's sole discretion, Buyer shall have the right to terminate, upon written notice to Seller, this Agreement at such time and receive a full return of the Deposit and there shall be no further liability to any party hereto. If Buyer does not provide written notice of objection to Seller prior to the expiration of said forty-five (45) days than any objections

based upon environmental, physical condition, lead paint and/or radon are waived by Buyer.

25.2 Financing. Buyer's performance of this Agreement is contingent upon the receipt of a mortgage financing commitment, approval of which is contingent only upon execution of a lease with Seller and satisfactory results of inspections.

25.3 Permitting. This Agreement is not conditioned upon Buyer's receipt of any land use approvals from the City of Manchester.

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

By: _____

George N. Copadis, Commissioner

Witness

BUYER:

300 Hanover Street LLC

By: _____

George R. Attar
Its: President

Witness

STATE OF NEW HAMPSHIRE
COUNTY OF HILLSBOROUGH

In _____, on the _____ day of _____, 2016,
before me, personally appeared **George R. Attar**, known to me or proved to be the
person named in and who executed the foregoing instrument, and being first duly
sworn, such person acknowledged that he executed said instrument for the purposes
therein contained as his free and voluntary act and deed.

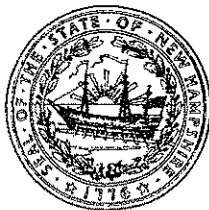
Justice of the Peace/Notary Public

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

In _____, on the _____ day of _____, 2016,
before me, personally appeared **George N. Copadis**, Commissioner of the New
Hampshire Department of Employment Security, known to me or proved to be the
person named in and who executed the foregoing instrument, and being first duly
sworn, such person acknowledged that he executed said instrument for the purposes
therein contained as his free and voluntary act and deed.

Justice of the Peace/Notary Public

DRAFT



LRCP 16-005

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

CHRISTOPHER M. SHEA, 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

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

February 17, 2016

Richard J. Lavers, Deputy Commissioner
Department of Employment Security
45 South Fruit Street
Concord, New Hampshire 03301-4857

Dear Deputy Commissioner Lavers,

The Long Range Capital Planning and Utilization Committee, pursuant to the provisions of RSA 4:40, on February 16, 2016, approved the request from New Hampshire Employment Security, to amend prior Committee approval, granted November 14, 2012, and allow NHES to enter into a listing agreement with NAI Norwood Group, 116 South River Road, Bedford, N.H., for a term of up to fifteen (15) months, to sell: • 436 Maple Street, Manchester, NH, an unimproved parcel of 0.16 +/- acres currently utilized as a parking lot, for a price at or above \$95,000, assess an Administrative Fee of \$1,100, and allow negotiations within the Committee's current policy guidelines and that the right of first refusal be treated in the customary manner; and • 300 Hanover Street, Manchester, NH, containing four (4) parcels of land totaling 1.18 +/- acres improved with one building comprising approximately 20,360 square feet, and including a mix of offices, conference rooms, and utility spaces and parking, for a price at or above \$1,425,000, assess an Administrative Fee of \$1,100, and allow negotiations within the Committee's current policy guidelines and that the right of first refusal be treated in the customary manner, as specified in the request dated January 29, 2016.

This request (LRCP 12-042) was originally approved by the Long Range Capital Planning and Utilization Committee September 18, 2012, and subsequently amended (LRCP 12-059) on November 14, 2012.

Sincerely,

Michael W. Kane
Legislative Budget Assistant

JAP/pe
Attachment

Cc: Karen Levchuk

TDD Access: Relay NH 1-800-735-2964



**New Hampshire
Employment
Security**

www.nhes.nh.gov

"We're working to keep New Hampshire working"

ADMINISTRATIVE OFFICE

45 SOUTH FRUIT STREET
CONCORD, NH 03301-4857



LRCP 16-005

GEORGE N. COPADIS, COMMISSIONER

RICHARD J. LAVERS, DEPUTY COMMISSIONER

January 29, 2016

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

REQUESTED ACTION

Pursuant to RSA 4:40, New Hampshire Department of Employment Security (NHES) respectfully requests the approval of the Long Range Capital Planning and Utilization Committee to enter into a listing agreement with NAI Norwood Group, 116 South River Road, Bedford, NH, for a term of up to fifteen (15) months, to sell the below listed properties:

- **436 Maple Street, Manchester, NH**, an unimproved parcel of 0.16± acres, currently utilized as a parking lot, for a price at or above \$95,000, assess an administrative fee of \$1,100, and allow negotiations within the Committee's current policy guidelines and that the right of first refusal be treated in the customary manner.
- **300 Hanover Street, Manchester, NH**, containing four (4) parcels of land totaling 1.18± acres, improved with one building comprising approximately 20,360 square feet, and including a mix of offices, conference rooms, utility spaces and parking, for a price at or above \$1,425,000, assess an administrative fee of \$1,100, and allow negotiations within the Committee's current policy guidelines and that the right of first refusal be treated in the customary manner.

On September 18, 2012, the Committee voted to approve NHES' previous request to sell the above-listed properties for the then current market value with the stipulations listed above. On November 14, 2012, the Committee voted to approve an amended request to permit the sale of the above-listed properties without the services of a real estate broker. Also included in the prior request to the Committee were properties located at 32-34 South Main Street, Concord, NH and 10 West Street, Concord, NH. The two Concord properties have been sold during the last year and a half for \$1,575,000 and \$1,300,001, respectively, without the use of a broker.

NHES is now requesting the Committee to amend its prior approval and allow NHES to utilize the services of NAI Norwood Group to market and sell the Manchester properties as described above.

EXPLANATION

On June 22, 2011, the House and Senate voted to adopt the Committee of Conference Report (2011-2429) on HB 25; an act making appropriations for capital improvements. The bill included the Department's request that capital budget projects include the renovation of the Tobey Building and the construction of an adjoining parking garage. The bill also provided for the consolidation of four (4) NHES offices. No general funds were used for the Tobey renovation project and parking garage.

NHES began the process of gaining formal approval for the sale of the four surplus properties in 2011. In connection with the previous submissions, the unimproved 436 Maple Street property was combined, for appraisal and other purposes, with an improved property located at 298 Hanover Street. Results of the approval processes are summarized below:

436 Maple Street/298 Hanover Street, Manchester NH

DHR provided a letter dated December 2, 2011 stating that while the property is a contributing element to the Janesville area, a potential historic district in the City of Manchester, disposal of the property would not have the potential to impact the qualities of the district that make it significant.

On September 18, 2012, the Committee voted to approve NHES' request to sell this property for the current market value, allow negotiations within the Committee's current policy guidelines, assess an \$1,100 Administrative Fee and that the right of first refusal be treated in the customary manner. On October 17, 2012, the Governor and Executive Council voted to authorize NHES to sell the property pursuant to RSA 4:40, as detailed in an NHES request dated October 9, 2012. On November 14, 2012, this Committee voted to approve NHES' amended request to allow the sale of this property without the services of a real estate broker.

NHES is now seeking approval to use a real estate broker to market and sell 436 Maple Street. The request to use such services for 298 Hanover Street will be submitted as a separate item.

300 Hanover Street, Manchester NH

A 2011 Request for Project Review by the New Hampshire Division of Historical Resources (DHR) resulted in DHR indicating that there was no potential to cause affects.

Effective January 5, 2012, CORD voted to recommend NHES' request to sell or lease the property located at 300 Hanover Street. During the waiting period, no state agency came forward to express interest in the property. On September 18, 2012, the Committee voted to approve NHES' request to sell this property for the current market value, allowing negotiations

within the Committee's current policy guidelines, assess an \$1,100 Administrative Fee and that the right of first refusal be treated in the customary manner. On October 17, 2012, the Governor and Executive Council voted to authorize NHES to sell the properties pursuant to RSA 4:40, as detailed in an NHES request dated October 9, 2012.

NHES is now seeking approval to use a real estate broker to market and sell 300 Hanover Street as described more fully below.

PROPERTY DESCRIPTIONS AND ACQUISITION COSTS

Given the historical use of 300 Hanover Street as administrative office space, NHES believes the property could be marketed and sold as a commercial office building. However, NHES is seeking to utilize the services of NAI Norwood to explore the possibility of other uses, including retail commercial uses. NHES is also seeking to unbundle 436 Maple Street from 298 Hanover Street in the marketing process to allow the possibility of the parking lot being used, in whole or in part, in connection with the marketing of either 300 Hanover Street or 298 Hanover Street.

Per HB-25-FN-A subparagraph V, A, proceeds from the sale of these remaining properties shall be applied 100% to the outstanding bonds and notes on the Tobey Building and parking garage.

436 Maple Street, Manchester, NH

This parcel, located on the corner of Hanover Street and Maple Street, contains 0.16± acres and has been utilized as a parking lot in conjunction with an NHES owned office building located at 298 Hanover Street. The building previously housed the Department's Unemployment Insurance Appeals Unit. The Appeals Unit has moved to the Tobey Building located at 45 South Fruit Street in Concord, NH and the building is currently vacant.

NHES purchased the 436 Maple Street and 298 Hanover Street properties on March 29, 2001 for a combined total of \$366,500, and financed the purchase exclusively (100%) from the NHES Administrative Contribution Fund.

436 Maple Street/298 Hanover Street Manchester, NH Original Fund Sources

Federal Funds	\$0	0.00%
Administrative Contribution	\$364,500	100.00%
Total	\$364,500	100.00%

300 Hanover Street, Manchester, NH

The property contains four (4) parcels of land totaling 1.18± acres. The first parcel contains 0.65± acres of land and includes one building comprising approximately 20,360 square feet. The property encompasses a mix of office space, conference rooms, and utility spaces. The other three parcels contain 0.22± acres, 0.14± acres, and 0.17± acres, and are used collectively as a parking lot in conjunction with the office building. The building currently houses the Department's Manchester Local Office, which may either stay as a lease back option or move to a location to be determined in the greater Manchester area when the property is sold.

NHES purchased 300 Hanover Street from Jason E. Treisman on July 27, 1998, for a total amount of \$1,342,559.63. This represents a purchase price of \$1,300,000.00, prorated costs of improvements in accordance with the original lease in the amount of \$34,781.31, and prorated taxes for the first half of the 1998 – 1999 tax year in the amount of \$7,778.32. NHES purchased the property by exercising an option in its existing lease and the purchase was financed exclusively (100%) from the Administrative Contribution Fund.

300 Hanover Street
Manchester, NH
Original Fund Sources

Federal Funds	\$0	0.00%
Administrative Contribution	\$1,342,560	100.00%
Total	\$1,342,560	100.00%

PROPERTY APPRAISALS

Capital Appraisal Associates, Inc. of Concord, New Hampshire provided opinions of market value for 300 Hanover Street in reports originally published on July 21, 2011 and updated as of December 12, 2012. The "as is" fee simple unencumbered market value of the property as of December 12, 2012 was \$1,400,000.

Given the passage of time, and in order to determine an appropriate asking price for 300 Hanover Street, NHES requested an updated appraisal from Capital Appraisal Associates. As of January 14, 2016, the market value of the property was provided as follows:

Property	Current Appraised Value
300 Hanover Street, Manchester, NH	\$1,420,000

Capital Appraisal had not previously provided a stand-alone market value for 436 Maple Street. In connection with this process, and in order to maximize its options in marketing the properties, NHES requested a stand-alone appraisal for the lot located at 436 Maple Street. Based upon an income approach, the market value of the property was provided as follows:

Property	Current Appraised Value
436 Maple Street, Manchester, NH	\$95,000

RFP PROCESS

On September 10, 2015, the Department issued a Request for Proposal for Real Estate Brokerage Services (RFP). The RFP was posted on the Administrative Services Current Bidding Opportunities web site and was advertised in the Manchester Union Leader on September 8, September 10 and September 13, 2015. It was also advertised on the NHES web site and was sent out as a direct mail solicitation to thirty-five (35) real estate brokers. In response to the RFP, the Department received one (1) conforming proposal from NAI Norwood Group in Bedford, New Hampshire. The listing brokers will be Chris Norwood and Judy Niles-Simmons. Norwood's proposed commission rate is 6.00%. NAI Norwood has performed real estate brokerage services for the State of New Hampshire previously and is considered highly qualified for this engagement.

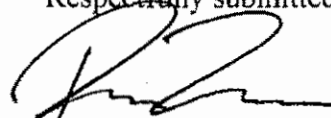
NHES is seeking approval to enter into an agreement with NAI Norwood in order to obtain the best price possible for the Manchester properties. Based upon the updated appraisals and preliminary opinions of market value expressed by NAI Norwood, the Department is seeking approval of a \$1,425,000 sale price for 300 Hanover Street. The Department is seeking approval of a sale price of \$95,000 for 436 Maple Street. This approach will allow flexibility to bundle this unimproved parcel with either of the improved parcels or to sell it on its own. (A separate request to approve brokerage services for 298 Hanover Street will follow.)

The proposed listing agreement anticipates that the Department is required to offer the Properties to the City of Manchester at the contract price(s) reached with any potential buyer(s) as part of the statutory disposal process, and that the real estate broker will not receive any commission for a sale to the City of Manchester should that occur.

Authorization is hereby requested: to enter into an exclusive listing agreement with NAI Norwood Group for a maximum term of fifteen (15) months that will be subject to final approval by the Governor and Executive Council. A copy of the proposed "Exclusive Listing Agreement" is attached hereto as Exhibit #1. Copies of company and broker profiles are attached as Exhibit #2. The updated appraisals for 300 Hanover Street and 436 Maple Street are attached as Exhibits #3 and #4.

Authorization is further requested: (1) for the sale of 300 Hanover Street at or above the proposed sale price of \$1,425,000 and subject to the conditions outlined above; and (2) for the sale of 436 Maple Street at or above the proposed sale price of \$95,000 and subject to conditions outlined above; (3) to pay from the proceeds of any such sale a commission to the selected broker at the rate of six percent (6%) of the sale price¹; and 4) to retain for the State of New Hampshire an administrative fee of \$1,100 or such larger amount as the Committee may deem appropriate in accordance with RSA 4:40, III-a.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Richard J. Lavers', written over a horizontal line.

Richard J. Lavers,
Deputy Commissioner

Exhibits Attached

¹ As of the date of this request, a potential buyer has expressed interest in the 300 Hanover Street property. Because the expression of interest occurred prior to Long Range Approval of the Brokerage Agreement, NAI Norwood has agreed to accept a reduced commission in the amount of 3% if the property is sold to that potential buyer.

EXHIBITS

1. Proposed Brokerage Agreement with NAI Norwood;
2. Profiles of NAI Norwood Group, Chris Norwood and Judy Niles-Simmons;
3. Appraisal of 300 Hanover Street, Manchester, NH dated January 14, 2016;
4. Appraisal of 436 Maple Street, Manchester, NH dated January 14, 2016.

EXHIBIT 1

Proposed Brokerage Agreement with NAI Norwood

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EMPLOYMENT SECURITY

NAI NORWOOD GROUP

EXCLUSIVE LISTING AGREEMENT

1. THE STATE OF NEW HAMPSHIRE, acting by and through its Department of Employment Security, located at 45 South Fruit Street, Concord, NH 03301 ("Seller"), hereby grants to the undersigned NAI Norwood Group, located at 116 South River Road, Bedford, New Hampshire 03110 ("Agent"), the rights described in Paragraph 2 below, effective as of the date upon which both parties have executed this Agreement (the "Effective Date") and as further provided herein, in consideration of Agent's agreement to undertake the listing, marketing, and promotion for sale of real property (the "Properties") owned by the Seller as follows:

A. **300 Hanover Street, Manchester, New Hampshire**, consisting of a 1.18± acre site improved with a 20,360± square foot building and an 86 space surface parking lot (Tax Map 93, Lots 0005, 0008, 0009, and 0010), as more particularly described in the Deed of Jason Treisman to the State of New Hampshire dated July 23, 1998, and recorded in the Hillsborough County Registry of Deeds at Book 5972, Page 1084-1085, and including any other property, real or personal, subsequently added thereto;

B. **436 Maple Street, Manchester, New Hampshire**, consisting of 0.16± acres of land and configured as a parking lot (Tax Map 93, Lot 0029), as more particularly described in the Deed of Jason Treisman to the State of New Hampshire dated March 26, 2001, recorded in the Hillsborough County Registry of Deeds at Book 6381, Page 1777.

2. Agent is being granted the exclusive right to market, list, and solicit offers to purchase said Properties at minimum prices of: A. **300 Hanover Street**: One million four hundred twenty-five thousand dollars (\$1,425,000), and B. **436 Maple Street**: Ninety-five thousand dollars (\$95,000), on the terms herein stated, or at any other price and terms which Seller may authorize and to which it consents. If, during the term of this Agreement, an individual or entity is procured by Agent who is ready, willing and able to purchase one or more Properties at or above the stated prices on such terms and conditions as are acceptable to Seller, or based upon other prices and terms to which Seller may agree, then Seller agrees to pay Agent a commission of six percent (6%) of the contract sale price. The only exception to this commission structure will be if the Potential Buyer¹ for 300 Hanover Street, as defined in Footnote 1 of this Agreement, purchases 300 Hanover Street, in which case Agent will receive a reduced commission equal to three percent (3%) of the contract sale price. Any commission due under this Agreement shall be paid out of the sale proceeds following the closing.

¹ "Potential Buyer" shall mean the individual/entity that expressed interest in buying 300 Hanover Street on November 13, 2015.

AGENT'S initials _____

3. THIS AGREEMENT SHALL BE IN EFFECT for nine (9) months, commencing on the Effective Date and ending on the date nine (9) months thereafter, and, unless terminated on said ending date by the Department acting in its sole discretion, shall be automatically renewed for six (6) consecutive additional months upon the same terms and conditions (except that the minimum price established in this Agreement may be adjusted at the discretion of Department) for a total contract period not to exceed one (1) year, three (3) months. Upon full execution of a contract for sale and purchase of all or any of the Properties, all of the terms and provisions of this Agreement shall extend through the date of closing as specified in such purchase and sale agreement. The commission(s) as provided above shall also be due if a Property is contracted to be or has been sold, leased, conveyed, exchanged or otherwise transferred within six (6) months after the expiration or rescission of this Agreement to anyone whom Agent has procured, unless the Property or Properties have been listed with another licensed broker on an exclusive basis. "Procurement" shall include, but not be limited to, providing information about the Properties, showing the Properties, or presenting offers on the Properties, provided that anyone so procured must be identified to Seller by Agent in writing not later than fifteen (15) days after the termination of this Agreement.

4. DUTIES OF AGENT. Agent owes Seller the fiduciary duties of loyalty, obedience, disclosure, confidentiality, reasonable care, diligence, and accounting.

5. DUTIES OF SELLER. Seller acknowledges a duty to disclose to Agent all known pertinent information about the Properties, adverse or otherwise, upon request, and Seller understands that all such information will be disclosed by Agent to potential purchasers. If any pertinent fact, event or information about the Properties comes to Seller's attention between signing this Exclusive Marketing Agreement and the Property Disclosure and the closing, then Seller will immediately notify the potential purchaser and Agent of the same in writing. Seller agrees to cooperate with Agent in effecting the sale of the Properties and to immediately refer to Agent all inquiries of interested parties. Unless otherwise directed by Seller, Agent shall be the default point of contact for all inquiries, negotiations, or offers regarding the Properties.

6. COOPERATION WITH OTHER BROKERS. Seller authorizes the following forms of cooperation:

- (a) Agent may cooperate with other brokers or other real estate firms who will represent the interest of the buyer(s). In the case of the Potential Buyer for 300 Hanover Street, Agent's 3% commission will not be subject to dilution.
- (b) Agent may cooperate with other brokers or other real estate firms who are not acting on behalf of a client or customer either as a seller agent or buyer agent.

7. SPECIAL CONDITIONS. Seller and Agent hereby agree that:

- (a) The Properties will be advertised at Agent's discretion in a manner consistent with its successful proposal to market the Properties as submitted to Seller. This may include marketing the Properties through a call for offers and/or more traditional marketing approaches. Agent will be responsible for advertising the

AGENT'S initials _____

properties through MLS, Commercial MLS, print, e-mails to the brokerage community and other methods as may be appropriate selected by Agent. Once a Buyer has been selected for a particular Property, Agent will work with the Buyer through the due diligence period and will assist in negotiating sales terms.

- (b) Seller may provide keys to any building(s) to Agent. If keys are provided, then Agent has permission to access such building(s) for the purpose of showing the Properties to potential purchasers or their agents. Otherwise, access to such building(s) must be arranged with Seller in advance. Either Agent or a principal or employee of Agent holding a current "Broker" or "Salesperson" license issued by the New Hampshire Real Estate Commission shall be personally present at every showing of the Properties, regardless of whether any buyer's broker or employee of Seller may be present.
- (c) Exterior pictures of the Properties may be taken.
- (d) Interior pictures of the Properties may be taken under the supervision of the Seller. Any and all such pictures to be approved by Seller prior to use by the Agent at Seller's sole and absolute discretion.
- (e) Video/virtual tour photography is allowed at Agent's discretion under the supervision of the Seller. Any and all such video and/or photography to be approved by Seller prior to use by the Agent at Seller's sole and absolute discretion.
- (f) Agent may disclose the existence of other offers.
- (g) As noted above, the Properties' listing data may be submitted to MLS and may be used for comparables.
- (h) The Properties' addresses and information may be displayed on public web sites.
- (i) Seller's name may be submitted to any electronic database or MLS that may be accessed by persons other than Seller's broker.
- (j) Agent is authorized to accept a deposit with any prospective offer to purchase the Property.

8. ADDITIONAL PROVISIONS.

- (a) Agent acknowledges and agrees that any sale, lease, or exchange of the Property and any payment obligation of Seller under this Agreement shall be conditioned upon and subject to prior approval by the Governor and Executive Council of the State of New Hampshire. Agent further acknowledges and agrees that no commission or fee shall be due under this Agreement for any Property sold to the

AGENT'S initials _____

City of Manchester, New Hampshire under the terms of this Agreement and the applicable terms of the RFP, which are hereby incorporated by reference.

- (b) Agent has obtained a current State Vendor Code from the Division of Procurement & Support Services, Bureau of Purchase & Property and provided it to Seller. If Agent is a corporation, limited liability company, or other business entity required to register with the New Hampshire Secretary of State, then Agent has provided to Seller a current original Certificate of Good Standing issued by the New Hampshire Secretary of State. If Agent is a foreign corporation or other business entity organized under the laws of another state, then Agent has further provided to Seller a current original Certificate of Good Standing issued by Agent's state of organization.
- (c) If Agent is a business entity other than a sole proprietor, then Agent certifies that it has all requisite authority to enter into this Agreement and to perform its obligations thereunder, and that the undersigned officer or agent of Agent is duly authorized to execute this Agreement on behalf of Agent.
- (d) Agent certifies that it is duly licensed to sell real estate by the New Hampshire Real Estate Commission and will comply with all applicable New Hampshire laws and regulations in marketing and selling the subject properties.
- (e) Agent agrees to defend, indemnify, and hold harmless Seller and all of its officers, directors, agents, and employees from and against any and all claims, liabilities, or suits arising from (or which may be claimed to arise from) or in connection with any acts or omissions of Agent or its sub-agent in the performance of Agent's obligations under this Agreement.
- (f) Agent agrees that at all times during the effective term of this Agreement Agent shall maintain the following types and amounts of insurance coverage:
 - (i) Comprehensive general liability coverage against all claims of bodily injury, death, or property damage in amounts not less than \$250,000 per claim and \$2,000,000 per incident, or \$1,000,000 per occurrence and \$1,000,000 umbrella coverage.
 - (ii) Professional liability coverage in an amount not less than \$1,000,000 per occurrence and in the aggregate. If coverage is "claims made," the period to report claims shall extend for not less than three (3) years from the date of substantial completion of the contract. No retention (deductible) shall be more than \$25,000.
 - (iii) Workers' compensation insurance and employers' liability insurance as required by law.

AGENT'S initials _____

- (g) Agent agrees that it will provide all legally required disclosures when marketing the subject properties, including the following:

THIS PROPERTY IS OFFERED PURSUANT TO FAIR HOUSING REGULATIONS, WITHOUT RESPECT TO RACE, COLOR, RELIGION, SEX, MENTAL AND OR PHYSICAL DISABILITY, FAMILIAL STATUS, SEXUAL ORIENTATION, OR NATIONAL ORIGIN. (I) (WE) HEREBY ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT.

In witness whereof, the Parties hereto have signed their names on the dates indicated below.

STATE OF NEW HAMPSHIRE ("SELLER")

By and through its
DEPARTMENT OF EMPLOYMENT SECURITY

By: _____
George N. Copadis, Commissioner

Date: _____

NAI NORWOOD GROUP ("AGENT")

By: _____

Date: _____

Name (print): _____

Title (print): _____

AGENT'S initials _____

EXHIBIT 2

Profiles of NAI Norwood Group, Chris Norwood and Judy Niles-Simmons

Company Profile



NAI Norwood Group is an affiliate of NAI Global, the world's leading managed network of independently owned commercial real estate brokerage firms. Through this network of 350 offices in 55 countries, NAI Norwood Group is able to leverage their strong local experience around the world. Whether your commercial real estate needs require local expertise, or you need brokerage consulting around the world, the firm is here to help. With our extensive background and strong local contacts, we are able to assist individual corporations in negotiating leases, sales, business brokerage, investments, relocation, site selection and development.

Founded in 1968 by Karl Norwood, The Norwood Group became one of the largest real estate firms in the State of New Hampshire. The company expanded into residential land development and home construction in the seventies and formed Norwood Group International, focusing on attracting foreign investors to form joint ventures in commercial real estate, primarily in the New England marketplace. In 2008 NAI Norwood Group opened a second location in Portsmouth, NH vastly widening services into the seacoast area. NAI Norwood Group has remained a viable leader in the commercial real estate field and has continued to hone its skills in this evolving world of sophisticated clients who demand services in dealing with the complexity of the current global market.

NAI Norwood Group offers a range of services to clients that include landlord representation, tenant/buyer representation, consulting, and development. NAI Norwood Group's affiliation with NAI Global enhances the services by spanning resources on a worldwide level.

NAI Norwood Group is actively involved in the New Hampshire Association of REALTORS and company members have held numerous leadership positions within the organization. They are Charter Members of NH CIBOR (Commercial Investment Division of the New Hampshire Association of REALTORS), hold membership in CCIM (Certified Commercial Investment Member), SIOR (Society of Industrial and Office REALTORS), NEBBA (New England Business Brokers Association), and CRE (Counselors of Real Estate). In addition the group subscribes to industry specific trade organizations such as the ICSC (International Council of Shopping Centers).

Since 2000, NAI Norwood Group has sold 1,500+ acres of land totaling more than \$58 million. In addition, we've assisted clients in the acquisition and disposition of 3.5+ million square feet valued at \$250 million, in addition to over 1 million square feet of self-storage space valued at more than \$70 million.

It is the goal of our firm to service the requirements of a wide spectrum of the community in which we operate. This is why members of our firm routinely serve on boards and local civic organizations, from Chambers to Non-profits to real estate specific boards. Having been a trademark in the community for 45+ years, the team looks forward to an extraordinary future.

NAI Norwood Group

Commercial Real Estate Services, Worldwide.



116 South River Road | Bedford, NH 03110 | 603.668.7000
28 Deer Street | Suite 301 | Portsmouth, NH 03801 | 603.431.3001
nainorwoodgroup.com | info@nainorwoodgroup.com

Chris Norwood

President



Scope of Service

Chris Norwood's primary focus is the sale and leasing of real estate space in the Southern New Hampshire market. He focuses exclusively on commercial property. Chris is also very involved with the overall strategic growth of the firm.

Educational Background & Experience

Graduated from Babson College with a Bachelor of Science in Business Management in 2003. Chris Norwood began his real estate brokerage career in 2000 when he became a licensed salesperson in the state of New Hampshire. Since that time he has assisted in closing tens of millions of dollars worth of sale and lease transactions over hundreds of thousands of square feet, as well as aided in consulting and valuation work.

Professional Affiliations & Designations

Member of the ICSC
Member of the NHCIBOR, 2012 President
Member of CCIM, 2008-09 Chapter President
Realtor of The Year, 2007 NH CIBOR
Member of NAI Global Leadership Counsel
Member of GMCC, Government Affairs
Member NHAR, Public Policy

Significant Transactions

- 2011-14 - Tenant Representation for 80,000+/-sf of office space for DYN Inc in Manchester, NH
- 2011 - Tenant Representation for 50,000+/- sf flex space for Resonetic's in Nashua, NH
- 2010 - Landlord Representation and consultation of sales/leasing/condo conversion of industrial space in Bow, NH.
- 2007 - Redevelopment and Seller Representation of a 300,000+/-sf mill in Ashland, NH

Volunteer Work

Member of the Manchester Community College Advisory Counsel

Board Member of Boy Scouts of America Daniel Webster Council

NAI Norwood Group

Commercial Real Estate Services, Worldwide.

Contact Information

Chris Norwood | 603.657.1928 | cnorwood@nainorwoodgroup.com

116 South River Road | Bedford, NH 03110 | Office: 603.668.7000 | nainorwoodgroup.com



Judy Niles-Simmons

Commercial Sales & Leasing



Contact information

Judy Niles-Simmons
NAI Norwood Group
direct 603 657 1926
office 603 668 7000
judy@nainorwoodgroup.com
nainorwoodgroup.com
116 South River Road
Bedford, NH 03110

Scope of Service

Judy Niles-Simmons began her real estate career more than 20 years ago while working for a large residential developer. She has leasing managerial experience as she worked for large industrial facilities and was a principal in a commercial real estate brokerage firm.

Experience

Judy joined NAI Norwood Group in 1995. She has extensive experience in the development of land and in selling commercial/industrial investment properties. She also has experience in marketing multi-family residential projects in New Hampshire and Massachusetts.

Judy was presented the 2011 Community Service Award by NHCIBOR Cares. She was instrumental in the founding of this non-profit arm for NHCIBOR and served as the first President and as a Director. Judy continues to volunteer at Care-Givers and New Horizon Soup Kitchen.

Professional Affiliations & Designations

Licensed Broker in NH and MA.
Member of the NHCIBOR
Member of GRI

Significant Transactions

J Jill Group: Listing/selling agent, 91,920+/- SF
FCI : Selling agent for 49,000+/- SF/101 E.
Industrial Park Drive, Manchester, NH
Southern NH University: Listing agent for 405 +/-
acres/mixed development
SMC Mgmt: Listing/selling Agent for 3 multi-
family complexes
Home Depot: Joint ventured sale of a 200+/- acre
development
Dajo Realty, LLC: Selling/leasing agent for sale of
21,726+/- SF/111 Zachary Rd, Manchester, NH
State of NH DOT: Listing/selling agent for sale of 11+/-
acres/41 Range Road, Windham, NH
State of NH DOT: Listing/selling agent for sale of .99+/-
Acres/247 Pleasant Street, Concord, NH

**SUMMARY
APPRAISAL REPORT**
of Real Estate

Located At:
300 Hanover Street in
Manchester, New Hampshire

Current Owner:
State of New Hampshire

As Of:
January 14, 2016

Report Date:
January 21, 2016

Prepared For:
Mr. George N. Copadis, Commissioner
New Hampshire Employment Security
45 South Fruit Street
Concord, NH 03301

Prepared By:
Ernest Toumpas
NH Certified General Appraiser #731
Capital Appraisal Associates, Inc.
128 South Fruit Street
Concord, New Hampshire 03301

Appraisal File No. 16-9
Federal Tax ID 02-0492128

Capital Appraisal Associates, Inc.

Real Estate Appraisers and Consultants

128 S. Fruit Street, Concord, New Hampshire 03301
Telephone (603) 228-9040, Facsimile (603) 228-2072

January 21, 2016

Mr. George N. Copadis, Commissioner
New Hampshire Employment Security
45 South Fruit Street
Concord, New Hampshire 03301

Re: Summary Appraisal Report of land and buildings
Owner: State of New Hampshire
Located at 300 Hanover Street in Manchester, New Hampshire

Dear Mr. Copadis:

As you requested, I have personally made an inspection of the above-captioned property for the purpose of reporting to you my opinion of the subject's "*as is*" fee simple unencumbered *market value* as of **January 14, 2016**. It is my understanding that this report is to be used to assist the client, New Hampshire Employment Security, for potential marketing and/or portfolio management purposes.

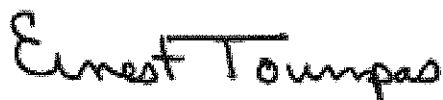
This is a Summary Appraisal Report that is intended to comply with the reporting requirements set forth under the 2016-2017 Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation that is not provided with the report concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraisers are not responsible for unauthorized use of this report.

It should be noted the final reconciled value estimate does not include any value for any F.F. &E., goodwill or any other intangibles. This value estimate represents only the market value of the real estate. Consequently, no allocation of any additional components was applicable.

I hereby certify that I have made an inspection of the property on **January 14, 2016**, that I have taken into consideration all factors which I felt were pertinent to the value estimate, and that I have not knowingly or intentionally omitted any important data.

I further certify that I have no present or contemplated future interest in the property and that my professional appraisal fee is not dependent upon the value estimate. On the basis of my inspection, investigation, study and analysis, I am of the opinion that the "*as is*" fee simple unencumbered *Market Value* of the subject property as of **January 14, 2016**, is **\$1,420,000**.

Sincerely,

A handwritten signature in black ink that reads "Ernest Toumpas". The signature is written in a cursive, slightly stylized font.

Ernest Toumpas
NH Certified General Appraiser #731

APPRAISAL CERTIFICATION

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

1. The Statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is my personal, impartial, and unbiased professional analyses, opinions and conclusions.
3. 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.
4. I or Capital Appraisal Associates performed an appraisal of the property which is the subject of this report, within the three-year period immediately preceding acceptance of this assignment. The effective date of the report was December, 12, 2012.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment is not contingent upon developing or reporting predetermined results.
7. 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
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
9. I have made a personal inspection of the property that is the subject of this report.
10. No one provided significant professional assistance to the person signing this certification.
11. On the basis of my inspection, investigation, study and analysis, I am of the opinion that the "as is" fee simple unencumbered *Market Value* of the subject property as of **January 14, 2016**, is **\$1,420,000**.



Ernest Toumpas
NH Certified General Appraiser #731

COMPETENCY STATEMENT

Ernest Toumpas

Title XI of the Federal Financial Institution's Reform, Recovery and Enforcement Act of 1989 requires the Federal Reserve Board and other federal agencies to issue regulations to protect federal financial and public policy interests in real estate transactions requiring the services of an appraiser. Federal law recognizes the Uniform Standards of Professional Appraisal Practice as the current industry standards and identifies the Appraisal Foundation as the authority for professional appraisal standards.

The uniform standards contain three provisions, one of which is the competency provision which requires appraisers to have the knowledge and experience to complete their assignments competently and contains specific requirements for appraisers who do not possess sufficient competence.

As part of the regulatory process, two primary classifications of appraisers have been established by the State of New Hampshire in accordance with the federal regulations in order to gauge education and competence. The classifications are licensed appraiser and certified appraiser. The licensed appraiser classification identifies those individuals possessing the basic educational and experience requirements needed to competently appraise residential properties, while the general appraiser classification identifies those appraisers who are competent to appraise all types of real estate.

With regards to my competency to complete this assignment, I submit the following:

1. I currently hold the general appraiser certification classification as issued by the State of New Hampshire. My certification number is New Hampshire Certified General Appraiser #731.
2. I have completed numerous appraisals on various types of real estate including vacant industrial, commercial, and residential sites, commercial/industrial and residential subdivisions, various commercial and industrial buildings, restaurants, mixed use properties, multifamily residential complexes, neighborhood retail centers, boarding kennels as well as other non-typical and special use properties.
3. In order to familiarize myself with the local market I have conferred with local Realtors, interviewed numerous local municipal officials, property owners, and tenants. I believe that this research and activity has provided additional insight into the market in which the subject exists and the economic conditions prevalent in the community and the region.

Because of my experience, education, and professional recognition, I possess the necessary background and knowledge to competently complete this assignment.

EXECUTIVE SUMMARY

CURRENT OWNER:

State of New Hampshire

ADDRESS:

300 Hanover Street in the City of Manchester, New Hampshire.

SUBJECT:

According to the city assessment records, the subject consists of 4 parcels of land. The main site contains a total of 0.65± acres of land and is improved with a one story office building and parking lot. The other 3 parcels contain 0.22± acres, 0.14± acres and 0.17± acres respectively for a combined total of 0.53± acres of land utilized as a parking lot in conjunction with the office building. For the purposes of this appraisal all 4 parcels and improvements will be considered as one economic unit with a total of 1.18± acres of land.

INTEREST VALUED:

Fee Simple Market Value estimate.

DATE OF APPRAISAL INSPECTION:

January 14, 2016, in the company of the owner's agent, Ms. Karen Levchuk.

DATE OF VALUE OPINION:

January 14, 2016, which in this instance is also the date the subject was inspected.

DATE OF REPORT:

January 21, 2016, is the date in which the appraisal report was transmitted.

INDICATED VALUES BY:

Sales Comparison:	\$1,425,000
Income Approach:	\$1,415,000
Cost Approach:	Not Applicable

RECONCILED VALUE ESTIMATE: \$1,420,000

INTRODUCTION

INTENDED USE:

It is my understanding that this report is to be used to assist the client, New Hampshire Employment Security, for potential marketing and/or portfolio management purposes.

PURPOSE:

The purpose of this appraisal is to estimate "*as is*" market value of the fee simple interest, unencumbered, of the subject property as of January 14, 2016, which is the date of inspection of the subject property. In valuing this property, I have considered the actions of the market and have concluded with a market value in consideration of current economic indicators.

LEGAL DESCRIPTION/HISTORY:

Per the tax records, the latest noted transfer of the subject property occurred on July 23, 1998, which was recorded in Hillsborough County Registry of Deeds Book 5972, Page 1084 and appears to be an arm's length transfer. This transfer was for three tracts of land which include all four of the lots identified by the City of Manchester as Map/Lot 93-5, 93-8, 93-9 and 93-10. The grantor was noted as Jason E. Treisman and the grantee was noted as the State of New Hampshire, c/o New Hampshire Department of Employment Security, the current owner. The improvements appear to have been utilized as State offices since the purchase in 1998. It was reported that at some point in the past the building has been utilized as a car dealership and a fraternal hall.

A title search is beyond the scope of this appraisal. The client is advised to employ a qualified attorney if this is felt to be a major issue. A copy of the legal description is included in the addenda. It was reported that there were two offers and/or agreements to purchase the property during 2014 with the reported contract prices being \$1,400,000 and \$1,510,100 respectively. It was reported that neither of these agreements were executed or consummated for various reasons. To my knowledge the subject is not currently under contract nor being actively marketed. However, it is reported that the purpose of this appraisal is for establishing market value for possible marketing purposes.

SCOPE:

This appraisal is intended to comply with the reporting requirements set forth under the 2016-2017 Uniform Standards of Professional Appraisal Practice for an Appraisal Report. It is my opinion that this appraisal is not so limited as to result in a mislabeled or confusing report.

The scope of this appraisal included an inspection of the subject property on **January 14, 2016**, and investigation and analyses of the market data which may affect and influence the value of the subject property.

The investigation included research of public records through the use of commercial sources of data such as printed comparable sales data services and computerized databases. Search parameters such as dates of sale, leases, locations, sizes, types of properties, and distances from the subject started with relatively narrow constraints and, if necessary, were expanded until, in the appraiser's opinion, sufficient data was retrieved to estimate market value or until the appraiser believed that the available pool of data was reasonably exhausted. Researched sales data was viewed and, if found to be appropriate, efforts were made to verify the data with persons directly involved in the transactions such as buyers, sellers, brokers or agents. At the appraiser's discretion, some data may have been used without personal verification if, in the appraiser's opinion, the data appeared to be correct. In addition, the appraiser considered any appropriate listings or properties found through observation during the data collection process. Only the data deemed to be pertinent to the valuation of the subject property has been reported.

The appraiser also investigated and analyzed any pertinent easements or restrictions on the fee simple ownership of the subject property. It is the client's responsibility to supply the appraiser with a title report. If no title report was provided, the appraiser relied on a visual inspection to identify any readily apparent easements or restrictions.

ENVIRONMENTAL:

I did not observe any ground contaminants or evidence of waste such as sludge, chemical residue or oil spillage on the subject site. To the best of my knowledge, the subject property has not been recently tested for the presence of any hazardous waste. Based on the OneStop web site as prepared by the NH Environmental Services the environmental history of the subject (based on a search of the subject's address), the web site indicates there are no current or past hazardous waste generators.

It should be noted that I am not an expert in determining the presence or absence of hazardous substances. Therefore, I assume no responsibility for studies or analyses which would

be required to conclude the presence or absence of such substances or potential impact as a result of the presence of such substances. This report was prepared under the extraordinary assumption that the subject property is "clean", being free and clear of any hazardous/toxic materials.

SPECIAL ASSUMPTIONS:

Typical limiting conditions and general assumptions are located in the addenda of this report.

DEFINITION OF MARKET VALUE:

Market Value

The term **Market Value** is defined in the 2016-2017 Edition of the Uniform Standards of Professional Practice (Page 180), as *"the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:*

- ◆ *Buyer and seller are typically motivated.*
- ◆ *Both parties are well informed or well advised, and acting in what they consider their own best interests;*
- ◆ *A reasonable time is allowed for exposure in the open market;*
- ◆ *Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and*
- ◆ *The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."*

Leased Fee Value

The term **Leased Fee Value** is defined in the Appraisal of Real Estate, Twelfth Edition, published by the Appraisal Institute as *"an ownership interest held by a landlord with the right of use and occupancy transferred by the lease to others. The rights of the lessor (the leased fee owner) and the lessee are specified by contract terms contained within the lease."*

APPRAISAL DEVELOPMENT AND REPORTING PROCESS:

In preparing this appraisal, the appraiser . . .

1. - Inspected the subject property on January 14, 2016;
2. - Researched and collected market data related to market conditions and market activity;
3. - Confirmed and analyzed the data and applied all applicable approaches to value;
4. - Exercised some degree of due diligence to determine the existence of apparent adverse conditions; and
5. - Arrived at a value conclusion, the results of which are reported as a single point value estimate.

It is important to note this summary appraisal report does not include the following:

1. - Full regional, state, and local analysis
2. - Detailed review of the zoning ordinance which governs the subject property
3. - Review of environmental or other survey reports
4. - Full tax and assessment analysis of the subject property
5. - Full site and improvement analysis
6. - In-depth market and highest and best use analysis.

GENERAL REGIONAL AND MUNICIPAL DATA

The following data has been extracted mostly from published studies by the State Occupational Information Coordinating Committee (SOICC) Of New Hampshire. The information is funded through a grant from the New Hampshire Department of Resources and Economic Development, Office of Business and Industrial Development.

Municipality:

City/Town:	City of Manchester
County:	Hillsborough
Labor Market Area:	Manchester NH Metropolitan NECTA
Planning Commission:	Southern NH
Tourism Region:	Manchester Valley
Regional Development:	Capital Region Development Council

Municipal Services:

Type of Government	Mayor and 14 Aldermen
Planning Board:	Appointed
Industrial Plans:	City Planning Board
Zoning:	1927/2012
Master Plan:	2010
Capital Improvement Plan:	Yes
Full Time Police Department:	Yes
Full Time Fire Department:	Yes
Nearest Hospital:	Elliot; Catholic Medical Center, Manchester
Distance to Hospital:	Local
Number of Beds:	296; 240 staffed beds

Available Utilities:

Electric Supplier:	Eversource Energy
Natural Gas Supplier:	Liberty Utilities
Water Supplier:	Manchester Water Works
Sanitation:	Municipal
Telephone Company:	Fairpoint
Cellular Phone Access:	Yes
Cable Television:	Yes

2014 Tax Burden Allocations:

Residential:	62.0%
Commercial:	35.1%
Public Utilities, Current Use, Other:	2.9%

Housing Statistics (ACS 2009-2013):

Total Estimated Housing Units:	49,025
Single Family Units:	20,904
Two to Four Units:	13,301
Five or More Units:	14,684
Manufactured Housing Units:	136

Demographics:

Population	2013	2010	2000	1990	1980	1970
Community	109,942	109,565	107,219	99,426	90,936	87,754
County	402,979	400,721	382,384	336,549	276,608	223,941

Income Estimate (ACS 2009-2013):

Per Capita Income:	\$28,055
Median Family Income:	\$65,892
Median Household Income:	\$54,496
Average Weekly Wage (2014):	\$ 1,024 (Total, private plus government)

The Top Five Major Employers:

Employer	Product/Services	Employees
Elliott Hospital	Health care	3,375
Catholic Medical Center	Health care	2,100
Eversource Energy	Utility	1,500
Fairpoint	Utility	1,300
TD Bank	Banking services	1,100

Transportation:

Road Access: US Routes	3
State Routes	3A, 28, 28A, 101, 114 & 114A
Nearest Interstate Exit:	I-93, Exit 6 - 8; I-293, Exits 1 - 7 / Local access
Railroad:	Guilford Rail Service
Public Transportation:	MTA
Nearest Commercial Airport:	Manchester-Boston Regional - Local

Distance to Major Metropolitan Areas:

Manchester, NH:	0± miles
Portland, ME:	95± miles
Boston, MA:	53± miles
New York, NY:	253± miles
Montreal, Canada:	259± miles

Commuting Patterns (ACS 2009-2013):

Mean Travel Time to Work:	23.1 minutes
Percent of residents:	
working in the community	47.9%
Commuting to NH community	44.3%
Commuting outside of NH	7.8%

Conclusions:

The City of Manchester is New Hampshire's largest commercial center and is home to a concentration of major malls and outlet stores. The city is an attractive location for both residential, commercial, and industrial development, with several easy access roads to major transportation routes, air service at the Manchester-Boston Regional Airport. Manchester's population density is 3,326.5 persons per square mile of land area. Manchester contains 33.1 square miles of land area and 1.9 square miles of inland water area.

In conclusion, the economy appears to have recovered from the recent recession and over the past few years the general area has seen the real estate markets stabilized with some segments of the market experiencing some growth. However, generally speaking, more recently, over the past year or so, most segments of the commercial and industrial market have reached a plateau where no appreciation or depreciation rates appears to be justifiable. The expected trend for the future is slow but steady growth.

NEIGHBORHOOD ANALYSIS

General

A neighborhood is defined as, "A group of complementary land uses; a related grouping of inhabitants, buildings or business enterprises". A neighborhood should be distinguished from a district, which is defined as, "A market area characterized by one predominant land use - e.g., apartment, commercial, industrial, agricultural".¹ A neighborhood will contain land uses, complementary to one another. For example, predominantly residential neighborhoods typically contain some commercial properties that provide services for the local residents. The boundaries of a neighborhood can be physical, such as a lake, stream, or major highway, or they may be less easily discernible such as changes in prevailing land use or occupant characteristics.

Neighborhood Boundaries

The subject property is located on Hanover Street in the City of Manchester, New Hampshire and is in an area zoned for a mix of residential and commercial uses located just a few blocks from the heart of the downtown Manchester area. The immediate boundaries for the subject neighborhood would be most of the commercial and residential uses located along Hanover Street as well as the many intersecting streets with Elm Street. However, economically speaking, the neighborhood would include all those areas with similar characteristics to the subject neighborhood.

Character

Access

Access to the subject's neighborhood is good, with Hanover Street being a two way east and west artery. This neighborhood is within a few blocks from Elm Street which is the main north and south artery in Manchester. The subject neighborhood is also located within 2.0 miles of Interstate 93 which is the main north and south route in the State of New Hampshire.

Uses

Uses in the subject's immediate neighborhood primarily consist of a mix of commercial, retail, along with some mixed use properties having apartments on the upper levels. The subject neighborhood is considered to be approximately 95% built-up with very little in new construction observed, over the past few years. However, there has been several owner occupied properties which have been renovated and/or converted into alternative uses.

1 ¹The Appraisal of Real Estate (Chicago, Ill: Appraisal Institute, Twelfth Edition, 2001) page 164.

Growth and Development***Life Stage of Neighborhood***

A good majority of the commercial structures in the subject neighborhood are either retail or service related uses. There are several mixed use properties having apartment uses above and a few multifamily homes and a few scattered single family homes are also common in the general market area. The actual age of the majority of the buildings in the subject's general market area is over 100 years. However, most have been restored and their effective ages are much lower.

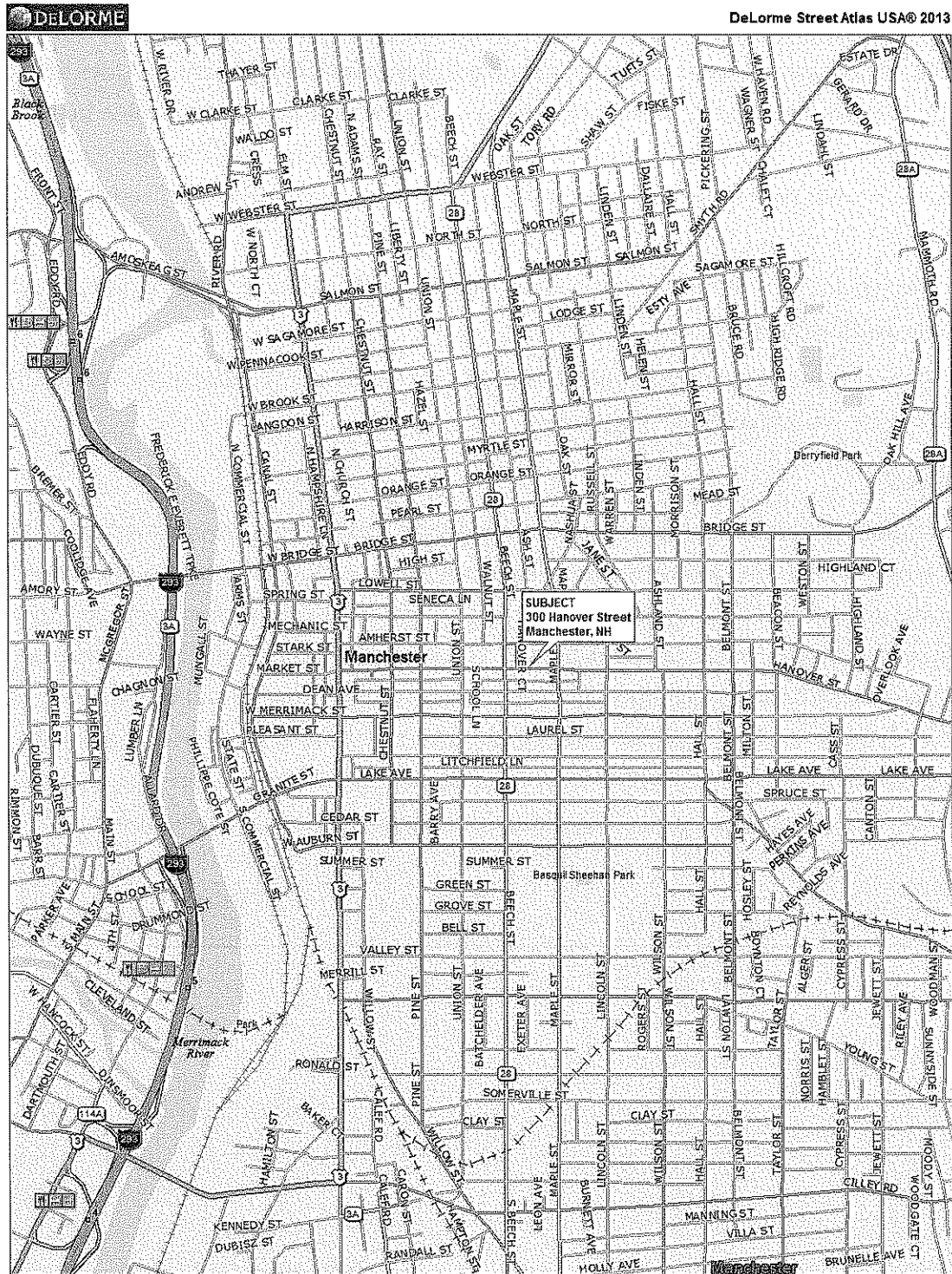
The condition of the subject property is similar to other commercial structures in subject's immediate neighborhood.

The life stage of the neighborhood, based on my observations, appears to be one of stability to very limited amounts of growth.

Conclusions

Overall, the subject property enjoys fairly good exposure because of its location. This neighborhood enjoys good infrastructure of street improvements, easy access to downtown Manchester area, as well as easy access to the major highway systems connecting most of New Hampshire to this area, and adequate public services. Generally, most properties in this neighborhood have been adequately maintained and are of good quality and condition. Vacancies in the immediate neighborhood appear to be fairly stable and there appears to be fewer properties for lease than the last few years. Because of its location, this neighborhood will, in my opinion, continue to be a very desirable location in the foreseeable future.

NEIGHBORHOOD MAP



Data use subject to license.

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www.delorme.com

MN (14.8° W)



Data Zoom 13-4

DESCRIPTION OF THE REAL ESTATE TO BE APPRAISED - SITE

A summary of site characteristics is presented below:

Location: 300 Hanover Street in Manchester, N.H.

Owner of Record: State of New Hampshire

Assessment & Taxes:

Map/Block/Lot			Improvements Value	Yard Items Value	Land Value	Total Assessment
93		5	\$1,188,900	\$8,400	\$110,900	\$1,308,200
93		8	\$0	\$12,500	\$97,700	\$110,200
93		9	\$0	\$9,300	\$92,000	\$101,300
93		10	\$0	\$6,500	\$94,300	\$100,800
Total			\$1,188,900	\$36,700	\$394,900	\$1,620,500
2015 Annual Taxes at		\$23.44	Per \$1,000			\$37,985
2014 Equalized Value at		101.00%				\$1,604,455

*It should be noted that the property is currently State owned and not subject to municipal taxes

Site Description:

According to the city assessment records, the subject consists of 4 parcels of land. The main site contains a total of 0.65± acres of land and is improved with a one story office building and parking lot. The other 3 parcels contain 0.22± acres, 0.14± acres and 0.17± acres respectively for a combined total of 0.53± acres of land utilized as a parking lot in conjunction with the office building. For the purposes of this appraisal all 4 parcels and improvements will be considered as one economic unit with a total of 1.18± acres of land which is rectangular in shape.

Per the tax map the overall site has approximately 409± feet of road frontage along the northerly side of Hanover Street, 125± feet of road frontage along the easterly side of Hanover Court and an additional 409.00± feet of frontage along Derryfield Lane, which is a very small side street or alleyway at the rear of the property.

Access to the site is mainly from Hanover Street which is a paved city maintained two-way roadway. The topography of the site is generally fairly level. The site is mostly covered by the building and the paved parking areas. There is some professional landscaping mainly along the front section of the building and parking lot.

Flood Hazard:

The subject improvements do not appear to be located in a flood hazard zone as referenced by the National Flood Insurance Program/U.S. Department of Housing & Urban Development flood insurance rate map.

It is noted that I am not qualified to make flood plain determinations. If the client is so concerned, an independent analysis and determination should be conducted by a qualified expert. A copy of the national flood hazard map is included.

Zoning:

According to the city assessing department the subject is located in the R-3 (PO) - Urban Multifamily (Professional Office Overlay) Zoning District. The minimum requirements in this zoning district for non-residential uses is a 10,000 square foot site with 75 feet of road frontage. The minimum requirements in this zoning district for residential uses is a 5,000 square foot site with 50 feet of road frontage. Based on the current zoning requirements each of the two individual lots appear to be legal conforming lots of record. Permitted use include most residential uses such as single family, single family attached townhouse dwellings, duplex or two-family, multi-family dwellings, elderly housing or assisted living, elementary or secondary schools, churches, municipal facilities. The Professional Office Overlay District allows for conversion to low-intensity professional office space that are compatible in scale, density and use with the surrounding and adjacent residential neighborhood. The current use predates the current zoning ordinance and based on conversations with the municipal office, it appears that the current use is legal and conforming.

It should be noted the determination of zoning compliance is beyond the scope of this appraisal. If the client determines the zoning is or could be an issue, it is advised that the client hire a qualified zoning expert. The previous analysis and conclusions are based on available data obtained from the municipal offices and general conversations with municipal officials.

Easements & Detrimental Conditions:

I was not made aware of any detrimental conditions, easements, restrictions, or encroachments that exist on the subject property, which I would consider to adversely affect the marketability of the subject property. The research required to determine if additional restrictions exist is beyond the scope of this assignment. Typically, deed restrictions are a legal matter which may only be uncovered via a title abstract completed by a qualified attorney or title company. Therefore, if the client is so concerned, it is recommended that a professional title extract be completed by a qualified expert.

Highest & Best Use – As Vacant:

The Highest and Best Use is defined as “*The reasonably probable and legal use of vacant land or an improvement property that is physically possible, legally permissible, appropriately supported, financially feasible, and that results in the highest value.*”²

Considering the four criteria above, the conclusion of the highest and best use of the site as if vacant is for some type of commercial or residential development permitted by zoning. The subject consists of 4 parcels of land. The main site contains a total of 0.65± acres of land and is improved with a one story office building and parking lot. The other 3 parcels contain 0.22± acres, 0.14± acres and 0.17± acres respectively for a combined total of 0.53± acres of land utilized as a parking lot in conjunction with the office building. For the purposes of this appraisal all 4 parcels and improvements will be considered as one economic unit with a total of 1.18± acres of land which is rectangular in shape.

² The Appraisal of Real Estate (Chicago, Ill: Appraisal Institute, Twelfth Edition, 2001) page 305

AERIAL VIEW – GOOGLE MAPS



TAX MAP



AERIAL TAX MAP





FLOOD MAP



DESCRIPTION OF THE REAL ESTATE TO BE APPRAISED - IMPROVEMENTS

Source (s):

No engineering and/or detailed building plans were provided to the appraiser. Therefore, the following description of the subject improvements is based upon an on-site visual observation of the property, in conjunction with relevant information as furnished by the owner and owner's representatives, as well as information secured from assessment data. The following description of the improvements is actually more of an observation. It should not be regarded as a full property inspection of the type intended to reveal defects in mechanical systems, structural integrity, roofing, exterior or any other structural component. The appraiser claims no special expertise in these areas, nor is the appraiser an expert in issues related to foundation settlement, insect infestation, radon gas, or lead based paint. Unless otherwise stated, the appraiser assumes that the various elements that constitute the subject improvements are fundamentally sound and in working order. This information is assumed to be correct. Any change in building areas could affect the market value estimate contained herein.

Actual/Effective Age:

According to the city tax records, the subject property was built circa 1920 and reportedly has been utilized commercially for several different uses such as a grocery store and car dealership. However, the subject was renovated into its current office configuration over twenty years ago. As such, it is my opinion that the effective age of the subject property is approximately 10 to 15± years, considered to be in average overall condition. It is noted that the large open office space was damaged by water and has been repaired but still requires finished flooring and some sheetrock work along the base of the wall or section dividers.

Foundation:

The foundation of the building is mainly slab foundation with a small unfinished basement area used to house the mechanical systems and offers some storage.

Construction:

The building is mainly constructed of concrete block and brick.

Exterior:

Mainly brick over concrete block.

Roof Structure:

The roof is a flat roof with a reported tar and gravel covering.

Doors & Windows:

Most of the interior doors are heavy solid wood doors with some metal fire rated fire doors also noted. The exterior doors are typical commercial grade doors for a building of this age, type and use. All of the windows appear to be metal framed thermo-pane windows with screens, considered typical for a building of this age, type and use.

Floor Structure:

Mainly wall to wall carpeting with most of the bathrooms having ceramic tile flooring. As previously stated the large open office area requires finish flooring as it is currently unfinished concrete.

Partitioning:

The partitioning appears to be a mix of concrete block and wood frame.

Ceilings:

Mainly suspended acoustical ceilings.

Interior Finish:

Typical painted drywall and movable partitioning throughout.

Use & Size:

According to the tax assessment records the subject property has approximately 20,360 square feet of gross building area. This area does not include any of the below grade basement area. The property has a mix of typical offices, conference rooms, bathrooms, and other office related uses. However, the majority of the property is open, with the office space divided into cubicles via movable partitioning. The entire property has historically been a single tenant building, which is currently owner occupied. The large open office space is currently not utilized by the current owner.

HVAC:

The entire building is serviced by a natural gas fired forced hot water base board system. There are also 6 HVAC units that service the building providing central air conditioning and also provides a backup forced hot air heating system.

Electrical & Lighting:

Reported to be adequate for the current use. It appears the main service consists of a 1,200 Amp entry with several subpanels throughout the building with circuit breaker panels. There is also a large emergency generator located outside by the parking lot. Lighting appears to be either surface mounted fluorescent or recessed can lights.

Additional Comments:

The subject property has a total of approximately 86 onsite parking spaces, 3 of which are designated as ADA spaces. Additionally, on street parking is also available. Overall, the subject appears to have adequate parking for its current use. The property appears to be fully sprinkled and appears to have a full smoke and fire system throughout the entire building which is connected directly to the central fire station. There is also a dedicated fire system to a ADP room for fire protection of computer equipment.

Highest & Best Use - As Improved:

In my opinion, as improved, the subject property has the potential to generate a positive cash flow over the next few years, which would yield a value greater than the estimated value of the vacant site. Therefore, the maximally productive use of the subject property, as improved, would be for the existing commercial use as a professional office building with parking lot. It should also be noted that, in my opinion, as an alternative use, the subject could be divided into several smaller sized commercial office units.

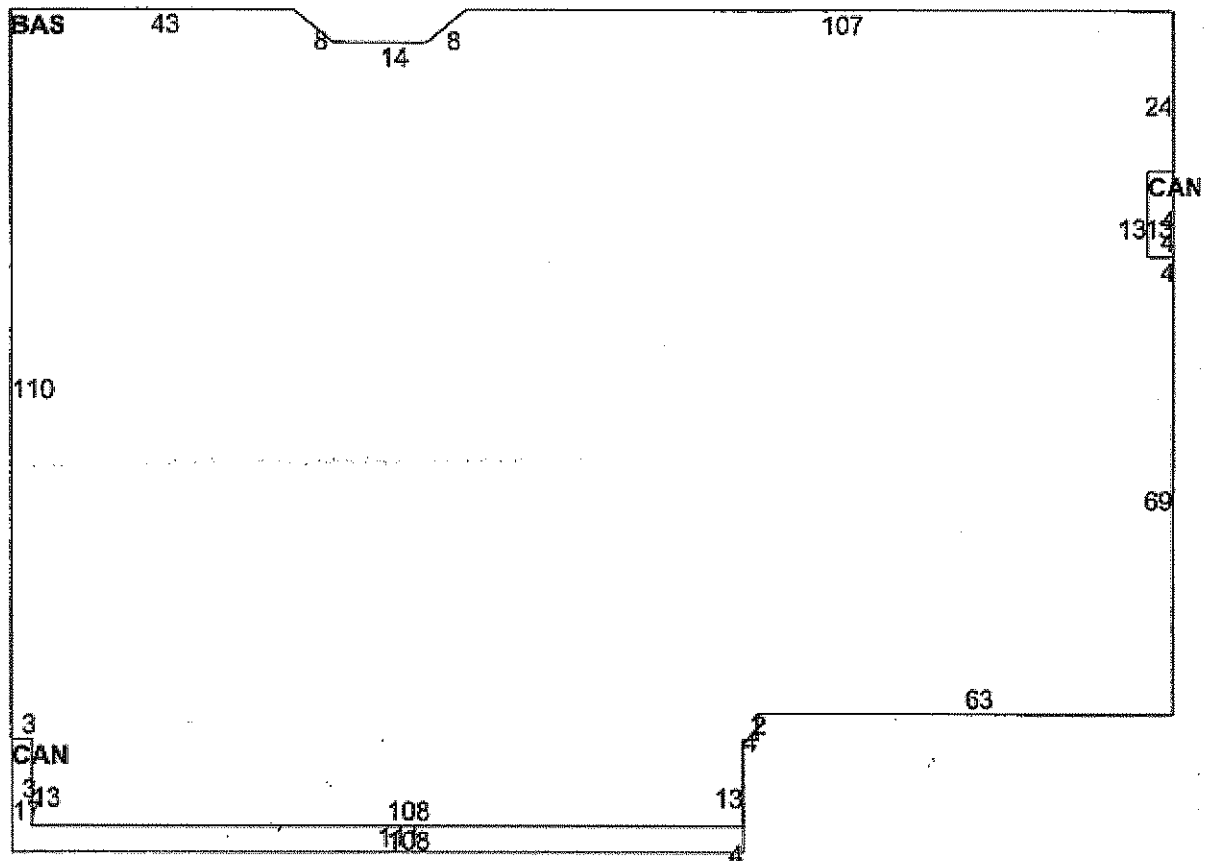
Conclusions:

The subject property is considered to be constructed with average to good quality materials and appears to have been constructed with good quality workmanship. The improvements are fairly typical for the subject's neighborhood and appear to be fairly homogeneous with other uses in the area. Functional utility for the existing use is considered to be good as most industrial and commercial uses are currently in fairly high demand. Therefore, considering the subject's location and overall condition, it is my opinion that the subject property does not suffer from any measurable amounts of external obsolescence.

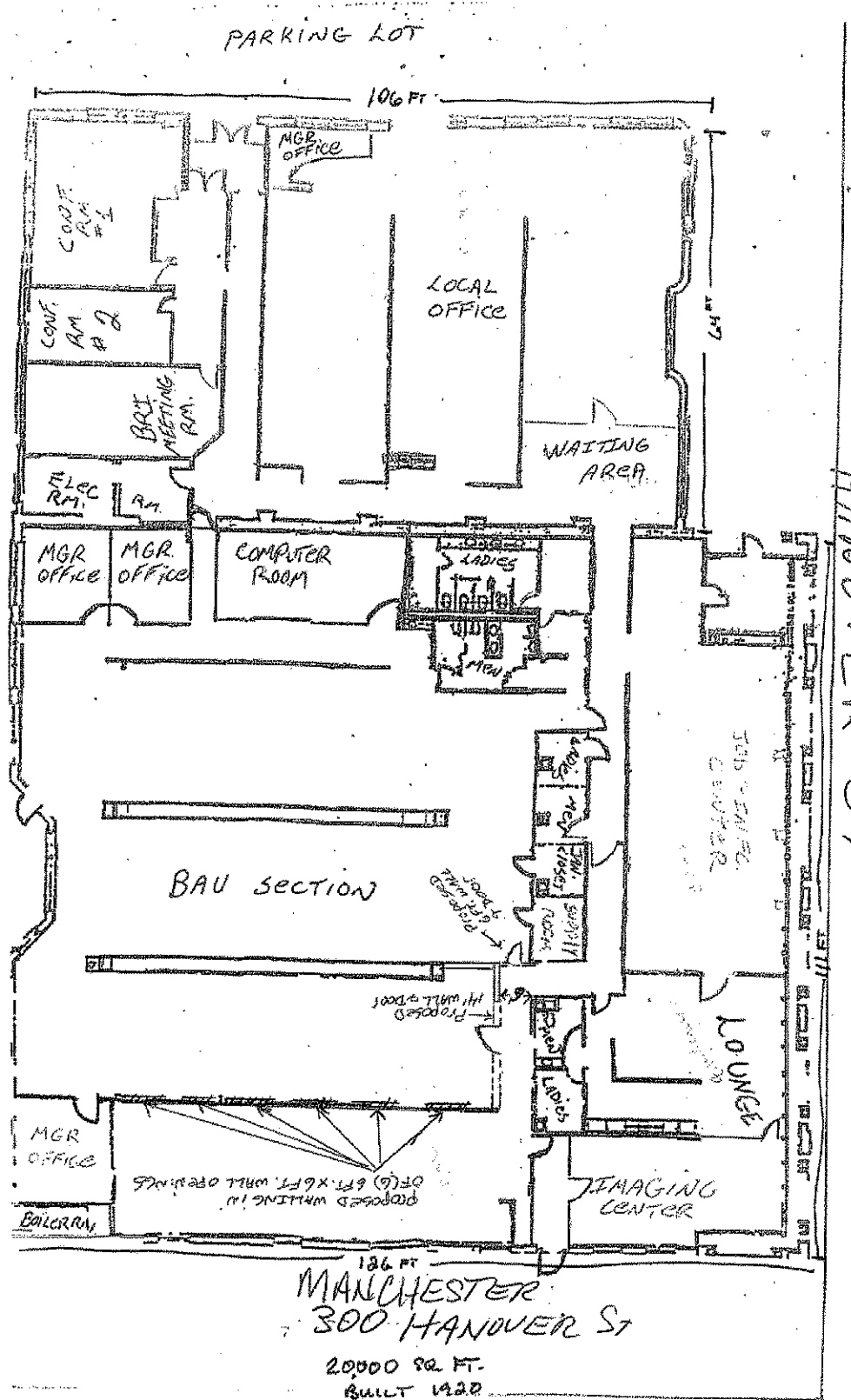
AERIAL VIEW – GOOGLE MAPS



IMPROVEMENT SKETCH – TAX CARD



BUILDING - FLOOR PLAN



VALUATION PREMISES

General Overview

Every estimate of *market value* includes a presumption that the appraiser will consider and judge the applicability of each of the alternative courses of action potentially available to the decision-maker or purchaser. The realistic alternative choices confronting him (ignoring the alternative to do nothing) are three in number.

Sales Comparison Approach

The purchaser-investor can acquire through purchase an existing substitute property with the same apparent utility. The value of the subject property is measured by the price (s) at which effective substitute properties can be or have been purchased, under similar market conditions. Analyzing sales data for competitive substitute properties constitutes what is called the *Sales Comparison Approach* or what is widely termed the *Market Data Approach*.

Income Capitalization Approach

For income-producing real estate, the purchaser-investor has a third possible choice. He can acquire a substitute investment whose forecasted income stream has the same size, duration, timing, stability, and certainty (or risk) as the income stream forecasted for the subject property. The present worth or capitalized value of such an income stream represents the value of the right to receive that income stream. The cost of acquiring a competitive substitute income stream on the market measures the value of the property rights being appraised. This acquisition cost is calculated by what is usually referred to as the *Income Approach*.

Cost Approach

Alternatively, the purchaser-investor may possibly produce or have produced a substitute property with the same perceived utility as the subject property has. The cost of production of this substitute property, provided it is market-determined, represents another measure of the value of the property being appraised. This cost-of-production figure is derived by what is termed the *Cost Approach*.

VALUATION ANALYSIS

These three alternatives provide the conceptual foundation for approaching the valuation of property rights in real estate. They are interdependent and interrelated, and they all require data from the same market. If good market data is available, the value indications of the three approaches should fall within a fairly narrow range. The three value indicators are reconciled, and a final value conclusion is made. All three approaches are always considered, however, depending on the accuracy, reliability, and pertinence of the market data available for each approach, only one or two approaches may be utilized.

In the valuation of the subject property, the *Sales Comparison Approach* has been utilized as there were an adequate number of comparable sales with which to develop a valuation estimate via the *Sales Comparison Approach*. In my opinion, there is sufficient income and expense data available from similar competing properties located in the subject's general market area. The subject is considered to be mainly an owner occupied type of property. However, as an alternative use it could fairly easily be utilized as a multi-tenant type rental property. For this reason, it is my opinion the *Income Approach* should be weighted fairly equally with the *Sales Comparison Approach*. The *Cost Approach* has not been employed due to the actual age of the improvements which are reported to be over 20 years of age. This is due to the possible errors that could result from estimating the amount of accrued depreciation. Typically, the *Cost Approach* is only applicable in estimating a value for a relatively new property having an actual age of less than 20 years.

The steps utilized for each appraisal approach used within this report are summarized in greater detail at the beginning of each approach.

SALES COMPARISON APPROACH - INTRODUCTION

General Overview

This assignment is a summary narrative appraisal, and some of the typical narrative data has been omitted. Due to the lack of comparable data from Manchester, the scope of research was necessarily extended to other similar communities.

Based on an analysis of the real estate market to include both property values in general and lease rates, I am of the opinion that properties similar to the subject property, since approximately the beginning of 2012, appear to have reached a stabilization of values where neither depreciation nor appreciation rates are truly justifiable. Consequently, in the following analysis, noting that the comparable sales occurred after 2012, no adjustments were deemed necessary. All adjustments were made on a unit value and all adjustments were rounded to the nearest 5% to account for market imperfections.

Analysis of the Comparable Sales

The following comparable sales indicate a range of value for the subject property of between \$61.20 per square foot upwards to \$72.22 per square foot of gross building area with a mean indicated sales price of the comparable sales being approximately \$68.50 per square foot of gross building area. The subject property is considered to be in average overall condition, located in a good central location a few blocks from the immediate downtown Manchester area.

The condition of the subject is considered average overall. However, the large open office area that was reportedly damaged by water and still requires finished flooring and some sheetrock work to the lower part of the dividing wall sections. Therefore, a nominal condition adjustment is deemed necessary to the comparable sales to account for the cost to cure.

A building size adjustment is for economies of scale that may exist between a sale and the subject property. The theory behind the economies of scale is based on the premise that a smaller unit or building will typically sell for more per unit value than a larger comparable unit or building and conversely a larger unit or building will typically sell for less per unit value than a smaller comparable unit or building. Based on a paired sales analysis of the sales employed, a percentage adjustment has been applied to comparable B-2 and B-4 to account for differences in building size as compared to the subject. The subject building is fully ADA compliant. All of the comparable sales are also fully ADA compliant with either ground access or via a full service elevator.

Comparable B-1 is located on Maple Street in Manchester which is considered a fairly similar location as compared to the subject. The condition of this sale is considered slightly superior overall to that of the subject due mainly to the required repairs to the large open office

space of the subject and a nominal adjustment is deemed applicable. This property is serviced by a full stop elevator to all floors providing ADA access to the entire building. Most other aspects of this sale is considered to be fairly similar and no further adjustments were felt to be warranted.

Comparable B-2 is the sale of a 57,337 square foot, multi-tenant office and retail building located at 25 Hall Street Concord, NH. The location of this comparable is considered to be slightly superior, noting that it has some direct exposure to Interstate 93. This building is larger than the subject property and as such a nominal positive economies of scale adjustment is applicable. A nominal adjustment is also deemed warranted to account for the larger site as compared to the subject. The condition of this sale is considered slightly superior overall to that of the subject due mainly to the required repairs to the large open office space of the subject and a nominal adjustment is deemed applicable. This property is serviced by a full stop elevator to all floors providing ADA access to the entire building. All of the remaining features of this comparable appear to be fairly similar and no further adjustments were felt to be warranted.

Comparable B-3 is located at 32-34 South Main Street in Concord, NH. This property is a 3 story professional office building with full walkout lower level onto Main Street. The condition of this sale is considered slightly superior overall to that of the subject due mainly to the required repairs to the large open office space of the subject and a nominal adjustment is deemed applicable. The site consists of two lots; lot 2 contains 0.13± acres of land and lot 3 contains 0.61± acres of land. The building is fully sprinkled with fire/smoke alarm to central station. Most of the building is ADA accessible with a four stop elevator which includes the lower level. The property was owner occupied by the State Department of Employment Security who vacated the property in early 2014. According to broker and a local developer there was two pending offers near the full asking price of \$1,750,000 as of 05/13. The second developer noted they were going to renovate the entire property and had a tenant lined up to occupy most of the building. Due to time constraints and other requirements being imposed by the City, the deal (both deals), fell through. According to the grantee representative who was familiar with the transaction, the City ended up buying the property for slightly less than the appraised value, completed for the grantor for marketing purposes. The grantee representative noted in his opinion, the value paid (\$1,575,000) was slightly less than what he felt the market value for the property was. Therefore, in the following analysis, I have first adjusted the sales price upwards slightly by 5.0% to account for the slight discount. Most of the remaining aspects of this comparable appear similar and no further adjustments were felt to be warranted.

Comparable B-4 is the sale of a commercial office building located on Cilley Road in Manchester which is considered a similar overall location. This property required adjustments to account for the smaller building size as compared to the subject. Most other aspects of this sale are considered to be fairly similar and no further adjustments were felt to be warranted.

CORRELATION OF THE SALES COMPARISON APPROACH

All of the comparable sales are considered to be good indicators of the subject's market value, and therefore, no one sale was weighted more heavily than another. Noting the location, overall condition and onsite parking of the subject property, it is my opinion that the middle of the indicated value range best represents the market value of the subject property.

Therefore, based on the foregoing analysis of the comparable sales as well as knowledge of additional sales and listings found in the subject's general market area, it is my opinion that the market value of the subject property, via the *Sales Comparison Approach*, is approximately \$70.00 per square foot of gross living area. This results in an indicated market value for the subject property as of January 14, 2016 as follows:

20,360 s.f. @ \$70.00 per s.f. = \$1,425,200

Rounded Indicated Value = \$1,425,000

FACTOR	SUBJECT	COMP. B-1	ADJ.	COMP. B-2	ADJ.	COMP. B-3	ADJ.	COMP. B-4	ADJ.
ADDRESS	300 Hanover St. Manchester, NH	228 Maple St. Manchester, NH		25 Hall St. Concord, NH		32-34 South Main St. Concord, NH		345 Cilley Rd. Manchester, NH	
DATE OF INSP./ SALE	01/05/16	10/22/15		07/28/14		10/30/14		10/14/15	
SALES PRICE	N/A	\$2,050,000		\$4,830,000		\$1,575,000		\$420,000	
PROPERTY RIGHTS	Fee Simple	Fee Simple	0.00%	Fee Simple	0.00%	Fee Simple	0.00%	Fee Simple	0.00%
FINANCING TERMS	Conventional	Conventional	0.00%	Conventional	0.00%	Conventional	0.00%	Conventional	0.00%
SALE CONDITIONS	N/A	Typical	0.00%	Typical	0.00%	Sl. Discount	5.00%	Typical	0.00%
TIME ADJUSTMENT	N/A	Stable	0.00%	Stable	0.00%	Stable	0.00%	Stable	0.00%
TIME ADJ. S.P.	N/A	\$2,050,000		\$4,830,000		\$1,653,750		\$420,000	
TIME ADJ. S.P./S.F.	N/A	\$76.02		\$84.24		\$72.60		\$68.01	
LOCATION	Good	Similar		Sl. Superior	-10%	Similar		Similar	
BUILDING SIZE/S.F.	20,360	26,966		57,337	10%	22,780		6,176	-10%
CONDITION	Average	Sl. Superior	-5%	Sl. Superior	-5%	Sl. Superior	-5%	Similar	
LOT SIZE/ACRE	1.18	0.70 common		2.08	-10%	0.74		0.45	
ZONING	R-3 (PO) Res/Com	RDV - Redevelop		Commercial		Urban		R2-Commercial	
TYPE OF USE	Office	Office		Office		Office		Office	
OVERALL APPEAL	Good	Similar		Similar		Similar		Similar	
PARKING	On site	On site		On site		On site		On site	
OTHER	ADA access	Elevator		Elevator		Elevator		ADA access	
NET ADJUSTMENTS			-5%		-15%		-5%		-10%
INDICATED VALUE PER S.F.			\$72.22		\$71.60		\$68.97		\$61.20
No. Sales		3	4						
Average Values		\$70.93	\$68.50						
Indicated Values		\$1,444,137	\$1,394,634						
Low Value		\$61.20	\$1,246,127						
High Value		\$72.22	\$1,470,411						
Most Reasonable		\$70.00	\$1,425,200	ET 16-9					

INCOME CAPITALIZATION APPROACH

Overview

The *Income Approach* is a "procedure in appraisal analysis which converts anticipated benefits (dollar income or amenities) to be derived from the ownership of property into a value estimate."³

The *Income Approach*, which is related to investor thinking and motivation, is a basic tool for the valuation of income-producing real estate. It is based on the principal of anticipation reflected in the definition of value as the present worth of all the rights to future benefits accruing to ownership. The *Income Approach* is practical only when an income stream attributable to the real estate can be estimated. This income estimate may be developed and supported by comparisons in the local market or, alternatively, by an allocation to the real estate of some portion of the total income derived from the operation of an ongoing commercial use in which the real estate is a contributing component.⁴

The following outline is a step-by-step procedure which is utilized in deriving a value for the subject property.

1. - Estimate market rents to derive Gross Income.
2. - Estimate and deduct the vacancy and credit loss allowance to derive the Effective Gross Income.
3. - Estimate and deduct operating expenses to derive the Net Operating Income for the subject property (before debt service and depreciation).
4. - Select an appropriate capitalization method and develop the Capitalization Rate.
5. - Complete the necessary computations to derive an economic value indication by the *Income Approach*.

The method used for the income approach is the direct capitalization valuation technique, which utilizes capitalization rates derived from market data. The methods employed in the direct capitalization valuation technique are the mortgage equity technique and the debt coverage ratio method.

³ Byrl. N. Boyce, Real Estate Appraisal Terminology, 1984.

⁴ IBID.

Direct Capitalization

Direct capitalization is a method used to convert a single year's income into an indication of value, in one step. Direct capitalization assumes that the income of a property, before any interest or depreciation, can be expressed on a constant dollar or stabilized basis. The following income and expense estimates are based on a stabilized net operating income for the subject property.

Income Analysis

Regardless of the capitalization method employed, it is necessary to estimate, on an annual basis, the potential gross income, vacancy and operating expenses attributable to operation of the real estate as well as the net operating income for the subject property. Contained within the following subsections of this report is the basis for the estimates of the potential gross income as well as the operating expenses for the subject property.

Contract Rents

Currently the subject is mainly owner occupied with some vacant or unused space. Therefore, no income or expenses information was available. Consequently, in the following analysis, only market derived income and expenses will be utilized.

Market Rent

Market rent is the rent that a property should receive based upon conditions in the open market. It is analyzed by comparing the rents being paid for similar and competing rental space. Market rent can vary from contract rent which is the rent being paid for the property as stipulated by a lease contract. The subject has historically been utilized as an owner occupied type of commercial building. However, as an alternative it could fairly easily be utilized as a multi-tenant office building. These types of properties are customarily rented on a triple net basis, with the tenant being responsible for the majority of the property related expenses such as, real estate taxes, heat, water, sewer. The owner of the building would be responsible for such items as management, marketing and advertising, reserves for replacements, exterior maintenance, and any common area expenses.

Although a lease can be drawn to fit any situation, most leases fall into two categories, gross rental lease and net rental lease. In a gross lease, the lessor pays all operating expenses of the real estate and in a net lease, the tenant pays for all of these expenses. In a modified gross lease, the tenant pays for one or two items normally covered under a gross lease. These items can range from utilities, to yard maintenance, but it should be noted that the majority of expenses

are still covered by the lessor. On a triple net lease, the owner of the property typically pays for building insurance, property management, some exterior maintenance, and reserves for replacement, with the tenant paying for the remainder of expenses. For this analysis, I have assumed that the subject property would be leased based on a triple net basis.

A general rental survey of local area rents indicates an adjusted rental range of between \$6.00 upwards to approximately \$14.00 per square foot of gross building area based on various lease agreements. Considering the subject's location, overall building size and condition, it is my opinion that the subject's anticipated rent would be nearest to the lower to middle of the noted rental spectrum, estimated to be \$8.00 per square foot on a triple net basis. Therefore, in the following income analysis, I have used market rents and expenses to estimate the net operating income for the subject property.

It should be noted that typically commercial properties like the subject would have a higher percentage allocated to the management expense. However, noting that the subject has a highest and best use to be at least partially owner occupied, which is typically not leased, I have allocated a nominal expense.

Based on figures extracted from various on-line sources, as well as general conversations with local area real estate appraisers and real estate brokers, it appears a reasonable vacancy rate for the Greater Manchester area is between less than 5% to as high as 15%. Considering that the subject is a good quality office building, it is my opinion that the middle of the range is most applicable. Therefore, in my opinion a 10% vacancy rate for the subject property appears to be reasonable.

The summary of the subject's estimated potential gross income is located on the following pages.

RECONSTRUCTED OPERATING STATEMENT

ESTIMATED OPERATING STATEMENT 300 HANOVER STREET IN MANCHESTER, NEW HAMPSHIRE

				<u>Actual/Projected Rent</u>	
<u>Potential Gross Income</u>				<u>\$-Amount</u>	<u>% Revenue</u>
<u>Area/sf</u>		<u>Rents</u>	<u>TENANT/LOCATION</u>		
20,360	X	\$8.00	Estimated Market Rent - NNN	\$ 162,880	100.0%
Total Potential Gross Income				\$ 162,880	100.0%
Minus	10.00% Vacancy & Collection Loss			\$ (16,288)	-10.0%
<u>Effective Gross Income</u>				\$ 146,592	90.0%
<u>Operating Expenses</u>					
<u>Fixed Expenses</u>					
		Property Taxes (Lessee expense)		\$ -	0.0%
		Insurance (Lessor expense - estimate)		\$ 7,200	4.9%
Total Fixed Expenses				\$ 7,200	4.9%
<u>Variable Expenses</u>					
	4.00%	Management & Administration		\$ 5,864	4.0%
	4.00%	Maintenance & Repairs		\$ 5,864	4.0%
	1.00%	Legal & Accounting		\$ 1,466	1.0%
	3.00%	Reserves for Replacement		\$ 4,398	3.0%
		Utilities (Lessee expense)		\$ -	0.0%
		Plowing and Grounds (Lessee expense)		\$ -	0.0%
	1.00%	Office & Miscellaneous		\$ 1,466	1.0%
Total Variable Expenses				\$ 19,057	13.0%
<u>Total Operating Expenses</u>				\$ 26,257	17.9%
<u>Net Operating Income</u>				\$ 120,335	82.1%

Market Development of Capitalization Rate - Direct Capitalization Method

Any interest in real estate that has an income stream can be valued by the direct capitalization method of valuation. Using this process, the value is estimated by dividing the net operating income by an appropriate overall capitalization rate. The formula for this calculation is as follows:

$$\text{Value (V)} = \text{Net Operating Income (NOI)} \div \text{Overall Capitalization Rate (R}_o\text{)}$$

The development of the capitalization rate has been based on three methods: the mortgage equity technique, the debt coverage ratio technique, and the market extraction method of valuation. In order to properly use these techniques, the appraiser has analyzed several elements of the market, such as current interest rates, loan-to-value ratios, current market rental information on similar comparable properties, equity yield rates of investors, holding periods typically found for investment properties similar to the subject, and the general economic and financial climate for properties similar to the subject property.

Summary of the Capitalization Rate Calculations

In order to estimate the overall capitalization rate via these techniques, I have surveyed local lending institutions to arrive at typical financial parameters. In addition to this bank survey I have also utilized periodicals, such as the Appraiser News in order to extract typical rates used throughout various lending institutions. In the following analysis, utilizing the mortgage equity technique and debt coverage ratio method, I have used the following parameters.

Loan to Value Ratio	70%
Mortgage Interest Rate	5.0%
Amortization Term	20 years
Holding Period	10 years
Equity Yield Rate	15%
Debt Coverage Ratio	1.30
Appreciation Rate	Estimated at 1% per year over the holding period, noting that some appreciation is offset by the subject's physical depreciation.

Capitalization Rate – Mortgage Equity Technique**ESTIMATED RATES**

Mortgage Ratio:	70.00 %
Annual Interest Rate:	5.00 %
Amortization Term:	20.00 Years
Equity Yield Rate:	15.00 %
Holding Period:	10.00 Years
Annual Appreciation / Depreciation Rate:	1.00 % per year

CALCULATED CONSTANTS

Rm = Mortgage Constant =	0.0792
1/Sn = Sinking Fund Factor =	0.0493
P = Contribution Factor =	0.3778

RATE CALCULATIONS

Weighted Rate Calculation:	
Mortgage Ratio x Rm =	0.0554
Equity Ratio x Yield Rate =	0.0450
Discount or Weighted Rate =	0.1004 = Rw
Credit for Equity Buildup Calculation:	
Mortgage Ratio x P x 1/Sn =	0.0130 = Re
Appreciation Calculation:	
Appreciation Rate x (-1/Sn) =	-0.0049 = Ra
Overall Cap Rate = Rw - Re + Ra =	0.0825

DEBT COVERAGE RATIO CALCULATION

Overall Rate / { LTV x Rm } =	1.49
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OVERALL RATE SUMMARY

Discount or Weighted Rate:	10.04%
Overall Capitalization Rate:	8.25%

Capitalization Rate – Debt Coverage Ratio Method

The formula to derive an overall rate via the debt coverage ratio method is as follows:

$$R_o = DC \times R_m \times M$$

Where;

R_o = Overall Capitalization Rate

DC = Debt coverage Ratio

R_m = Mortgage Constant

M = the Typical Loan-to-Value Ratio

The mortgage constant is a rate which reflects the relationship between debt service and the total principal amount of the mortgage loan.

The loan-to-value ratio is the ratio of the mortgage amount to the estimated market value of the property.

Utilizing this information, the appraiser has estimated a mortgage constant of 0.0792, based on a loan term of 20 years and a loan interest rate of 5.0%. The debt coverage ratio of 1.30, which seems reasonable and typical for the current economic conditions, has been utilized, as well as a 70% loan-to-value ratio which is somewhat standard throughout the financing industry. When these three factors are multiplied by each other, an overall capitalization rate of 7.20% is indicated.

Inserting these financing terms into the debt coverage ratio formula results in an overall rate as follows:

$$R_o = DC \times R_m \times M$$

$$R_o = 1.30 \times 0.0792 \times 0.70$$

$$R_o = 0.0720 \text{ or } 7.20\%$$

SUMMARY OF THE INCOME APPROACH

In estimating the value of the subject property via the income approach, two direct capitalization valuation techniques have been utilized.

First, utilizing current financing criteria, the mortgage equity technique was employed and an overall capitalization rate of 8.25% was indicated. The second technique used was the debt coverage ratio method which also uses current financing criteria. However, the debt coverage ratio method also utilizes the debt coverage ratio typically used by lending institutions. The indicated capitalization rate based on this technique is 7.20%. These two rates are further supported based on figures extracted from RealtyRates.com - Investor Survey for the third quarter of 2015 periodical "Average of All Property Types". This survey notes a range in overall capitalization rates, based on these two techniques, using actual market derived information from consummated transactions, as reported by respondents based on actual net operating incomes, was between 3.38% to as high as 23.63%, with an average for the DCR Technique of 9.00% and an average of 9.69% via the Band of Investment Technique.

Adding support for the above noted estimated overall capitalization rate is a periodical from the second quarter of 2015, the PwC Real Estate Investor Survey, published by the Appraisal Institute, the noted Overall Capitalization Rates for Office buildings (considered most similar to the subject property) ranges from 3.50% to 9.00% with a national average of 6.07%. Also another study of overall capitalization rates extracted from RealtyRates.com - Investor Survey for the third quarter of 2015 (latest available), for CBD Office Buildings was 8.20% which was basically unchanged from the second quarter rate. Most real estate professionals in New Hampshire who use this study tend to agree that the average discount rates are high for New Hampshire, as well as the available returns in alternative type and risk investments. However, in any case, the rate utilized should also consider the risk involved with vacant space and the quality of existing and prospective tenants suitable for the subject property. Therefore, noting that the subject is suited for either an owner occupied or a multi-tenant office building, the overall condition and fit up, as well as the good overall location of the subject property, it is my opinion a rate nearest to the middle of the indicated rates, estimated to be between 8.00% and 9.00%, is most applicable.

Based on the preceding, it is my opinion an overall capitalization rate of 8.50%, is most applicable. Therefore, based on these assumptions, the direct capitalization valuation technique for the subject property is calculated as follows:

$$\text{Net Operating Income (NOI)} \div \text{Capitalization Rate (R}_o\text{)} = \text{Value (V)}$$

$$\text{NOI} - \$120,335 \div \text{R}_o - 0.085 = \text{V} - \$1,415,705$$

$$\text{Rounded Value Estimate: } \$1,415,000$$

RECONCILIATION OF APPROACHES

"Reconciliation is the process of coordinating and integrating relating facts in order to develop a unified conclusion." In the estimation of Market Value of the subject property, I have considered the *Sales Comparison Approach*, the *Cost Approach* and the *Income Approach*. All of these approaches are established and recognized appraisal techniques used in the valuation of real estate.

The purpose of reconciliation is to develop the most reliable estimate of value based on analysis of the quantity, quality, and durability of all the data developed. Thus, reconciliation is a review of the data and the various procedures in which the data is utilized within this report.

Each of these approaches has been reviewed separately by comparing to the others in terms of adequacy, defensibility and overall reliability. The results of these appraisal methods are as follows:

Sales Comparison Approach: \$1,425,000

Income Approach: \$1,415,000

Cost Approach: Not Applicable

Each of these values are developed through application, interpretation and analysis of market data.

It should be noted that the value established for the subject property, based on these independent but interrelated approaches, is considered to be a good indication of the quality of the data employed and the accuracy of the value conclusion.

In my opinion, the *Sales Comparison Approach* typically gives a good indication of actions of the buyers and sellers of properties similar to the subject property. However, in my opinion, the *Income Approach* is also a very good indicator of value, noting the subject is alternatively considered to be an investment type property. Therefore, it is my opinion that the *Income Approach* should be weighted fairly equally with the *Sales Comparison Approach*. As previously noted the *Cost Approach* has not been utilized due to the actual age of the subject property.

The *Sales Comparison Approach*, in my opinion, gives a good indication of actions of buyers and sellers for properties similar to that of the subject property. Market data is collected, documented and analyzed in direct comparison to the characteristics of the subject property. A composite of each analysis for each comparable sale is then correlated into a meaningful market indication for the subject property. This indication is offered as a price that a potential buyer might pay for the subject property as of the date of the appraisal. Although it does not directly take into consideration the income-generating characteristics of the subject property, it does reflect the income potential of the subject property in an indirect way by comparing the actual sale price of other similar properties that have been purchased for their income-producing potential.

The *Income Approach*, which is related to investor thinking and motivation, is a basic tool for valuation of income-producing real estate. It is based on the principal of anticipation reflected in the definition of value, "*as the present worth of all rights to future benefits accruing to ownership*". The income approach is practical only when an income stream attributable to the real estate can be estimated. This income estimate may be developed and supported by comparisons in the local market or, alternatively, by an allocation to real estate of some portion of the total income derived from operation of an ongoing business in which the real estate is a contributing component. In most instances, investors for properties like the subject, typically put greater emphasis on the existing and potential income that a property can produce. Therefore, it is my opinion, the *Income Approach* should be weighed fairly equally.

Based on the foregoing, with the *Income Approach* and *Sales Comparison Approach* being weighted fairly evenly, it is my opinion that the market value of the subject property as of **January 14, 2016**, is **\$1,420,000**.

EXPOSURE TIME

The subject's exposure time is based on a typical effective marketing period for similar competing properties which have sold. Exposure time is always presumed to occur prior to the effective date of the appraisal.

Exposure time is defined by the Appraisal Foundation, USPAP 2016-2017 edition (page 195), as “the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; Exposure time is a retrospective opinion based upon an analysis of past events assuming a competitive and open market.”

Exposure time is different for various types of property and under various market conditions. It is noted that the overall concept of reasonable exposure encompasses not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable effort. This statement focuses on the time component.

Exposure time is one of a series of conditions in most market value definitions. Exposure time may vary greatly depending upon a number of factors including the motivation of the owner, the reasonableness of the offering price, the different marketing avenues, as well as the amounts and willingness of the local financing markets to name just a few. Because all of these factors greatly affect the exposure period of a property, it is very difficult to accurately measure the exposure time for the subject property.

The two best methods of estimating an exposure time are one, through actual sales, and two, through conversations with local real estate brokers. Conversations with local professional real estate brokers indicated that most properties, if reasonably priced, should sell within a twelve month time frame. Also, a review of the comparable sales utilized in the sales comparison approach, revealed that when the sales were marketed at or near the eventual sales price, the exposure period was typically less than twelve months.

Based upon the preceding, it is my opinion that a reasonable exposure time for the subject property, based on the previously noted reconciled market value conclusion, would be twelve months or less. This assumes that the subject would be actively marketed by a professional real estate broker, at or near the final reconciled value estimate.

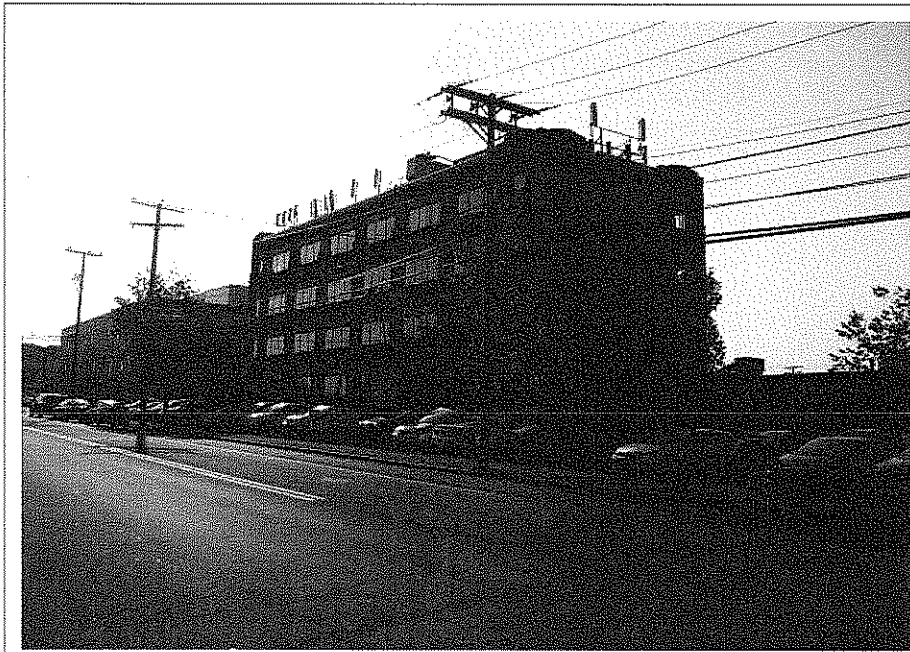
COMPARABLE IMPROVED SALE B-1

Address:	228 Maple Street in Manchester, New Hampshire		
Property Type:	Office Building, Unit 1 - Stadium Way Condominium		
Grantor:	Maple Valley Manchester Partners, LLC		
Grantee:	Velagala Estates, LLC		
Condition of Sale:	Reported to be an arm's length transaction		
Sales Price:	\$2,050,000.00		
Unit Price:	\$76.02 per sf of GBA		
Sale Date:	10/22/15		
Financing:	\$1,640,000 Northway Bank		
Date Recorded:	10/22/15		
Registry Recorded:	Hillsborough	Deed Type:	Warranty
Book/Page:	8801/1360	Transfer Stamps:	\$30,750.00
Confirmation Source:	Owner/Appraiser	By: ET	Date: 09/15
	Mr. Charles Panasis of Brady Sullivan/Capital Appraisal Associates		
Lot Size:	0.70± acres common	Shape:	Irregular
Frontage:	87± ft Maple St.	Average Depth:	250± ft Valley St.
Topography:	Level	Landscaping:	Typical
Road Grade:	At road grade	Road Surface:	Paved
Electric:	Available	Gas:	Available
Water:	Public	Sewer:	Public
Easements:	None adverse noted	Zoning:	RDV-Redevelopment
Highest & Best Use:	Commercial - Office		
Building Type:	4 Story	Current Use:	Office/College/Retail
Actual Age:	Circa 1890 renovated	Effective Age:	5-10± years
Quality:	Average	Condition:	Good
Foundation:	Poured concrete	Basement:	Full/raised, finished
Ext. Finish:	Brick, masonry	Roof:	Flat/rubber membrane
Framing Type:	Brick/masonry/steel	Insulation:	Unknown, typical
Lighting:	Adequate	Electrical:	Adequate
Plumbing:	Adequate	Heating:	HVAC/gas/full AC
Walls:	Drywall/sheet rock	Ceilings:	Mostly suspended
Flooring:	Mix carpet/vinyl/tile	Bldg. Size:	26,966± square feet
Map/Block/Lot:	107/1	Parking:	Adequate on site

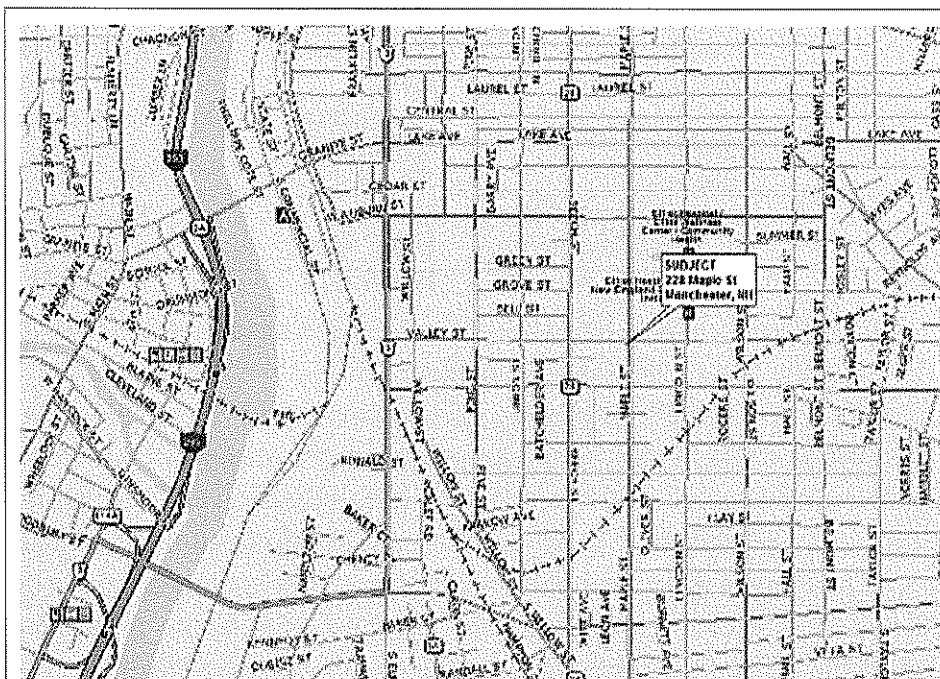
Comments: This sale is of a renovated mill building that has 26,966± s.f. of finished area above grade (5,617± sf on each of the 4 floors), however, the basement area is partially raised out of the ground and consists of an additional 4,498± sf of finished office area. The building has 1 elevator servicing all floors including the lower basement level. There were 3 tenants at the time of sale – with only 2,164 sf of vacant space on the third floor. Overall average lease rate was \$7.49/sf NNN with \$4.25 allocated to CAM expenses. There are 50± parking spaces designated for use by this sale with an estimated total of 220 shared spaces available - the parking is a shared common area with the neighboring bowling alley which mainly uses the parking in the evening. The property had previously transferred in 2004 with a reported sales price of \$2,100,000. Lease rights to the roof top cell antennas and equipment were sold circa 2011-2012 for \$1,200,000. The building unit then sold in June 2013 for \$500,000. The building was then totally renovated at a cost of over \$1,000,000 and leased up prior to the most recent sale.

(C2900D-34A; App. 15-432, Job 16-9)

PHOTOGRAPH AND LOCATION MAP



Identification: 228 Maple Street in Manchester, NH
 Photograph Taken by ET circa September 2015



Identification: Location Map of the Comparable Sale

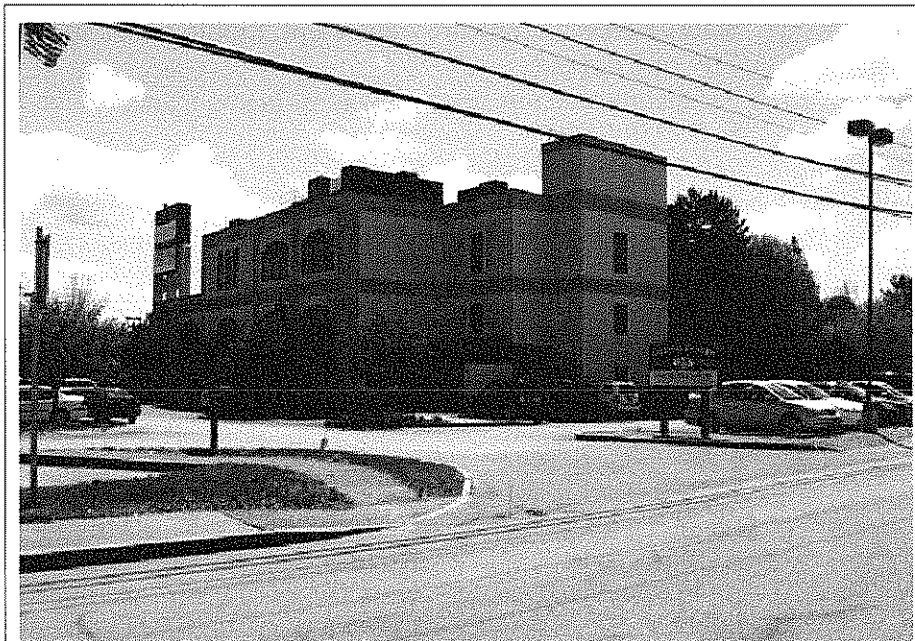
COMPARABLE IMPROVED SALE B-2

Address:	25 Hall Street in Concord, New Hampshire		
Property Type:	Office/Retail Building - Gateway Center		
Grantor:	Concord Gateway Partners, LLC		
Grantee:	Granite State College		
Condition of Sale:	Assumed to be an arm's length transaction		
Sales Price:	\$4,830,000.00 * Reported Contract Price		
Unit Price:	\$84.24 per sf of GBA		
Sale Date:	07/28/14		
Financing:	Cash to seller		
Date Recorded:	07/28/14		
Registry Recorded:	Merrimack	Deed Type:	Warranty
Book/Page:	3449/0957	Transfer Stamps:	\$72,450.00
Confirmation Source:	Manager/Appraiser	By: ET	Date: 05/13
	Mr. Brad Abel of Colliers International/Capital Appraisal Associates		
Lot Size:	2.08± acres	Shape:	Irregular
Frontage:	336± ft.	Average Depth:	Varied
Topography:	Level	Landscaping:	Typical
Road Grade:	At road grade	Road Surface:	Paved
Electric:	Available	Gas:	Available
Water:	Public	Sewer:	Public
Easements:	None adverse noted	Zoning:	Gateway Performance
Highest & Best Use:	Commercial - Office/Retail		
Building Type:	3 Story *	Current Use:	Office/College/Retail
Actual Age:	Circa 1987	Effective Age:	5-10± years
Quality:	Average	Condition:	Average/Good
Foundation:	Poured concrete	Basement:	Full, finished
Ext. Finish:	Brick, masonry, stucco	Roof:	Flat/rubber membrane
Framing Type:	Brick/masonry/steel	Insulation:	Unknown, typical
Lighting:	Adequate	Electrical:	Adequate
Plumbing:	Adequate	Heating:	HVAC/gas/full AC
Walls:	Drywall/sheet rock	Ceilings:	Mostly suspended
Flooring:	Mix carpet/vinyl/tile	Bldg. Size:	57,337± square feet
Map/Block/Lot:	15/2/10	Parking:	Adequate on site

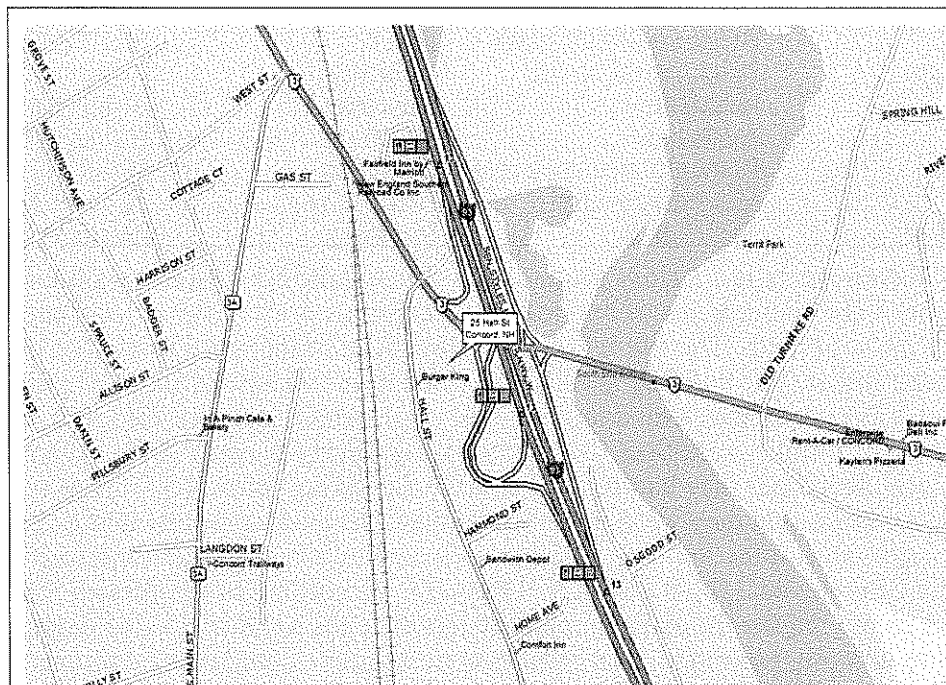
Comments: This property is a three story professional office/retail building with full finished lower level. The buildings main tenant is Granite State College, who purchased the property. The College occupies approximately 72% of the leasable space with the remaining space occupied by a number of smaller retail, service or office tenants, such as Remax, a physical therapist and an investment company. The site has good visibility on Hall Street as well as on Water Street (Route 3) and Interstate 93. The building is fully sprinkled with fire/smoke alarm to central station. The building is ADA accessible with a four stop elevator, which includes the lower level. Uses for the subject may be for the continued use as a college or potentially as a multi-tenant retail/office complex. It was reported the college may expand is use of the space as tenants leases expire. Previous sale 05/10/04 - \$4,300,000, from 17-29 Hall Street, LLC.

(C2900D-33; App. 13-228, Job 15-27)

PHOTOGRAPH AND LOCATION MAP



Identification: 25 Hall Street in Concord, NH
Photograph Taken by ET circa May 2013



Identification: Location Map of the Comparable Sale

COMPARABLE IMPROVED SALE B-3

Address:	32-34 South Main Street in Concord, New Hampshire		
Property Type:	Office Building		
Grantor:	State of New Hampshire - NH Dept. Employment Security		
Grantee:	City of Concord		
Condition of Sale:	Per the grantee rep. the sale was sl. below market value *		
Sales Price:	\$1,575,000.00 *		
Unit Price:	\$69.14 per sf of GBA		
Sale Date:	10/30/14		
Financing:	None noted – City of Concord acquisition		
Date Recorded:	10/31/14		
Registry Recorded:	Merrimack	Deed Type:	Warranty
Book/Page:	3460/0218	Transfer Stamps:	None required
Confirmation Source:	Broker/Appraiser/Grantee By: ET/TRD Date: 05/13 & 02/15 Broker B. Jolicoeur, Cowan & Zellers RE/CAA/M. Walsh - City		
Lot Size:	0.74± acres in total*	Shape:	Fairly rectangular
Frontage:	123± ft.	Average Depth:	Varied
Topography:	Level	Landscaping:	Minimal
Road Grade:	At road grade	Road Surface:	Paved
Electric:	Available	Gas:	Available
Water:	Public	Sewer:	Public
Easements:	None adverse noted	Zoning:	CU Urban
Highest & Best Use:	Commercial - Professional Office		
Building Type:	4 Story *	Current Use:	Office
Actual Age:	Circa 1930	Effective Age:	15-20± years
Quality:	Average	Condition:	Average
Foundation:	Granite/Brick/Concrete	Basement:	Full
Ext. Finish:	Brick veneer & glass	Roof:	Flat/T&G rubber
Framing Type:	Brick/metal/wood	Insulation:	Unknown, typical
Lighting:	Adequate	Electrical:	Adequate
Plumbing:	Adequate	Heating:	HVAC/gas/full AC
Walls:	Drywall/sheetrock/panel	Ceilings:	Mostly suspended
Flooring:	Mix carpet/vinyl	Bldg. Size:	22,780± square feet
Map/Block/Lot:	34/3/3 & 2	Parking:	Adequate/2 lots

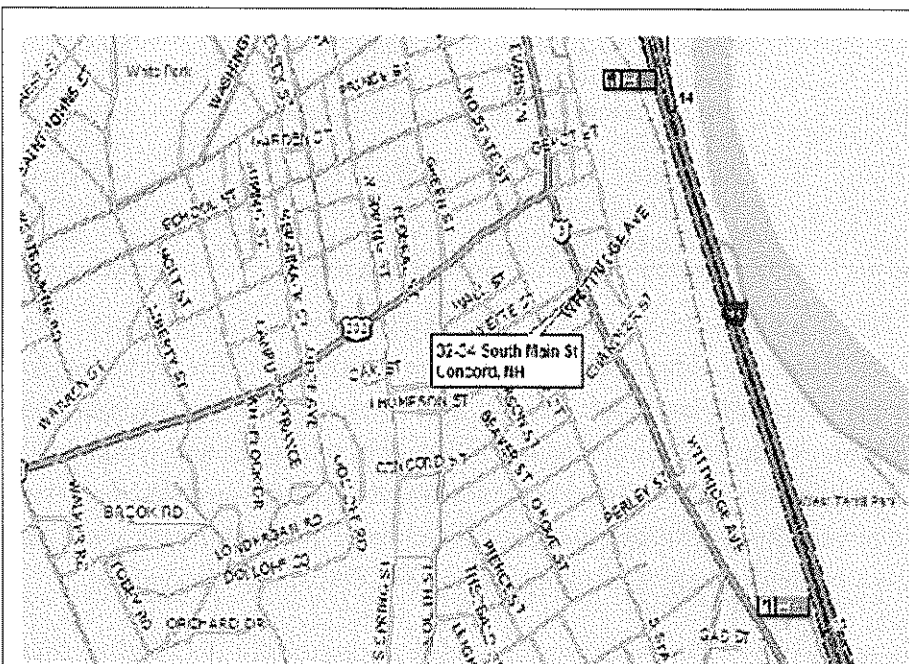
Comments: This property is a 3 story professional office building with full walkout lower level onto Main Street. The site consists of two lots; lot 2 contains 0.13± acres of land and lot 3 contains 0.61± acres of land. The site has good visibility on Main Street as well as on South State and Fayette Street. The building is fully sprinkled with fire/smoke alarm to central station. The building is ADA accessible with a four stop elevator, which includes the lower level. The State Department of Employment Security vacated the property in early 2014. According to the broker and a local developer they had two offers near the asking price of \$1,750,000 as of 05/13. The second developer noted they were going to renovate the entire property and had a tenant lined up to occupy most of the building. Due to time constraints and other requirements being imposed by the City, the deal (both deals), fell through. According to the grantee representative the City ended up buying the property for slightly less than the appraised value, completed for the grantor for marketing purposes. The grantee representative noted in his opinion, the value paid was slightly less than what he felt the market value for the property was. The property was on the market for 180 days.

(C2900C-66; App. 12-704, Job 15-27)

PHOTOGRAPH AND LOCATION MAP



Identification: 32-34 South Main Street in Concord, NH
 Photograph Taken by; TRD December 2012



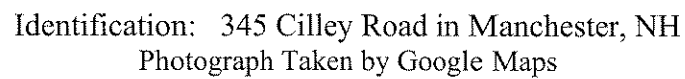
Identification: Location Map of the Comparable Sale

COMPARABLE IMPROVED SALE B-4

Address:	345 Cilley Road in Manchester, New Hampshire		
Property Type:	Office/Medical Building		
Grantor:	Hassells End Properties LLC		
Grantee:	Peerless Properties LLC		
Condition of Sale:	Reported to be an arm's length transaction		
Sales Price:	\$420,000.00		
Unit Price:	\$84.24 per sf of GBA		
Sale Date:	10/14/15		
Financing:	\$336,000 Triangle Credit Union		
Date Recorded:	10/14/15		
Registry Recorded:	Hillsborough	Deed Type:	Warranty
Book/Page:	8798/2302	Transfer Stamps:	\$6,300.00
Confirmation Source:	Broker/Public records	By: ET	Date: 01/16
	CB Richard Ellis/New England, Chris Healey (626-0036)		
Lot Size:	0.45± acres	Shape:	Fairly rectangular
Frontage:	198± feet & 97± feet	Average Depth:	Varied
Topography:	Level/sloping	Landscaping:	Typical
Road Grade:	At road grade	Road Surface:	Paved
Electric:	Available	Gas:	Available
Water:	Public	Sewer:	Public
Easements:	None adverse noted	Zoning:	R2-Res 2 Fam.
Highest & Best Use:	Commercial - Offices		
Building Type:	2 Story	Current Use:	Office
Actual Age:	Circa 1970	Effective Age:	20-25± years
Quality:	Average	Condition:	Average
Foundation:	Poured concrete	Basement:	Slab
Ext. Finish:	Brick, masonry	Roof:	Flat/rubber membrane
Framing Type:	Brick/masonry/steel	Insulation:	Unknown, typical
Lighting:	Adequate	Electrical:	Adequate
Plumbing:	Adequate	Heating:	FHA/gas/elec/full AC
Walls:	Drywall/sheet rock	Ceilings:	Mostly suspended
Flooring:	Mix carpet/vinyl/tile	Bldg. Size:	6,176± sf per tax card
Map/Block/Lot:	370/079	Parking:	36 on site

Comments: This is a multi-tenant class B office building with walkup access located on a corner lot at Cilley Road and Wilson Street. Excellent visibility with easy access to the Downtown area as well as the Interstate system. Each floor may be accessed at ground level with separate entrances due to sloping terrain. Fully air conditioned and features 4 separate units and gas heat. Currently two tenants, a dental practice and massage and fitness center. At time of sale there was one vacant space of approximately 3,167± sf available, which was last utilized by Elliot hospital as a pediatrics center. Asking rate of \$14.00 psf modified gross.

(C2904-30A; Job 16-9)



RENTAL SURVEY OF COMPARABLE OFFICE/RETAIL RENTS:

LOCATION	SIZE/TYPE	Rate/Terms	ADDITIONAL COMMENTS
228 Maple St Manchester, NH	5,617 s.f. Office	\$8.75 per s.f. NNN	Leased 03/03/15. Office space in recently renovated 4 story 27,000 SF multi-tenant office building. Overall Tenants pay own heat & electric plus additional CAM charges estimated to be approximately \$4.00 per square foot. Overall, considered fairly similar to the subject.
835 Hanover St. Manchester, NH	1,901 s.f. Office Condo	\$10.00 per s.f. NNN	Leased 05/26/15. Unit in 3 story professional office building. NNN rent plus electricity. CAM (2011) \$3.22 psf, Taxes \$1.99 psf. Overall, considered fairly similar to the subject property.
66 Hanover St. Manchester, NH	1,200 s.f. Office	\$10.00 per s.f. Mod Gross	Leased 10/08/15. Ground floor unit in larger 3 story 82,300± sf office building. Tenant pays utilities. Overall, considered fairly similar to the subject property.
66 Hanover St. Manchester, NH	1,938 s.f. Office	\$12.00 per s.f. Mod Gross	Leased 10/08/15. Third floor office suite in larger 3 story 82,300± sf office building. Tenant pays utilities. Overall, considered fairly similar to the subject property.
1850 Elm St. Manchester, NH	1,800 s.f. Office	\$12.50 per s.f. Gross	Leased 03/12/15. Class A 2 story 21,000 sf office building on Elm Street. Rents are full gross includes everything. ADA accessible units. Overall, considered fairly similar to the subject.
1850 Elm St. Manchester, NH	3,000 s.f. Office	\$12.50 per s.f. Gross	Leased 08/13/14. Class A 2 story 21,000 sf office building on Elm Street. Rents are full gross includes everything. ADA accessible units. Overall, considered fairly similar to the subject.
55 Bridge St. Manchester, NH	1,609 to 10,800 s.f. Office	\$13.00 per s.f. Mod. Gross	Offered for lease, 3 story office building. Various size units or the whole building available. Potential sizes 1,609 sf, 2,091 sf, 3,400 sf, 3,700 sf, 7,101 sf or the entire 10,800 sf building. Space will be renovated to suit the needs of tenant. Overall, considered fairly similar to the subject property.
22 Concord St. Manchester, NH	3,400 s.f. Office	\$12.00 per s.f. NNN	Offered for lease, Class A 4 story bldg, Suite 4, fourth floor available. Tenants pays heat & electric. Overall, considered fairly similar to the subject.
186 Granite St. Manchester, NH	4,000 to 20,000 s.f. Office	\$14.00 per s.f. Mod. Gross	Office space on 1st, 2nd & 3rd floors offered for lease. Overall, considered fairly similar to the subject property.
1230 Elm St. Manchester, NH	3,702, 4,854 & 5,753 s.f. Office	\$8.00 per s.f. NNN	Class A office space offered for lease. Base rent plus CAM. Overall, considered fairly similar to the subject property.
908 Hanover St. Manchester, NH	739 to 1,486 s.f. Office Condos	\$9.00 per s.f. NNN	Offered for lease. Condo Units in 3 story professional office building. NNN rent plus electricity. Cam & Ins \$1.51 psf and \$200/month condo fee. Overall, considered fairly similar to the subject property.
250 Commercial St. Manchester, NH	1,650 to 10,500 s.f. Office	\$6.00 to \$12.00 per s.f. Mod. Gross	Various size units from 2,200 to 8,695 sf of office/retail space on 1st, 2nd & 3rd floors offered for lease in historic Wambec Mill complex. Overall, considered slightly inferior to the subject.
377 Elm St. Manchester, NH	6,000 s.f. Retail/Office	\$11.00 per s.f. Mod. Gross	Offered for lease. Ground floor space in larger 11,000 sf building. Rent includes taxes and insurance. Tenants pay separate utilities plus prorata share of CAM expenses. Overall, considered fairly similar to the subject.

SUBJECT ADDENDA

SUBJECT PHOTOGRAPHS

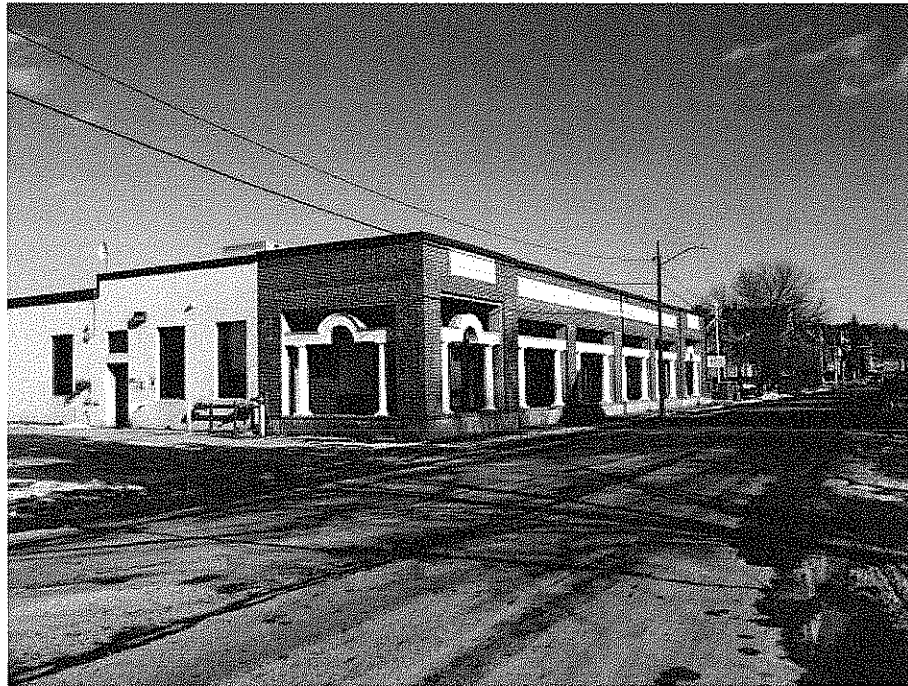


Google Earth - Front of the subject property

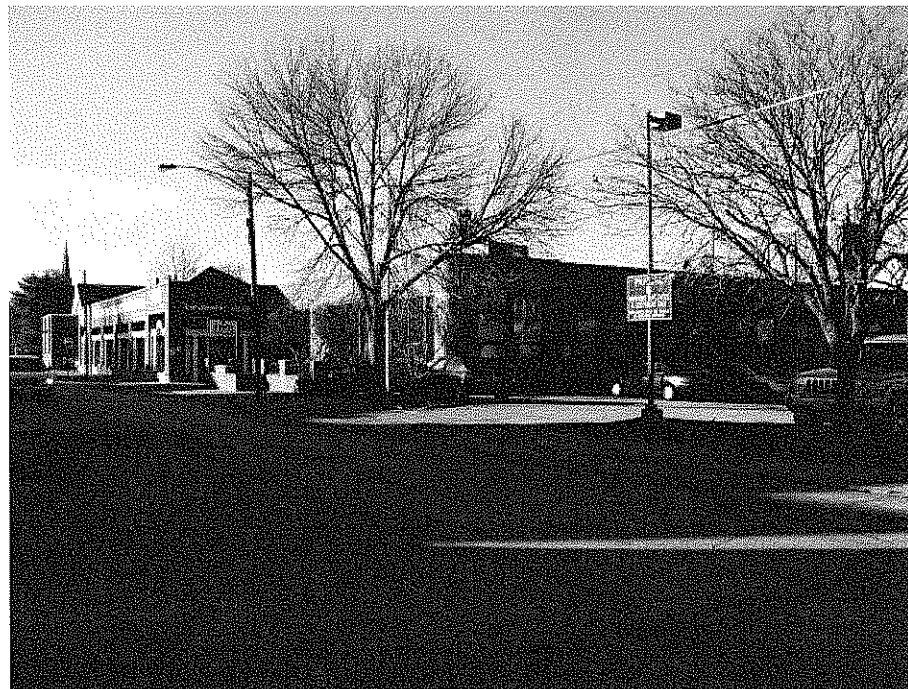


Google Earth - Rear of the subject property

SUBJECT PHOTOGRAPHS

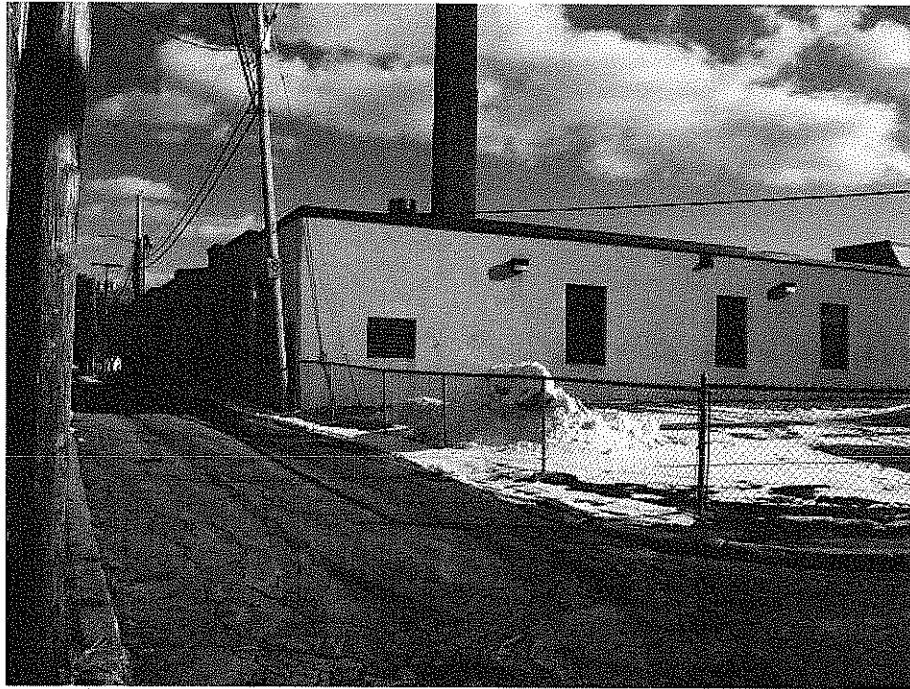


Exterior - Front of the subject property

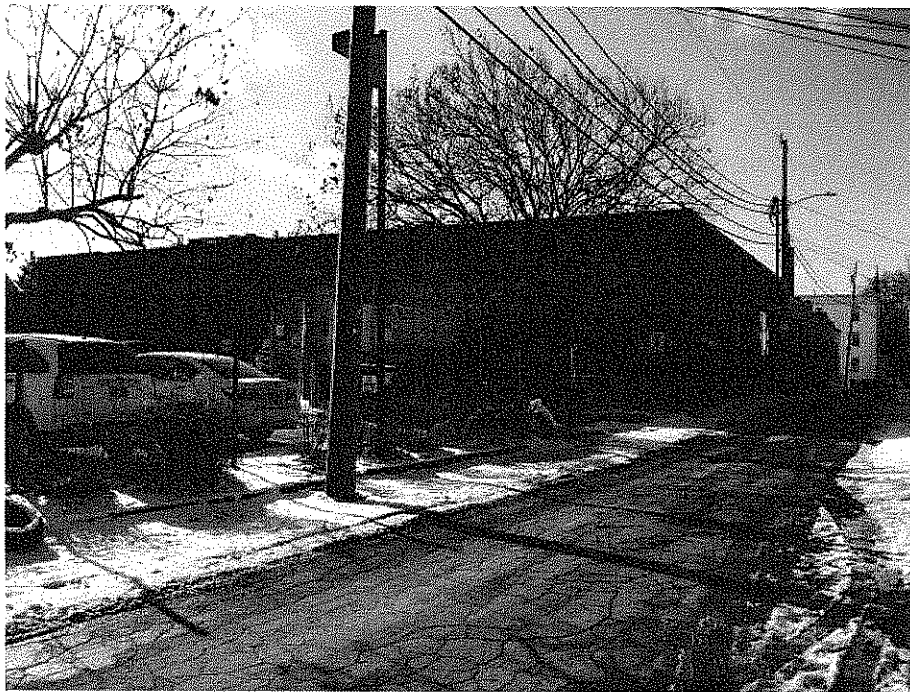


Exterior - Front of the subject property

SUBJECT PHOTOGRAPHS



Exterior of the subject property

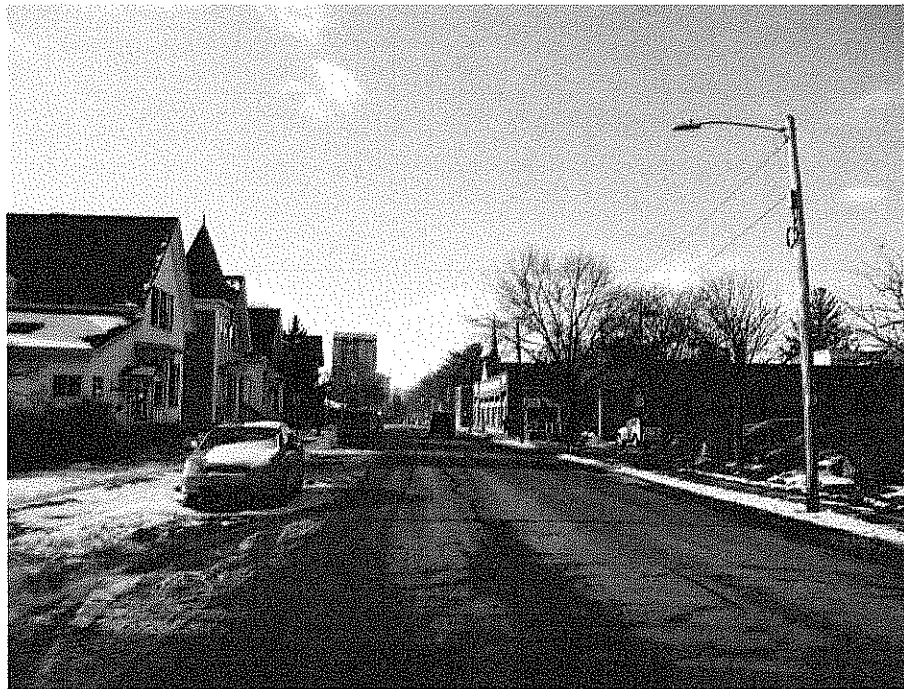


Exterior & parking of the subject property

SUBJECT PHOTOGRAPHS

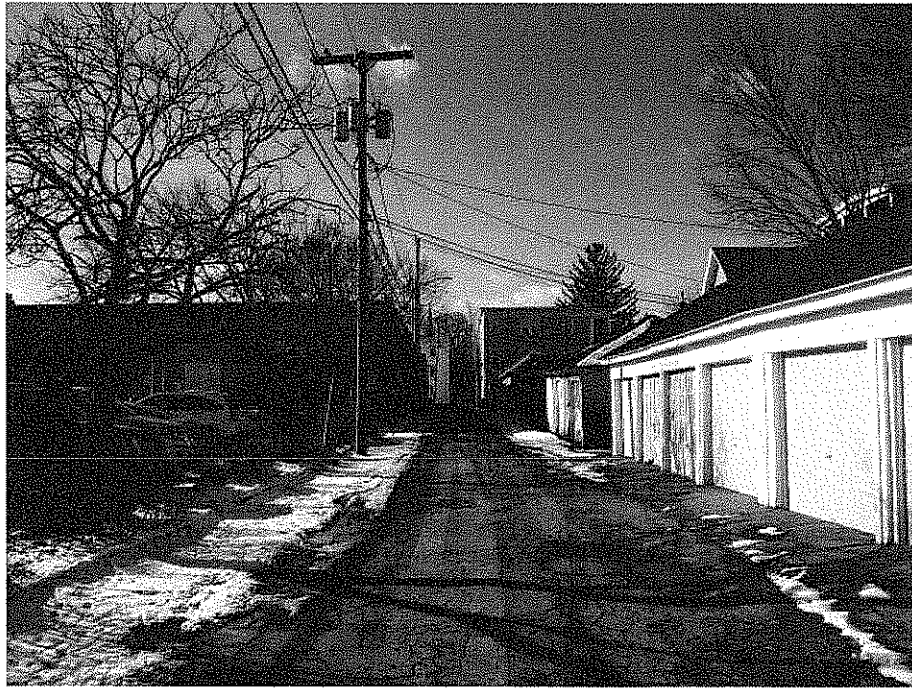


Hanover Street, easterly

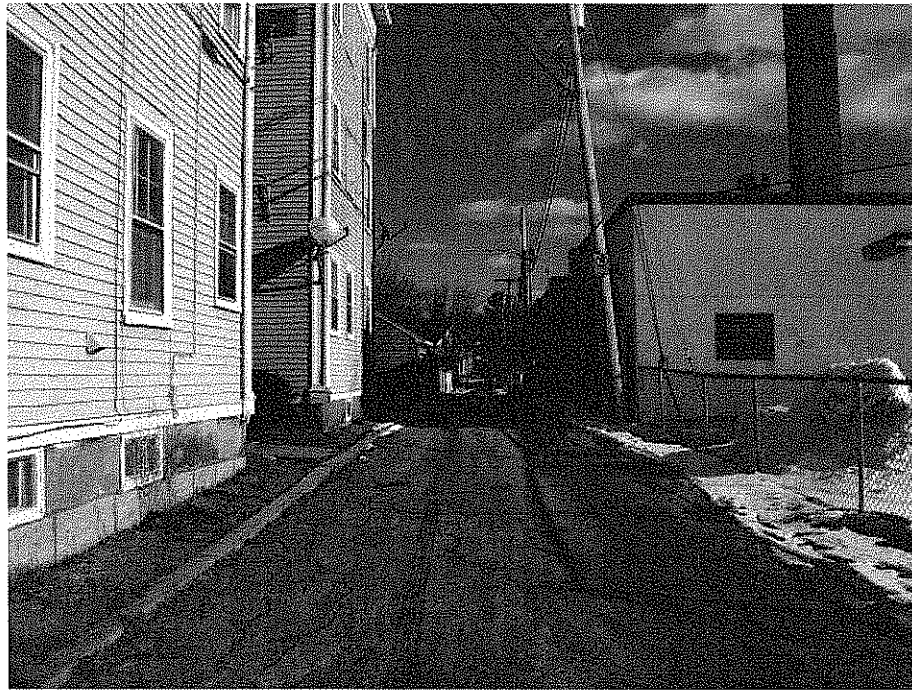


Hanover Street, westerly

SUBJECT PHOTOGRAPHS



Derryfield Lane, westerly



Derryfield Lane, easterly

SUBJECT PHOTOGRAPHS

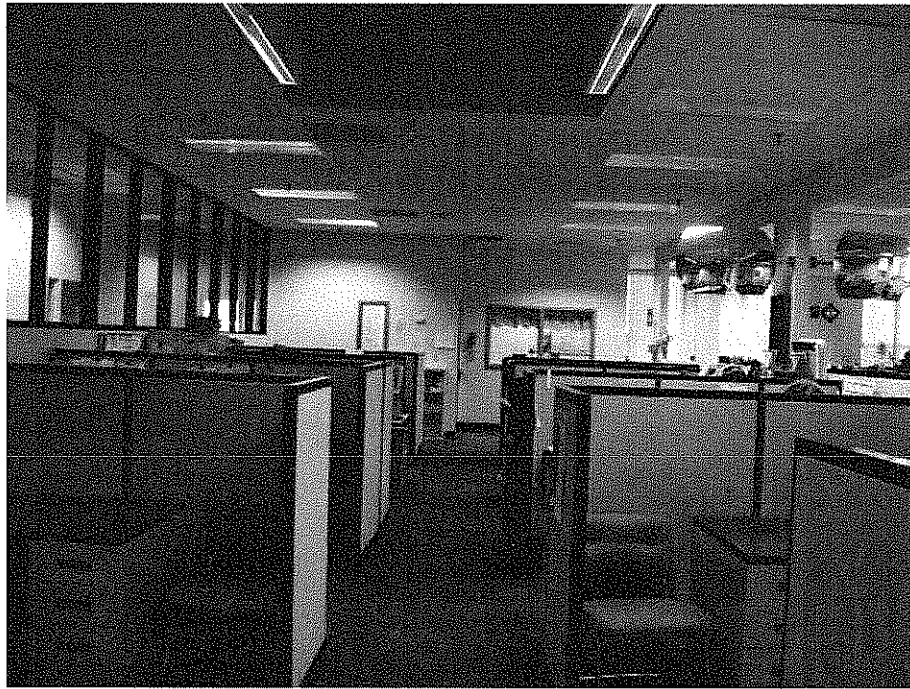


Hanover Court, northerly



Hanover Court, southerly

SUBJECT PHOTOGRAPHS

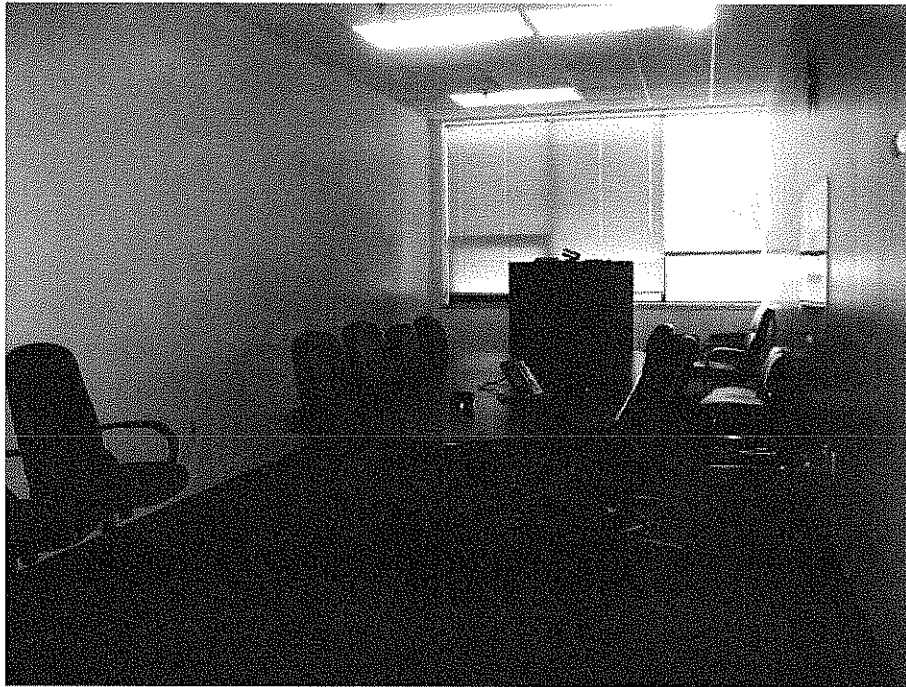


Typical Interior

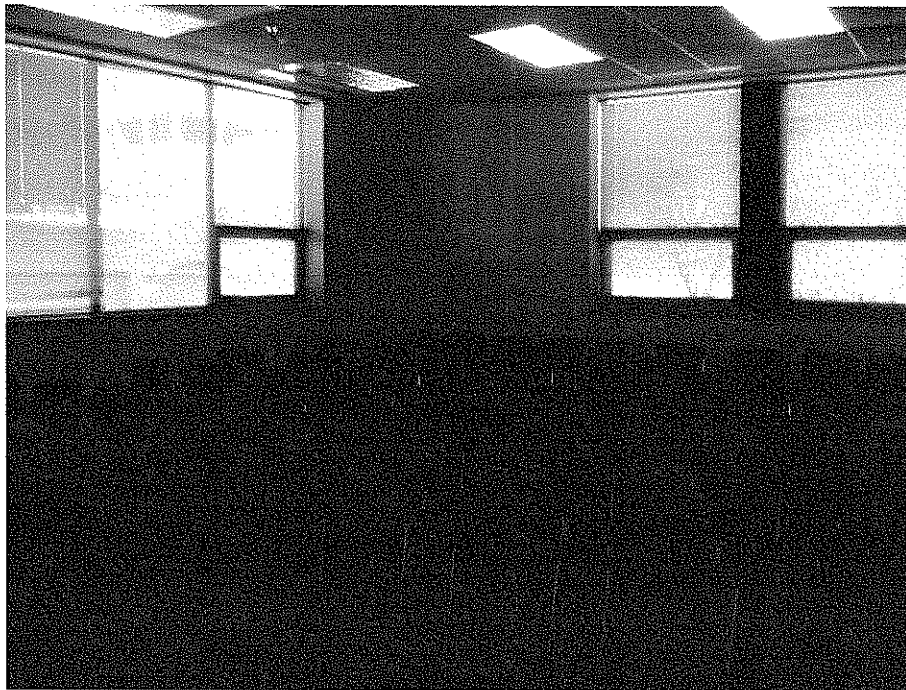


Typical Interior

SUBJECT PHOTOGRAPHS



Typical Interior



Typical Interior

SUBJECT PHOTOGRAPHS

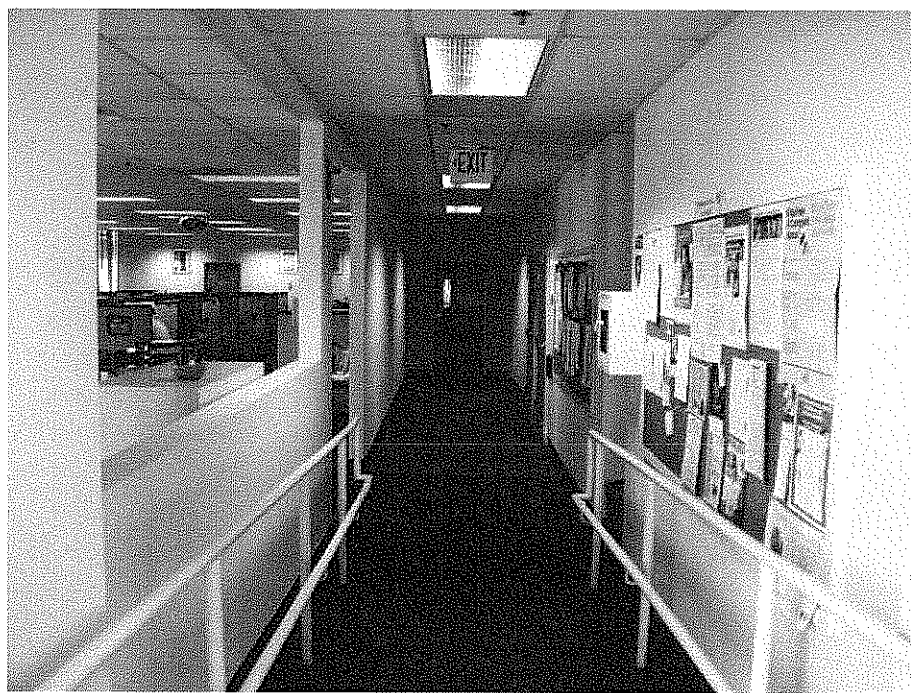


Typical Interior

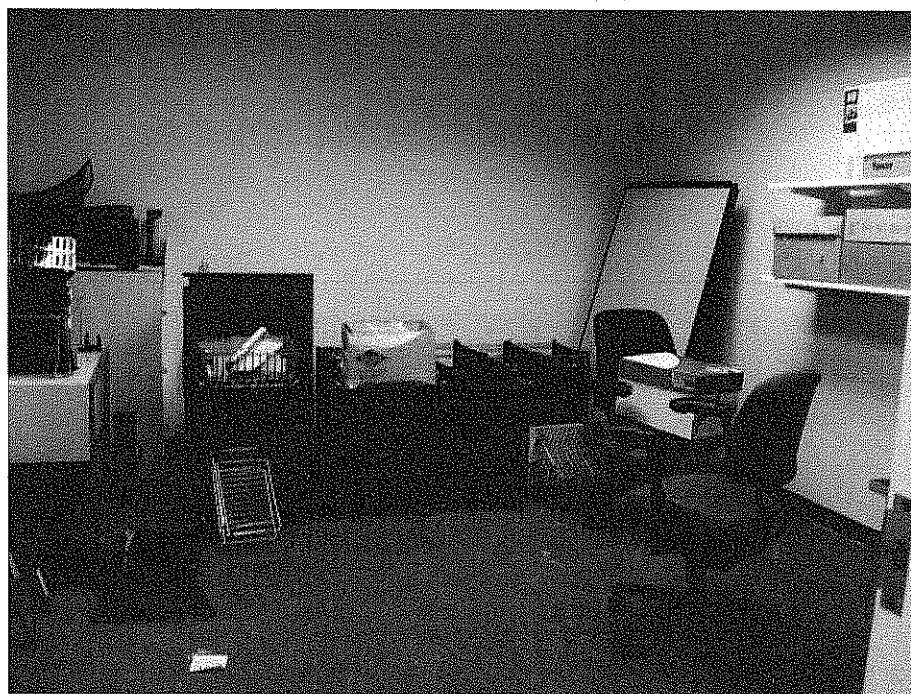


Typical Interior

SUBJECT PHOTOGRAPHS



Typical Interior



Typical Interior

SUBJECT PHOTOGRAPHS

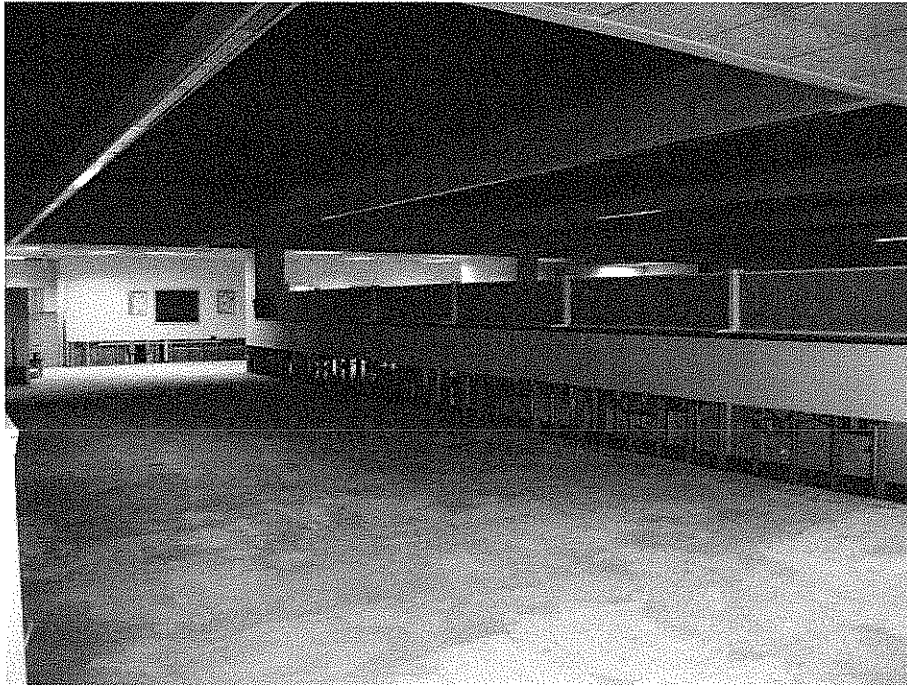


Typical Interior



Typical Interior

SUBJECT PHOTOGRAPHS



Typical Interior

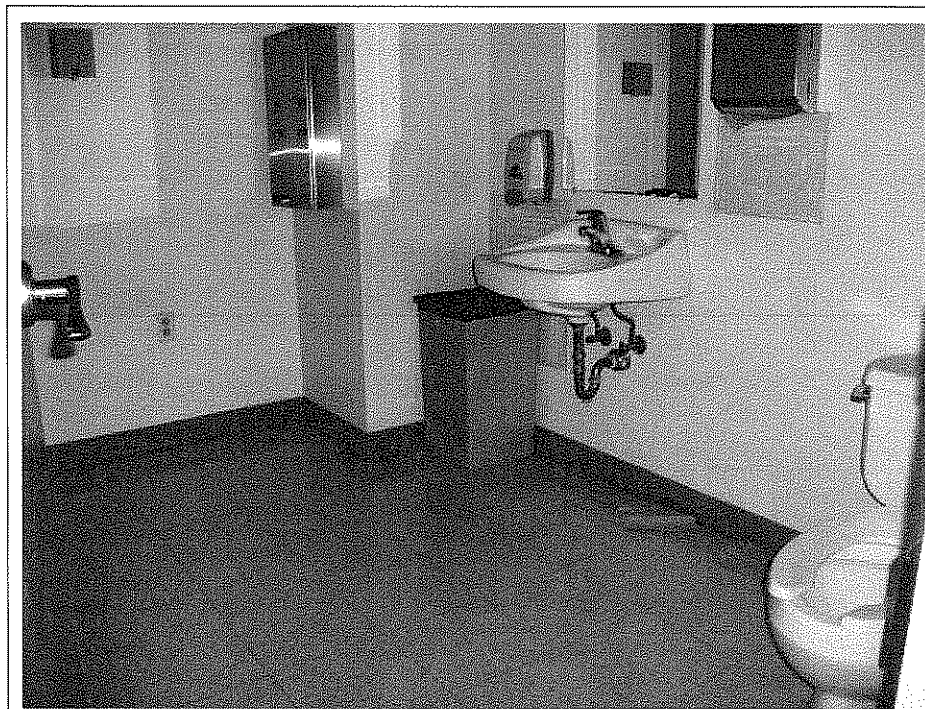


Typical Interior

SUBJECT PHOTOGRAPHS

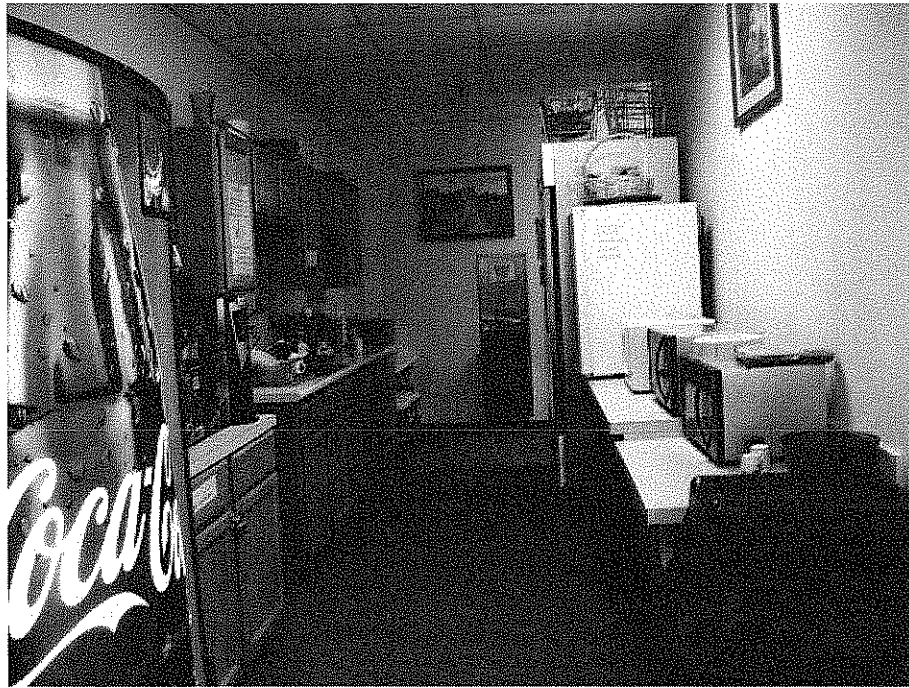


Typical Interior

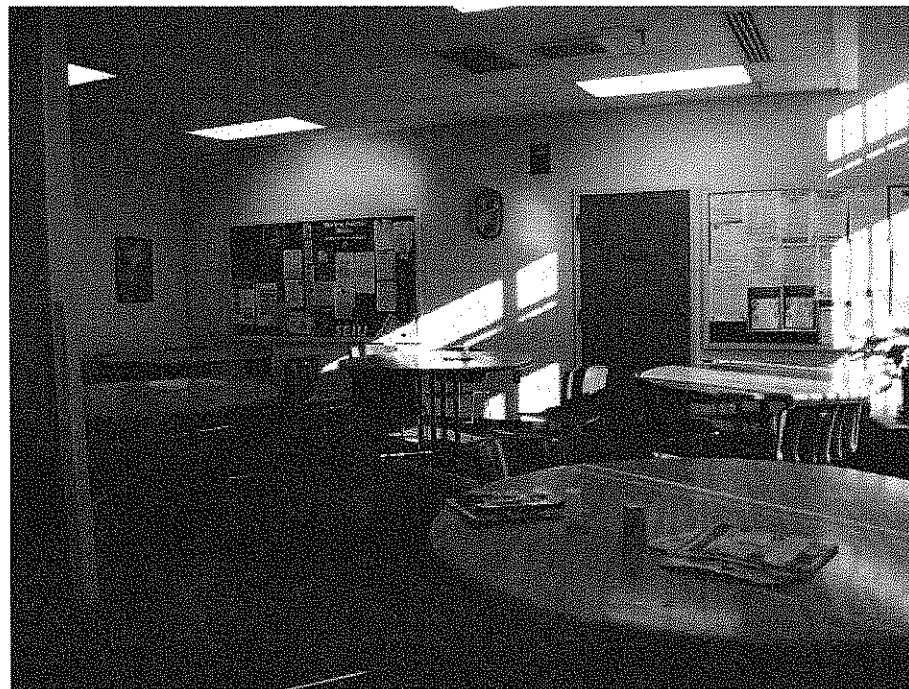


Typical Interior

SUBJECT PHOTOGRAPHS

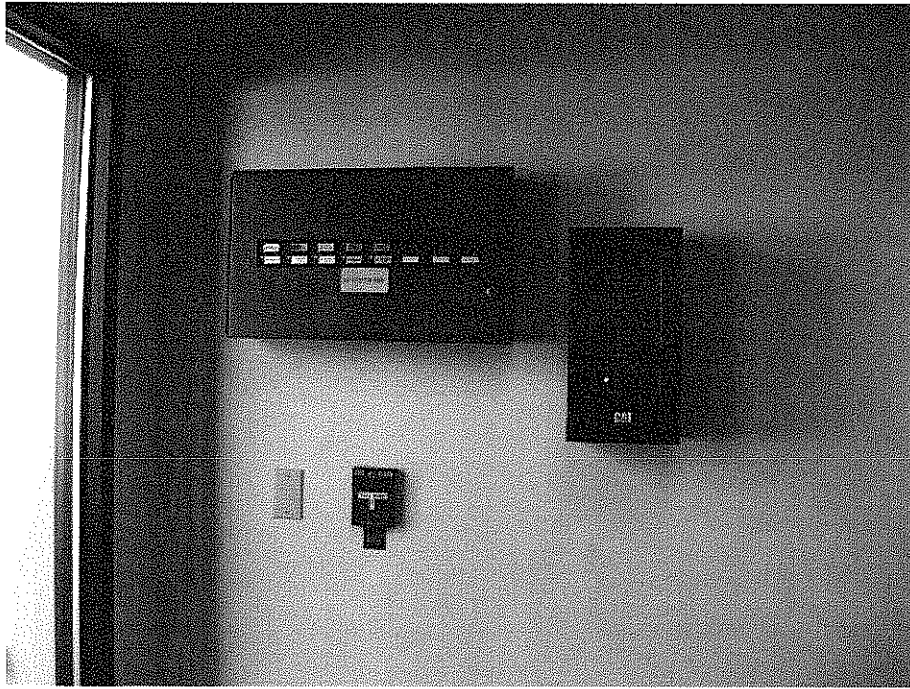


Typical Interior



Typical Interior

SUBJECT PHOTOGRAPHS

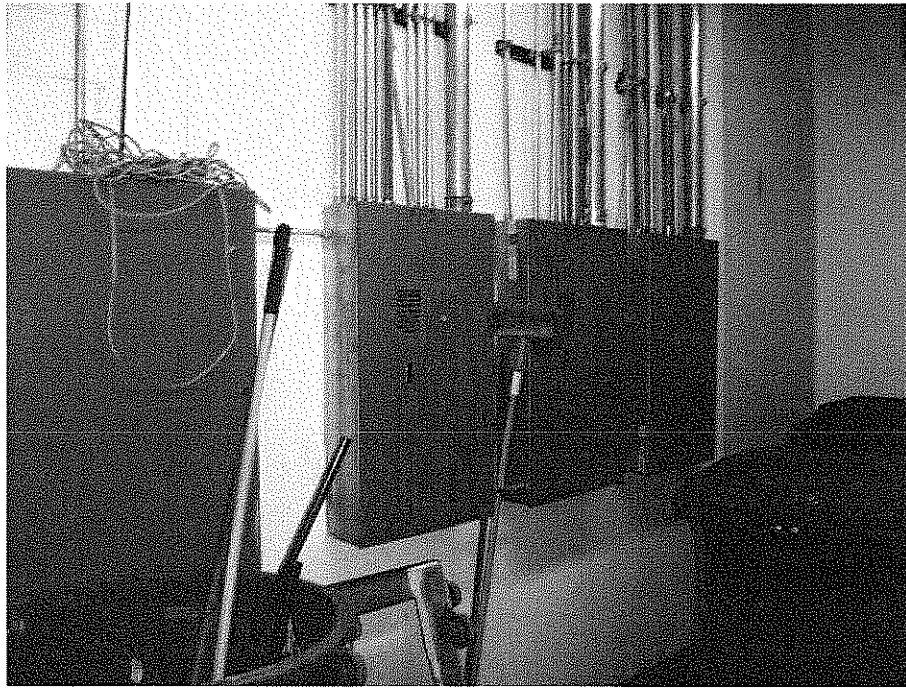


Alarm Panels

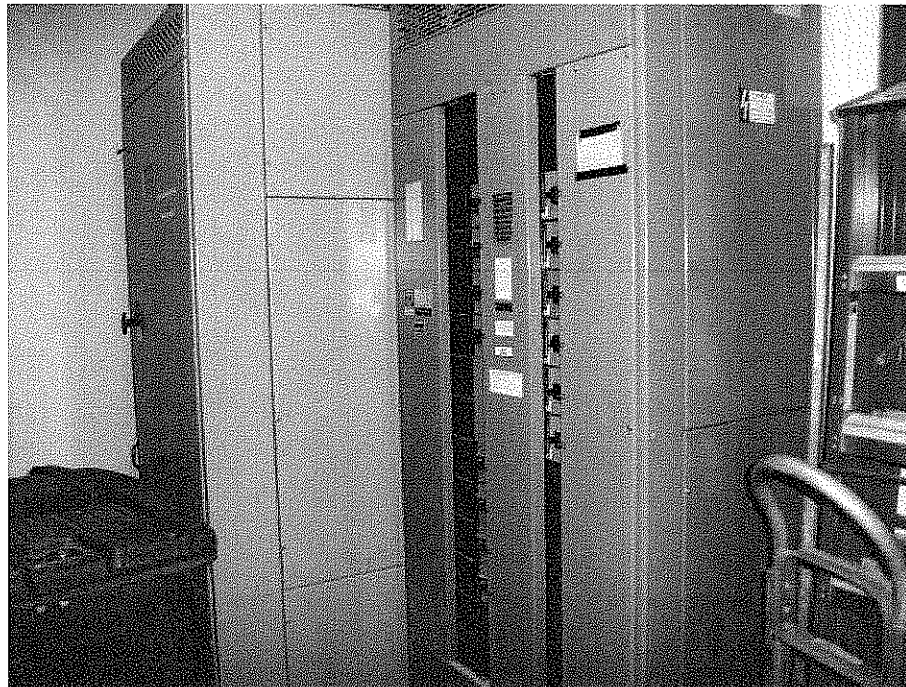


Alarm Panel

SUBJECT PHOTOGRAPHS



Electrical Panels



Generator Panels

Property Location: 300 HANOVER ST
Vision ID: 2978

Account #19757636

MAP ID: 0093 / 0005 /

Bldg #: 1 of 1

Bldg Name:

Sec #: 1 of 1 Card 1 of 1

State Use: 9600

Print Date: 12/21/2015 11:08

CURRENT OWNER		TOPO	UTILITIES	STRT/ROAD	LOCATION	CURRENT ASSESSMENT				2017 MANCHESTER, NH VISION									
STATE OF NH	1 Level	1 All Public	1 Paved	1 Urban	Description	Code	Appraised Value	Assessed Value											
%DEPT OF EMPLOYMENT SECURITY			5 Curb & Gutter		EXEMPT	9600	1,188,900	1,188,900											
CONCORD, NH 03301-4857			8 Sidewalk		EXEMPT	9600	110,900	110,900											
Additional Owners:		SUPPLEMENTAL DATA																	
Other ID:		RAD OR CAIRAD - 130																	
Land Adjust NO		CallBack Ltr																	
Voided NO		Sketch Note																	
Total SF 28250		Land Class N																	
Zone		Parcel Zip 03104-4957																	
Frontage/Dep No		ASSOC PID#																	
GIS ID: 93-5					Total 1,308,200 1,308,200														
RECORD OF OWNERSHIP		BK-VOL/PAGE	SALE DATE	q/u	v/t	SALE PRICE	V/C	PREVIOUS ASSESSMENTS (HISTORY)											
STATE OF NH	5972/1084		07/23/1998	U		4,000	04	Yr.	Code	Assessed Value	Yr.	Code	Assessed Value						
TRISMAN, JASON E						0		2015	9600	1,188,900	2014	9600	1,188,900						
								2015	9600	110,900	2013	9600	110,900						
								2015	9600	8,400	2014	9600	8,400						
Total:								1,308,200	Total:	1,308,200	Total:	1,308,200							
EXEMPTIONS				OTHER ASSESSMENTS				This signature acknowledges a visit by a Data Collector or Assessor											
Year	Type	Description	Amount	Code	Description	Number	Amount	Comm. Int.											
Total:																			
ASSESSING NEIGHBORHOOD										APPRAISED VALUE SUMMARY									
NBHID	SUB	NBHID NAME	STREET INDEX NAME	TRACING	BATCH					Appraised Bldg. Value (Card)	1,155,180								
605/A				E						Appraised XF (B) Value (Bldg)	33,800								
										Appraised OB (L) Value (Bldg)	8,400								
										Appraised Land Value (Bldg)	110,900								
										Special Land Value	0								
										Total Appraised Parcel Value	1,308,200								
										Valuation Method:	C								
										Adjustment:	0								
										Net Total Appraised Parcel Value	1,308,200								
BUILDING PERMIT RECORD										VISIT/CHANGE HISTORY									
Permit ID	Issue Date	Type	Description	Amount	Insp. Date	% Comp.	Date Comp.	Comments	Date	Type	IS	ID	Cd	Purpose/Result					
05-5279	09/19/2005	RE	Remodel	284	01/30/2006	100		RENOV INT DOOR	01/30/2006			DP	00	Miscs & Int Insp.					
									06/01/2000			DS	00	Miscs & Int Insp.					
									03/07/1991				00	Miscs & Int Insp.					
LAND LINE VALUATION SECTION																			
B	Use	Use	Zone	Frontage	Depth	Units	Unit Price	I	S	C	ST	S.I.	Notes- Adj	Rec	CU	Special Pricing	Adj.	Land Value	
1	9600	NON TAX C				28,250	SF	3.14	1.00000	E	1.00	605	1.25	N	0.000		3.92	110,900	
Total Card Land Units:						0.65	AC	Parcel Total Land Area: 0.65 AC						Total Land Value: 110,900					

Account # 19757636

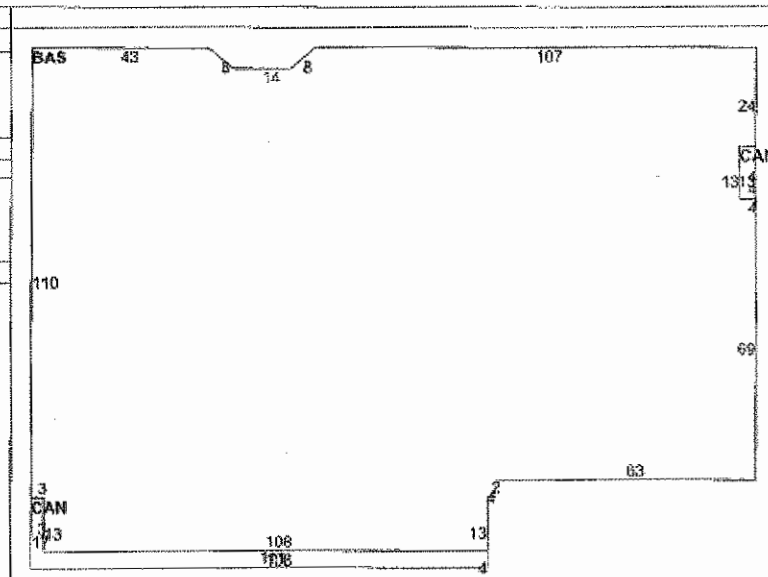
MAP ID:0093/ / 0005/ /

Bidg Name:

State Use: 9600

Print Date: 12/21/2015 11:08

Bldg #: 1 of 1 Sec #: 1 of 1 Card 1 of 1

[illegible]

TAX CARD - SUBJECT PROPERTY

Property Location: 310 HANOVER ST
 Vision ID: 2979

Account # 19757636

MAP ID: 0093 / 0008 /

Bldg #: 1 of 1

Bldg Name:

Sec #: 1 of 1 Card 1 of 1

State Use: 960V

Print Date: 12/21/2015 11:09

CURRENT OWNER		TOPO	UTILITIES	STRT/ROAD	LOCATION	CURRENT ASSESSMENT			
STATE OF NH		1 Level	1 All Public	1 Paved	1 Urban	Description	Code	Appraised Value	Assessed Value
%DEPT OF EMPLOYMENT SECURITY				5 Curb & Gutter		EXM LAND	960V	97,700	97,700
32 S MAIN ST				6 Sidewalk		EXEMPT	960V	12,500	12,500
CONCORD, NH 03301-4857									
Additional Owners:									
		SUPPLEMENTAL DATA							
		Other ID:				RAD OR CAICAB - 615			
		Land Adjust YES				Callback Ltr			
		Voided NO				Sketch Note V			
		Total SF 9375				Land Class N			
		Zone				Parcel Zip 03104-4957			
		Frontage/Dep No				ASSOC PID#			
		GIS ID: 93-8							
						Total 110,200 110,200			
RECORD OF OWNERSHIP		BR-VOL/PAGE	SALE DATE	q/u	W/A	SALE PRICE	V.C.	PREVIOUS ASSESSMENTS (HISTORY)	
STATE OF NH		5972/1084	07/23/1998	U		4,000	04	Yr. Code	Assessed Value
FREISMAN, JASON E								2015 960V	97,700
								2014 960V	97,700
								2013 960V	97,700
								2012 960V	12,500
								2011 960V	12,500
								2010 960V	117,200
								2009 960V	12,500
								2008 960V	12,500
								2007 960V	12,500
								2006 960V	12,500
								2005 960V	12,500
								2004 960V	12,500
								2003 960V	12,500
								2002 960V	12,500
								2001 960V	12,500
								2000 960V	12,500
								1999 960V	12,500
								1998 960V	12,500
								1997 960V	12,500
								1996 960V	12,500
								1995 960V	12,500
								1994 960V	12,500
								1993 960V	12,500
								1992 960V	12,500
								1991 960V	12,500
								1990 960V	12,500
								1989 960V	12,500
								1988 960V	12,500
								1987 960V	12,500
								1986 960V	12,500
								1985 960V	12,500
								1984 960V	12,500
								1983 960V	12,500
								1982 960V	12,500
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								1978 960V	12,500
								1977 960V	12,500
								1976 960V	12,500
								1975 960V	12,500
								1974 960V	12,500
								1973 960V	12,500
								1972 960V	12,500
								1971 960V	12,500
								1970 960V	12,500
								1969 960V	12,500
								1968 960V	12,500
								1967 960V	12,500
								1966 960V	12,500
								1965 960V	12,500
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								1963 960V	12,500
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								1940 960V	12,500
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								1934 960V	12,500
								1933 960V	12,500
								1932 960V	12,500
								1931 960V	12,500
								1930 960V	12,500
								1929 960V	12,500
								1928 960V	12,500
								1927 960V	12,500
								1926 960V	12,500
								1925 960V	12,500
								1924 960V	12,500
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								1922 960V	12,500
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								1918 960V	12,500
								1917 960V	12,500
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								1914 960V	12,500
								1913 960V	12,500
								1912 960V	12,500
								1911 960V	12,500
								1910 960V	12,500
								1909 960V	12,500
								1908 960V	12,500
								1907 960V	12,500
								1906 960V	12,500
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								1897 960V	12,500
								1896 960V	12,500
								1895 960V	12,500
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								1890 960V	12,500
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								1888 960V	12,500
								1887 960V	12,500
								1886 960V	12,500
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								1874 960V	12,500
								1873 960V	12,500
								1872 960V	12,500
								1871 960V	12,500
								1870 960V	12,500
								1869 960V	12,500
								1868 960V	12,500
								1867 960V	12,500
								1866 960V	12,500
								1865 960V	12,500
								1864 960V	12,500

Property Location: 314 HANOVER ST
Vision ID: 2980

Account #19757636

MAP ID: 0093 / 0009 /

Bldg #: 1 of 1

Bldg Name:

Sec #: 1 of 1 Card 1 of 1

State Use: 960V

Print Date: 12/21/2015 11:10

CURRENT OWNER		TOPO	UTILITIES	STRT/ROAD	LOCATION	CURRENT ASSESSMENT				2017 MANCHESTER, NH VISION													
STATE OF NH		Level	All Public	Paved	Urban	Description	Code	Appraised Value	Assessed Value														
74 DEPT OF EMPLOYMENT SECURITY 32 S MAIN ST CONCORD, NH 03301-4857 Additional Owners:				5 Curb & Gutter 6 Sidewalk		EXM LAND EXEMPT	960V 960V	92,000 9,300	92,000 9,300														
SUPPLEMENTAL DATA																							
Other ID:		RAD OR CALCAD = 615																					
Land Adjust		YES				Callback Ltr																	
Voided		NO				Sketch Note: V																	
Total SF		6250				Land Class: N																	
Zone						Parcel Zip: 03104-4957																	
Frontage/Dep		No				ASSOC PID#																	
GIS ID: 93-9						Total				101,300 101,300													
RECORD OF OWNERSHIP		BK-VOL/PAGE		SALE DATE	q/m	w/t	SALE PRICE	V.C.	PREVIOUS ASSESSMENTS (HISTORY)														
STATE OF NH TREISMAN, JASON E		5972/1084		07/23/1998	U		4,000	04	Yr. Code	Assessed Value													
							0		2015 960V	92,000													
									2015 960V	9,300													
									2014 960V	92,000													
									2013 960V	9,300													
									2013 960V	110,400													
									2013 960V	9,300													
									Total:	101,300													
									Total:	101,300													
									Total:	119,700													
EXEMPTIONS		OTHER ASSESSMENTS		This signature acknowledges a visit by a Data Collector or Assessor																			
Year	Type	Description	Amount	Code	Description	Number	Amount	Comm. Int.	APPRAISED VALUE SUMMARY														
									Appraised Bldg. Value (Card)														
									Appraised XF (R) Value (Bldg)														
									Appraised OB (L) Value (Bldg)														
									Appraised Land Value (Bldg)														
									Special Land Value														
									Total Appraised Parcel Value														
									Valuation Method:														
									Adjustment:														
									Net Total Appraised Parcel Value														
									101,300														
BUILDING PERMIT RECORD										VISIT/CHANGE HISTORY													
Permit ID	Issue Date	Type	Description	Amount	Issd. Date	% Comp.	Date Comp.	Comments	Date	Type	IS	ID	Col.	Purpose/Result									
									01/30/2006			DP	00	Meas & Int Insp.									
									06/01/2000			DS	14	Other									
									03/06/1991				00	Meas & Int Insp.									
LAND LINE VALUATION SECTION																							
B #	Use Code	Use Description	Zone	Frontage	Depth	Units	Unit Price	I. Factor	S. A	C. Factor	ST. Idx	S.I. Adj.	Notes- Adj.	Rac. Y/N	CU/ Cand	Special Pricing	Adj. Unit Price	Land Value					
1	960V	NOTAX C YA				6,250	SF	11.78	1.0000	E		1.00	605	1.25	N	0.0000	14.72	92,000					
Total Card Land Units:															0.14	AC	Parcel Total Land Area:		0.14	AC	Total Land Value:		92,000

TAX CARD - SUBJECT PROPERTY

Property Location: 314 HANOVER ST
Vision ID: 2980

Account # 19757636

MAP ID: 0093 / 0009 /

Bldg #: 1 of 1 Sec #: 1 of 1 Card 1 of 1

State Use: 960V

Print Date: 12/21/2015 11:10

CONSTRUCTION DETAIL				CONSTRUCTION DETAIL (CONTINUED)								
Element	Cd.	Ch.	Description	Element	Cd.	Ch.	Description					
Model	00		Vacant									
MIXED USE												
Code	Description			Code	Description	Percentage						
960V	NOTAX C VA					100						
COST/MARKET VALUATION												
Adj. Base Rate:				0.00								
Replace Cost				0								
AYB				0								
EYB				0								
Dep Code												
Remodel Rating												
Year Remodeled												
Dep %												
Functional Obsole												
External Obsole												
Cost Trend Factor				1								
Status												
% Complete												
Overall % Cond												
Apprais Val				0								
Dep % Ovr				0								
Dep Ovr Comment												
Misc Imp Ovr				0								
Misc Imp Ovr Comment												
Cost to Cure Ovr				0								
Cost to Cure Ovr Comment												
OB-OUTBUILDING & YARD ITEMS(L) / XF-BUILDING EXTRA FEATURES(B)												
Code	Description	Sub	Sub Description	L/B	Units	Unit Price	%	Gde	Dep Ri	Cond	% Cond	App Value
PAV1	PAVING-ASPH			L	5,600	1.50	2006	0			75	8,300
PK1	PARKING SPA			L	20	0.00	2006	0			75	0
LT1	LIGHTS-IN W			L	2	1,990.00	2006	0			75	3,000
BUILDING SUB-AREA SUMMARY SECTION												
Code	Description	Living Area	Gross Area	Net Area	Unit Cost	Unspec. Value						
Tot. Gross Livable Area:		0	0	0								



TAX CARD - SUBJECT PROPERTY

Property Location: 318 HANOVER ST
Vision ID: 2981

Account # 19757636

MAP ID: 0093 / 0010 /

Bldg #: 1 of 1

Bldg Name:

Sec #: 1 of 1 Card 1 of 1

State User: 960V

Print Date: 12/21/2015 11:10

CURRENT OWNER		TOPO.	UTILITIES	STRT/ROAD	LOCATION	CURRENT ASSESSMENT			2017 MANCHESTER, NH VISION										
STATE OF NH		Level	All Public	Paved	Urban	Description	Code	Assessed Value			Assessed Value								
%DEPT OF EMPLOYMENT SECURITY 32 S MAIN ST CONCORD, NH 03301-4857 Additional Owners:				5 Curb & Gutter		EXM LAND	960V	94,300	94,300										
				6 Sidewalk		EXEMPT	960V	6,500	6,500										
SUPPLEMENTAL DATA						Total: 100,800 100,800													
Other ID:		RAD OR CAICAD - 615																	
Land Adjust		YES	Callback Ltr																
Valued		NO	Sketch Note V																
Total SF		7250	Land Class N																
Zone			Parcel Zip 03104-4957																
Frontage/Dep		No	ASSOC PID#																
GIS ID: 93-10																			
RECORD OF OWNERSHIP		BK-VOL/PAGE	SALE DATE	q/u	SALE PRICE	V.C.	PREVIOUS ASSESSMENTS (HISTORY)												
STATE OF NH		5972/1084	07/21/1998	13	4,000	04	Yr	Code	Assessed Value	Yr	Code	Assessed Value							
TREISMAN, JASON E			01/04/1983		0		2013	960V	94,300	2014	960V	94,300	113,100						
TREISMAN JASON E					0		2015	960V	6,500	2014	960V	6,500	6,500						
							Total: 100,800				Total: 100,800	Total: 119,600							
EXEMPTIONS		OTHER ASSESSMENTS		This signature acknowledges a visit by a Data Collector or Assessor															
Year	Type	Description	Amount	Code	Description	Number	Amount	Comm. Int.											
Total:																			
ASSESSING NEIGHBORHOOD																			
NBHD SUB		NBHD NAME		STREET INDEX NAME		TRACING		BATCH											
605/A						E													
NOTES																			
STATE PARKING LOT																			
BUILDING PERMIT RECORD																			
Permit ID	Issue Date	Type	Description	Amount	Exp. Date	% Comp.	Date Comp.	Comments	Date	Type	IS	ID	CL	Purpose/Result					
									01/30/2006			DP	00	Meas & Int Insp.					
									06/01/2000			DS	14	Other					
									03/06/1991				00	Meas & Int Insp.					
LAND LINE VALUATION SECTION																			
#	Use Code	Use Description	Zone	Frontage	Depth	Units	Unit Price	I Factor	S A	C Factor	St. Lax	S.I. Adj.	Notes- Adj	Rec Y/N	CU Cond	Special Pricing	Adj. Unit Price	Land Value	
1	960V	NOTAX CVA				7,250	SP	10.40	1.0000	E	1.00	605	1.25	N	0.000		13.10	94,300	
Total Card Land Units: 0.17 AC														Parcel Total Land Area: 0.17 AC		Total Land Value: 94,300			

TAX CARD - SUBJECT PROPERTY

Property Location: 318 HANOVER ST
 Vision ID: 2981

Account #19757636

MAP ID: 0093 / 0010 /

Bldg Name:

State Use: 960V

Bldg #: 1 of 1 Sec #: 1 of 1 Card 1 of 1

Print Date: 12/21/2015 11:10

CONSTRUCTION DETAIL			CONSTRUCTION DETAIL (CONTINUED)									
Element	Cl.	Ch. Description	Element	Cl.	Ch. Description							
Model	90	Vacant										
MIXED USE												
Code	Description	Percentage										
960V	NOT A C VA	100										
COST/MARKET VALUATION												
Adj. Base Rate:		0.00										
Replace Cost		0										
AYB												
EYB		0										
Dep Code												
Renodel Rating												
Year Remodeled												
Dep %												
Functional Obsolete												
External Obsolete												
Cost Trend Factor		1										
Status												
% Complete												
Overall % Cond												
Apprais Val												
Dep % Over		0										
Dep Over Comment												
Misc Imp Over		0										
Misc Imp Over Comment												
Cost to Cure Over		0										
Cost to Cure Over Comment												
OB-OUTBUILDING & YARD ITEMS(L) / XF-BUILDING EXTRA FEATURES(B)												
Code	Description	Sub	Sub Description	L/R	Units	Unit Price	Pr	Code	Op Rl	Cond	% Cond	Appr Value
PAV1	PAVING-ASPH			L	5,800	1.50	8,700	0			75	6,500
PK1	PARKING SPA			L	10	0.00	0.00	0			75	0
BUILDING SUB-AREA SUMMARY SECTION												
Code	Description	Living Area	Gross Area	Eff. Area	Unit Cost	Undepr. Value						
Tot. Gross Liv/Lease Area:							0	0	0			



TAX CARD - SUBJECT PROPERTY

CAPITAL APPRAISAL ASSOCIATES, INC.

LEGAL DESCRIPTION – SUBJECT PROPERTY

852963

98 JUL 27 PM 1:19

Warranty Deed

Jason E. Treisman, for consideration paid, grants to the State of New Hampshire, c/o Commissioner, New Hampshire Department of Employment Security, 32 South Main Street, Concord, NH 03301-4857, with Warranty Covenants, the following real property, with the buildings and improvements thereon, in Manchester, Hillsborough County, New Hampshire bounded and described as follows.

Three parcels of land on the northerly side of Hanover Street in Manchester, County of Hillsborough, State of New Hampshire bounded and described as follows:

Tract 1

Beginning at the southwest corner of the tract conveyed herein, said point also being the southeast corner of Tract 2 hereinafter described;

Thence northerly one hundred twenty-five (125) feet by the easterly line of said Tract 2 to a passageway;

Thence easterly along the southerly line of said passageway forty-nine (49) feet, more or less, to land now or formerly of Dargon;

Thence southerly by the westerly line of land of said Dargon one hundred twenty-five (125) feet to the north side of said Hanover Street;

Thence westerly forty-nine (49) feet, more or less, by the northerly line of said Hanover Street to the point of beginning.

Tract 2

A certain tract of land with the buildings thereon, situated in Manchester, County of Hillsborough, State of New Hampshire, and more particularly described as follows, to wit:

Southerly on Hanover Street, three hundred one (301) feet;

Westerly on a twenty (20) foot back street or passageway, there measuring one hundred twenty-five (125) feet;

Northerly on a twenty (20) foot passageway, there measuring three hundred one (301) feet;

BK5972Pg1084

LEGAL DESCRIPTION – SUBJECT PROPERTY

Easterly on said Tract I, there measuring one hundred twenty-five (125) feet

Tract 3

Southerly by Hanover Street, there measuring fifty-eight (58) feet;

Easterly by land now or formerly by Vitaline Ricard, there measuring one hundred twenty-five (125) feet;

Northerly by a twenty foot passageway, there measuring fifty-eight (58) feet;

Westerly by land formerly owned by Walter Neal, there measuring one hundred and twenty-five (125) feet.

Tracts 1 and 2 are the same premises as described in Warranty Deed from Bertha Treisman Fallman to Jason E. Treisman dated April 14, 1980 and recorded in Hillsborough County Registry of Deeds in Book 2785, Page 0023. Tract 3 are the same premises conveyed to the grantor by deed recorded in said Registry in Book 2980, Page 36.

The foregoing premises are not homestead property.

IN WITNESS WHEREOF, Jason E. Treisman has executed the foregoing on July 23, 1998.

Jason E. Treisman
Jason E. Treisman

State of Florida

County of Duval

On July 23, 1998, personally appeared, before me, the undersigned officer, the within named Jason E. Treisman, who acknowledged the foregoing to be his free act and deed.

Elizabeth W. Farrell
Notary Public
My Commission Expires
OFFICIAL NOTARY SEAL
ELIZABETH W. FARRELL
NOTARY PUBLIC STATE OF FLORIDA
COMMISSION NO. CCH7433
MY COMMISSION EXPI. OCT. 30, 1998

BK5972PG1085

ENGAGEMENT LETTER

FORM NUMBER P-37 (version 5/8/15)

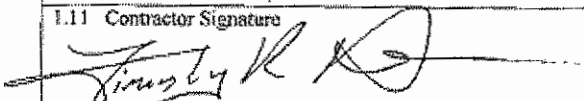
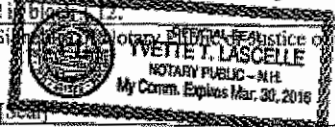
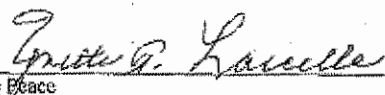
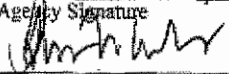
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Employment Security		1.2 State Agency Address 45 South Fruit Street, Concord, NH 03301	
1.3 Contractor Name Capital Appraisal Associates, Inc., VC #156083		1.4 Contractor Address 128 South Fruit Street, Concord, NH	
1.5 Contractor Phone Number 603-228-9040	1.6 Account Number 010-027-8041-500-252	1.7 Completion Date January 15, 2016	1.8 Price Limitation \$4,000.00
1.9 Contracting Officer for State Agency George N. Copadis, Commissioner		1.10 State Agency Telephone Number 603-228-4000	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Timothy R. Daniels, President	
1.13 Acknowledgement: State of NH, County of Merrimack On Dec. 18, 2015, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  			
1.13.2 Name and Title of Notary or Justice of the Peace Yvette T. Lascelle, Notary			
1.14 State Agency Signature  Date: 12/23/15		1.15 Name and Title of State Agency Signatory George N. Copadis, Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: _____ On: _____			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

Page 1 of 4

ENGAGEMENT LETTER

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State 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 State 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 State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor 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.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor 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.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor'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.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor 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.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Page 2 of 4

Contractor Initials

Date 12/18/2015

ENGAGEMENT LETTER

Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. **TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. **CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor 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.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

13. **INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 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.

Page 3 of 4

Contractor Initials JPD
Date 12/18/2015

ENGAGEMENT LETTER

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A (*"Workers' Compensation"*).

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor 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. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, 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 State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. **WAIVER OF BREACH.** No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. **NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no

such approval is required under the circumstances pursuant to State law, rule or policy.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. **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.

21. **HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. **SPECIAL PROVISIONS.** Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. **SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

Page 4 of 4

Contractor Initials TRD
Date 12/18/2015

ENGAGEMENT LETTER

EXHIBIT A**SCOPE**

This document defines specific services to be provided by Capital Appraisal Associates, Inc. ("Contractor") in connection with Commercial Real Estate Appraisals to be performed for New Hampshire Employment Security.

DESCRIPTION OF WORK/REQUIREMENTS

Capital Appraisal Associates, Inc., hereinafter referred to as Contractor, will provide all phases of Commercial Real Estate Appraisal work: provision of factual analysis, opinions and conclusions as to market value presented in a report format. Work performed will conform to all applicable Federal, State and local requirements, including the Uniform Standards of Professional Appraisal Practice.

Contractor guarantees quality of work. Contractor agrees to perform specified services in a professional manner and in accordance with appropriate standards and specifications. Contractor will be responsible for obtaining all materials, permits and approvals, as needed.

Contractor will prepare Commercial Real Estate Appraisals of three (3) NH Employment Security properties located in Manchester, New Hampshire – 300 Hanover Street, 298 Hanover Street and 436 Maple Street. Contractor will provide NH Employment Security a complete Summary Report for each property being appraised.

SAFETY ISSUES AND COMPLIANCE REQUIREMENTS

Safety and protection of NH Employment Security personnel, property and information is of utmost concern in the performance of work under this agreement. Work will interfere as little as possible with NH Employment Security business. Work performed will comply with all state and federal safety laws, rules, regulations and standards to ensure the safety of workers, NHES staff, NHES clients and the general public including, but not limited to, OSHA and U.S. Department of Labor laws and regulations

ENGAGEMENT LETTER

EXHIBIT B**PRICE FOR SERVICES**

Contractor agrees to provide NH Employment Security with the services indicated in Exhibit A of this Agreement at prices quoted and shown below. Contractor agrees to perform services in a professional manner and to meet appropriate specifications as outlined and approved by the NHES Employment Security representative.

<u>Location</u>	<u>Price</u>
300 Hanover Street, Manchester, NH 03104	\$1,500.00
298 Hanover Street, Manchester, NH 03104	\$1,500.00
436 Maple Street, Manchester, NH 03104	\$1,000.00
TOTAL AGREEMENT NOT TO EXCEED	\$4,000.00

INVOICES

Contractor will invoice NH Employment Security when services have been completed and approved by the NH Employment Security representative. Contractor may invoice as each property has been appraised and a complete Summary Report has been supplied to NHES.

Invoices must include the following:

Brief description of work
Date work was completed
Physical location of job site

All invoices must show sufficient detail of work performed. Payment will be made through normal State payment processes, which is within thirty (30) days following receipt of an approved invoice. Acceptance of the work will be determined by the NH Employment Security representative.

Invoices will be sent to:

Jill Revels
NHES Fiscal Management
45 South Fruit Street
Concord, NH 03301

ENGAGEMENT LETTER

EXHIBIT C**TERM & EXTENSION**

This agreement is for a term beginning upon NH Employment Security approval and terminating on or before January 15, 2016.

CONFIDENTIALITY, CRIMINAL RECORD, CERTIFICATE OF GOOD STANDING

Contractor and personnel scheduled to enter NH Employment Security facilities must submit a signed STATEMENT OF CONFIDENTIALITY OF RECORDS FORM (DES 1762) and a CRIMINAL RECORDS FORM (DES 21350) provided by NH Employment Security, if applicable, prior to entrance into a facility. There is a \$25.00 fee for each criminal record check. In connection with the execution of this agreement, the Contractor must provide a current NH CERTIFICATE OF GOOD STANDING (dated April 2015 or later). There is a thirty dollar (\$30.00) fee if applied for in person or a five dollar (\$5.00) fee if applied for by mail.

SUBCONTRACTING

Contractor will not assign, subcontract or otherwise transfer any duties or written performance obligations under this agreement to any other party without the prior written consent of NHES.

DEBARMENT, SUSPENSION, PRIMARY COVERED TRANSACTIONS

Contractor certifies that Capital Appraisal Associates, Inc. and its officers and directors, to the best of their knowledge and belief, are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency. Contractor will inform NHES of any relevant changes in status in keeping with this section.

AMERICANS WITH DISABILITIES ACT

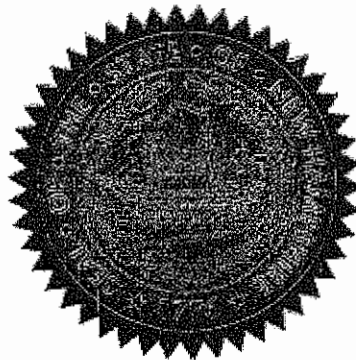
The undersigned agrees to comply with all Federal, State and Local ADA rules and regulations.

ENGAGEMENT LETTER

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 CAPITAL APPRAISAL ASSOCIATES, INC. is a New Hampshire corporation duly incorporated under the laws of the State of New Hampshire on September 12, 1996. I further certify that all fees and annual reports required by the Secretary of State's office have been received and that articles of dissolution have 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 18th day of December, A.D. 2015

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

William M. Gardner
Secretary of State

ENGAGEMENT LETTERCERTIFICATE OF VOTESPECIAL MEETING OF THE
BOARD OF DIRECTORS OF CAPITAL APPRAISAL, INC.

A special meeting of the Board of Directors of Capital Appraisal Associates, Inc. was held on this date at 11:00 a.m. at 128 South Fruit Street, Concord, New Hampshire. Present at the meeting were all of the members of the board, Timothy R. Daniels and Kathleen J. Daniels.

Timothy R. Daniels took the position of chairman of the meeting.

On a motion duly made and seconded, it was unanimously:

RESOLVED: That the Corporation is hereby authorized to enter into a certain agreement with the State of New Hampshire to provide real property appraisal services with regard to three properties located in the City of Manchester and identified as 300 Hanover Street, 298 Hanover Street, and 436 Maple Street that Timothy R. Daniels, being the duly elected and qualified President of the Corporation, is hereby authorized to execute on behalf of the Corporation said agreement and any such other agreements, amendments, instruments, certificates, or documents, and to take any such further action on behalf of the Corporation, as may in his sole judgment be necessary or desirable to effectuate the purposes of said agreement and this resolution; and that any and all actions taken prior to the date of this resolution by any officer, director, employee, or agent of the Corporation in furtherance of the purposes of said agreement or this resolution are hereby ratified and confirmed as the duly authorized actions of the Corporation.

There being no further business to be done a motion was duly made and seconded to adjourn.

12/18/2015
Date

Timothy R. Daniels
Timothy R. Daniels, Director

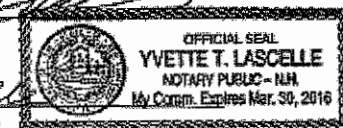


12/18/2015
Date

Yvette T. Lascelle
Yvette T. Lascelle, Notary Public
My Commission expires March 30, 2016

12/18/2015
Date

Kathleen J. Daniels
Kathleen J. Daniels, Director



12/18/2015
Date

Yvette T. Lascelle
Yvette T. Lascelle, Notary Public
My Commission expires March 30, 2016

CAPITAL APPRAISAL ASSOCIATES

CAPITAL APPRAISAL ASSOCIATES, INC.

ENGAGEMENT LETTER



CERTIFICATE OF LIABILITY INSURANCE

CAPIAPP-01

MSNELL

DATE (MM/DD/YYYY)

12/21/2015

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 Davis & Towle Morrill & Everett, Inc. 115 Airport Road Concord, NH 03301	CONTACT NAME: Mary Ellen Snell, CIC PHONE: (603) 225-8611 FAX: (603) 225-7935 CELL: EMAIL: ADDRESS:																					
INSURED Capital Appraisal Associates, Inc. 128 South Fruit Street Concord, NH 03301	<table border="1"> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr> <tr> <td>INSURER A:</td><td>Merchants Mutual Insurance</td><td>22329</td></tr> <tr> <td>INSURER B:</td><td></td><td></td></tr> <tr> <td>INSURER C:</td><td></td><td></td></tr> <tr> <td>INSURER D:</td><td></td><td></td></tr> <tr> <td>INSURER E:</td><td></td><td></td></tr> <tr> <td>INSURER F:</td><td></td><td></td></tr> </table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A:	Merchants Mutual Insurance	22329	INSURER B:			INSURER C:			INSURER D:			INSURER E:			INSURER F:		
INSURER(S) AFFORDING COVERAGE		NAIC #																				
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INSURER B:																						
INSURER C:																						
INSURER D:																						
INSURER E:																						
INSURER F:																						

COVERAGES		CERTIFICATE NUMBER:		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	POLICY NO.	POLICY EFF. DATE (MM/DD/YYYY)	POLICY EXP. DATE (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	BOP9089726	08/01/2015	08/01/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPOUND \$ 2,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> HIRED AUTOS	BOP9089726	08/01/2015	08/01/2015	COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DEC <input checked="" type="checkbox"/> RETENTION \$ 10,000	CUP9139809	08/01/2015	08/01/2015	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000
A	WORKERS COMPENSATION AND EMPLOYERS LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe here:	WCA9095641	08/01/2015	08/01/2015	PER STATUTE <input type="checkbox"/> OTHER <input type="checkbox"/> E.L. EACH ACCIDENT \$ 100,000 E.L. DISEASE - EA EMPLOYEE \$ 100,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 401, Additional Remarks Schedule, may be attached if more space is required)
 Timothy Daniels and Kathy Daniels are Excluded Officers under the Worker's Compensation

CERTIFICATE HOLDER State of NH Employment Security 45 S. Fruit Street Concord, NH 03301	CANCELLATION 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
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ACORD 25 (2014/01)

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ASSUMPTION AND LIMITING CONDITIONS

ASSUMPTIONS AND LIMITING CONDITIONS

Unless otherwise stated, this appraisal report is subject to the following assumptions and limiting conditions:

1. - No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. - The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. - Responsible ownership and competent property management are assumed.
4. - The property will be operated in conformance with applicable government regulations, codes, ordinances and statutes.
5. - The information furnished by others is believed to be reliable; however, it cannot be guaranteed as being certain. Thus, no warranty is given for its accuracy. No single item of information was completely relied upon to the exclusion of other information.
6. - All engineering is assumed to be correct. No survey of the property has been made by me and no responsibility is assumed in connection with such matters. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
7. - It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
8. - It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
9. - It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.
10. - It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in the report is based.
11. - It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
12. - The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
13. - By reason of this appraisal, I am not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.

14. - Information relative to sale transactions has been confirmed by either the buyer, seller, or a third party. Every reasonable attempt has been made by me to verify this information and it is assumed to be reliable. It is specifically assumed that the sales information noted herein is correct.
15. - Unless otherwise stated in this report the existence of hazardous material, which may or may not be present on the property, was not observed by me. I have no knowledge of the existence of such materials on or in the property. However, I am not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that NO HAZARDOUS WASTE or HAZARDOUS MATERIAL, as defined in N.H. RSA 107-A and 107-B or in any similar equivalent federal statute, is present on the appraised property and that with respect to this program embodied in New Hampshire RSA 107-A and 107-B, the Federal Resource Conservation and Recovery Act and Comprehensive Environmental Response, Compensation, and Liability Act, and ANY other applicable state, federal or local hazardous waste statutes. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
16. - Disclosure of the contents of the appraisal report is governed by the bylaws and regulations of the professional appraisal organizations with which I am affiliated.
17. - When the signatory of this appraisal report is a candidate or a member of the Appraisal Institute, its bylaws and regulations require the member or candidate to control the use and distribution of the report. Therefore, except as hereinafter provided, the party for whom this appraisal report was prepared may distribute copies of the report, in its entirety, to such third parties as may be selected by the party for whom this appraisal report was prepared. However, selected portions of this appraisal report may not be given to third parties without the prior written consent of the signatory of the report. Further, neither all nor any part of the appraisal report shall be disseminated to the general public by the use of advertising media, public relations media, news media, sales media or other media for public communication without the prior written consent of the signatory of the report. Nor shall I, the firm, or professional organization of which I am a member be identified without my written consent.
18. - Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the subject property will sell or lease for the indicated amounts.
19. - I have not made a survey or analysis of the subject property to determine whether the physical aspects of the improvements meet the accessibility guidelines specified under Americans with Disabilities Act (ADA). Under ADA guidelines, compliance matches each owner's financial ability with the cost to cure the potential physical deficiencies of the property. Thus, the requirements for compliance can change with each owner's financial ability to correct (cure) the no accessibility problems for the property. Specific studies of the cost-to-cure the deficiencies and the owner's financial ability to afford these costs would be needed for the Departments of Justice to determine compliance.
20. - The estimate of market value presented herein does not consider the effects of potential noncompliance.

21. - All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The property is appraised as though under responsible ownership and competent management.
22. - Unless so specified within the report, I am unaware of any housing or life, health and safety code violations or deficiencies which may exist in the subject property as of the date of the inspection. This does not preclude the presence of such violations or deficiencies; however, inspection for such items is beyond the scope of my assignment and, therefore, has not been addressed. It should be noted, however, that any physical defects found within the subject property, which may affect value, are addressed according to accepted appraisal practice within the body of the report.

General Limiting Conditions

1. - Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purposes by any person other than the party to whom it is addressed without my written consent, and in any event only with the proper written qualification and only in its entirety.
2. - The distribution of the total valuation in this report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
3. - No environmental impact studies were either requested or made in conjunction with the appraisal, and I hereby reserve the right to alter, amend, revise or rescind any of the value opinions based upon any subsequent environmental impact studies, research or investigation.
4. - This report has been specifically prepared for the purpose and function described within the body of this document. The use of this report for any other purpose or function, without my full written concurrence, renders this report null and void, and discharges me from all liability.
5. - Acceptance of and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and general limiting conditions.

APPRAISER QUALIFICATIONS

**APPRAISAL QUALIFICATIONS
OF
ERNEST TOUMPAS**

New Hampshire
Certified General Appraiser #731

EDUCATION

University of New Hampshire, Durham, NH

1976 - Bachelor of Science - Business Administration

J M B Real Estate Academy, Inc.

2003 - Basics of Real Estate Appraising
2003 - Appraising 1-4 Family Properties
2003 - National Uniform Standards Of Professional Appraisal Practice
2004 - Appraising Income Properties
2005 - Residential Market Analysis and Highest & Best Use
2006 - Residential Site Valuation and Cost Approach
2006 - Advanced Income Property Appraising
2007 - National USPAP Update Seminar

Massachusetts Board of Real Estate Appraisers

2007 - Appraising Complex Residential Properties

Lemay School of Real Estate

2006 - Real Estate Finance
2008 - Beyond Paired Sales
2008 - National USPAP Update Seminar
2010 - Seminar, 2010-2011 National USPAP Update
2012 - Uniform Appraisal Standards for Federal Land Acquisitions
2012 - Seminar, 2012-2013 National USPAP Update
2013 - The Strange Case on Agile Mountain
2014 - Seminar, 2014-2015 National USPAP Update
2015 - Darker Shades of Gray
2015 - Seminar, 2016-2017 National USPAP Update

Trans-American Institute of Professional Studies, Inc.

2008 - Appraising in the Foreclosure Market
2004 - National USPAP Update Seminar

McKissock Education

2009 - Private Appraisal Assignments
2010 - Residential Report Writing
2011 - Introduction to Residential Green Building
2011 - Introduction to Regression Analysis
2011 - Deriving and Supporting Adjustments
2013 - Introduction to Expert Witness Testimony
2014 - Appraisal of Self Storage Facilities

PROFESSIONAL EXPERIENCE

December 2007 - Present

Certified General Appraiser - Capital Appraisal Associates,
Real Estate Appraisers and Consultants.

2005 - 2007

Licensed Residential Appraiser - Capital Appraisal Associates,
Real Estate Appraisers and Consultants.

2003 - 2005

Appraiser/Trainee - Capital Appraisal Associates,
Real Estate Appraisers and Consultants.

1988 - 2002

New Hampshire Army National Guard
Military Personnel Technician (1993-2002)
Personnel Database and Personnel Records Branch Chief
Property Account Technician (1988-1993)
1st Battalion 172d Field Artillery
Stock Control & Accounting Supervisor (1982-1988)

1976 - 1982

Sears Roebuck & Company, Concord, NH
Division Manager: Hardware, Paint, Electrical, Lawn & Garden

COURT EXPERIENCE

Qualified Expert - United States Bankruptcy Court, District of New Hampshire
Qualified Expert - State of New Hampshire, Board of Tax and Land Appeal

NH REAL ESTATE CERTIFICATE

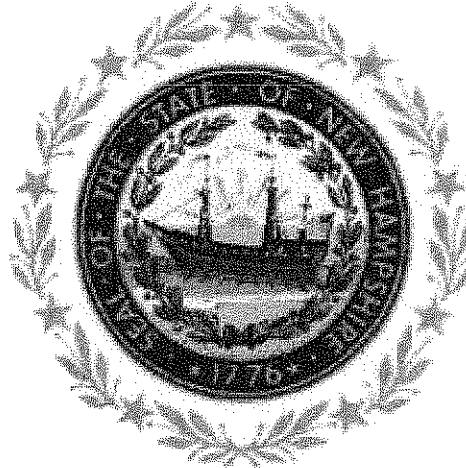
State of New Hampshire

REAL ESTATE APPRAISER BOARD

APPROVED TO PRACTICE AS A

CERTIFIED GENERAL APPRAISER

ISSUED TO: ERNEST TOUMPAS



Certificate No: NHCG-731

EXPIRATION DATE: 12/31/2017

State of New Hampshire

REAL ESTATE APPRAISER BOARD

APPROVED TO PRACTICE AS A

Certified General Appraiser

ISSUED TO: ERNEST TOUMPAS



**Certificate No:
NHCG-731**

**EXPIRATION DATE:
12/31/2017**

For additional information please contact the Board office at dawn.couture@nh.gov or visit our web site at <http://www.nh.gov/nhreb>

**SUMMARY
APPRAISAL REPORT
of Real Estate**

Located At:
436 Maple Street in
Manchester, New Hampshire

Current Owner:
State of New Hampshire

As Of:
January 14, 2016

Report Date:
January 21, 2016

Prepared For:
Mr. George N. Copadis, Commissioner
New Hampshire Employment Security
45 South Fruit Street
Concord, NH 03301

Prepared By:
Ernest Toumpas
NH Certified General Appraiser #731
Capital Appraisal Associates, Inc.
128 South Fruit Street
Concord, New Hampshire 03301

Appraisal File No. 16-11
Federal Tax ID 02-0492128

Capital Appraisal Associates, Inc.

Real Estate Appraisers and Consultants

128 S. Fruit Street, Concord, New Hampshire 03301
Telephone (603) 228-9040, Facsimile (603) 228-2072

January 21, 2016

Mr. George N. Copadis, Commissioner
New Hampshire Employment Security
45 South Fruit Street
Concord, New Hampshire 03301

Re: Summary Appraisal Report of land and buildings
Owner: State of New Hampshire
Located at 436 Maple Street in Manchester, New Hampshire

Dear Mr. Copadis:

As you requested, I have personally made an inspection of the above-captioned property for the purpose of reporting to you my opinion of the subject's "*as is*" fee simple unencumbered *market value* as of **January 14, 2016**. It is my understanding that this report is to be used to assist the client, New Hampshire Employment Security, for potential marketing and/or portfolio management purposes.

This is a Summary Appraisal Report that is intended to comply with the reporting requirements set forth under the 2016-2017 Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation that is not provided with the report concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraisers are not responsible for unauthorized use of this report.

It should be noted the final reconciled value estimate does not include any value for any F.F. &E., goodwill or any other intangibles. This value estimate represents only the market value of the real estate. Consequently, no allocation of any additional components was applicable.

I hereby certify that I have made an inspection of the property on **January 14, 2016**, that I have taken into consideration all factors which I felt were pertinent to the value estimate, and that I have not knowingly or intentionally omitted any important data.

I further certify that I have no present or contemplated future interest in the property and that my professional appraisal fee is not dependent upon the value estimate. On the basis of my inspection, investigation, study and analysis, I am of the opinion that the "*as is*" fee simple unencumbered *Market Value* of the subject property as of **January 14, 2016**, is **\$95,000**.

Sincerely,

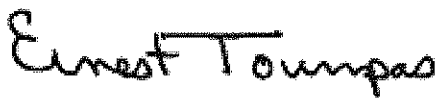
A handwritten signature in black ink that reads "Ernest Toumpas". The signature is written in a cursive, slightly stylized font.

Ernest Toumpas
NH Certified General Appraiser #731

APPRAISAL CERTIFICATION

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

1. The Statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is my personal, impartial, and unbiased professional analyses, opinions and conclusions.
3. 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.
4. I or Capital Appraisal Associates performed an appraisal of the property which is the subject of this report, within the three year period immediately preceding acceptance of this assignment. The effective date of the report was December, 12, 2012.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment is not contingent upon developing or reporting predetermined results.
7. 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
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
9. I have made a personal inspection of the property that is the subject of this report.
10. No one provided significant professional assistance to the person signing this certification.
11. On the basis of my inspection, investigation, study and analysis, I am of the opinion that the "as is" fee simple unencumbered *Market Value* of the subject property as of **January 14, 2016**, is **\$95,000**.



Ernest Toumpas
NH Certified General Appraiser #731

COMPETENCY STATEMENT

Ernest Toumpas

Title XI of the Federal Financial Institution's Reform, Recovery and Enforcement Act of 1989 requires the Federal Reserve Board and other federal agencies to issue regulations to protect federal financial and public policy interests in real estate transactions requiring the services of an appraiser. Federal law recognizes the Uniform Standards of Professional Appraisal Practice as the current industry standards and identifies the Appraisal Foundation as the authority for professional appraisal standards.

The uniform standards contain three provisions, one of which is the competency provision which requires appraisers to have the knowledge and experience to complete their assignments competently and contains specific requirements for appraisers who do not possess sufficient competence.

As part of the regulatory process, two primary classifications of appraisers have been established by the State of New Hampshire in accordance with the federal regulations in order to gauge education and competence. The classifications are licensed appraiser and certified appraiser. The licensed appraiser classification identifies those individuals possessing the basic educational and experience requirements needed to competently appraise residential properties, while the general appraiser classification identifies those appraisers who are competent to appraise all types of real estate.

With regards to my competency to complete this assignment, I submit the following:

1. I currently hold the general appraiser certification classification as issued by the State of New Hampshire. My certification number is New Hampshire Certified General Appraiser #731.
2. I have completed numerous appraisals on various types of real estate including vacant industrial, commercial, and residential sites, commercial/industrial and residential subdivisions, various commercial and industrial buildings, restaurants, mixed use properties, multifamily residential complexes, neighborhood retail centers, boarding kennels as well as other non-typical and special use properties.
3. In order to familiarize myself with the local market I have conferred with local Realtors, interviewed numerous local municipal officials, property owners, and tenants. I believe that this research and activity has provided additional insight into the market in which the subject exists and the economic conditions prevalent in the community and the region.

Because of my experience, education, and professional recognition, I possess the necessary background and knowledge to competently complete this assignment.

EXECUTIVE SUMMARY

CURRENT OWNER:

State of New Hampshire

ADDRESS:

436 Maple Street in the City of Manchester, New Hampshire.

SUBJECT:

The subject of this appraisal is a paved parking lot which is located on a 0.16± acre site. The subject is currently used as a 20 space parking lot. The subject has historically been utilized as a parking lot in conjunction with the office building located at 298 Hanover Street. However, per request of the client the subject has been valued as an independent parking facility.

INTEREST VALUED:

Fee Simple Market Value estimate.

DATE OF APPRAISAL INSPECTION:

January 14, 2016, in the company of the owner's agent, Ms. Karen Levchuk.

DATE OF VALUE OPINION:

January 14, 2016, which in this instance is also the date the subject was inspected.

DATE OF REPORT:

January 21, 2016, is the date in which the appraisal report was transmitted.

INDICATED VALUES BY:

Sales Comparison:	Not Applicable
Income Approach:	\$95,000
Cost Approach:	Not Applicable

RECONCILED VALUE ESTIMATE: \$95,000

INTRODUCTION

INTENDED USE:

It is my understanding that this report is to be used to assist the client, New Hampshire Employment Security, for potential marketing and/or portfolio management purposes.

PURPOSE:

The purpose of this appraisal is to estimate "*as is*" market value of the fee simple interest, unencumbered, of the subject property as of **January 14, 2016**, which is the date of inspection of the subject property. In valuing this property, I have considered the actions of the market and have concluded with a market value in consideration of current economic indicators.

LEGAL DESCRIPTION/HISTORY:

Per the tax records, the latest noted transfer of the subject property occurred on March 26, 2001, which was recorded in Hillsborough County Registry of Deeds Book 6381, Pages 777 & 778 and appears to be an arm's length transfer. This transfer was for two tracts of land identified by the City of Manchester as Map/Lot 93-4 and 93-29. The subject parcel is identified as Map/Lot 93-29. The grantor was noted as Jason E. Treisman and the grantee was noted as the State of New Hampshire, c/o New Hampshire Department of Employment Security, the current owner. Since the purchase in 2001, the improvements appear to have been utilized by the State of New Hampshire as a parking lot in conjunction with the other parcel and office building.

A title search is beyond the scope of this appraisal. The client is advised to employ a qualified attorney if this is felt to be a major issue. A copy of the legal description is included in the addenda. To my knowledge the subject is not currently under contract nor being actively marketed. However, it is reported that the purpose of this appraisal is for establishing market value for possible marketing purposes.

SCOPE:

This appraisal is intended to comply with the reporting requirements set forth under the 2016-2017 Uniform Standards of Professional Appraisal Practice for an Appraisal Report. It is my opinion that this appraisal is not so limited as to result in a mislabeled or confusing report.

The scope of this appraisal included an inspection of the subject property on **January 14, 2016**, and investigation and analyses of the market data which may affect and influence the value of the subject property.

The investigation included research of public records through the use of commercial sources of data such as printed comparable sales data services and computerized databases. Search parameters such as dates of sale, leases, locations, sizes, types of properties, and distances from the subject started with relatively narrow constraints and, if necessary, were expanded until, in the appraiser's opinion, sufficient data was retrieved to estimate market value or until the appraiser believed that the available pool of data was reasonably exhausted. Researched sales data was viewed and, if found to be appropriate, efforts were made to verify the data with persons directly involved in the transactions such as buyers, sellers, brokers or agents. At the appraiser's discretion, some data may have been used without personal verification if, in the appraiser's opinion, the data appeared to be correct. In addition, the appraiser considered any appropriate listings or properties found through observation during the data collection process. Only the data deemed to be pertinent to the valuation of the subject property has been reported.

The appraiser also investigated and analyzed any pertinent easements or restrictions on the fee simple ownership of the subject property. It is the client's responsibility to supply the appraiser with a title report. If no title report was provided, the appraiser relied on a visual inspection to identify any readily apparent easements or restrictions.

ENVIRONMENTAL:

I did not observe any ground contaminants or evidence of waste such as sludge, chemical residue or oil spillage on the subject site. To the best of my knowledge, the subject property has not been recently tested for the presence of any hazardous waste. Based on the OneStop web site as prepared by the NH Environmental Services the environmental history of the subject (based on a search of the subject's address), the web site indicates there are no current or past hazardous waste generators.

It should be noted that I am not an expert in determining the presence or absence of hazardous substances. Therefore, I assume no responsibility for studies or analyses which would be required to conclude the presence or absence of such substances or potential impact as a result of the presence of such substances. This report was prepared under the extraordinary assumption that the subject property is "clean", being free and clear of any hazardous/toxic materials.

SPECIAL ASSUMPTIONS:

Typical limiting conditions and general assumptions are located in the addenda of this report. The subject has historically been utilized as a parking lot in conjunction with the office building located at 298 Hanover Street (see Highest & Best Use, page 19). However, per request of the client the subject has been valued as an independent parking facility.

DEFINITION OF MARKET VALUE:**Market Value**

The term **Market Value** is defined in the 2016-2017 Edition of the Uniform Standards of Professional Practice (Page 180), as *"the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:*

- ◆ *Buyer and seller are typically motivated.*
- ◆ *Both parties are well informed or well advised, and acting in what they consider their own best interests;*
- ◆ *A reasonable time is allowed for exposure in the open market;*
- ◆ *Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and*
- ◆ *The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."*

Leased Fee Value

The term **Leased Fee Value** is defined in the Appraisal of Real Estate, Twelfth Edition, published by the Appraisal Institute as *"an ownership interest held by a landlord with the right of use and occupancy transferred by the lease to others. The rights of the lessor (the leased fee owner) and the lessee are specified by contract terms contained within the lease."*

APPRAISAL DEVELOPMENT AND REPORTING PROCESS:

In preparing this appraisal, the appraiser . . .

1. - Inspected the subject property on January 14, 2016;
2. - Researched and collected market data related to market conditions and market activity;
3. - Confirmed and analyzed the data and applied all applicable approaches to value;
4. - Exercised some degree of due diligence to determine the existence of apparent adverse conditions; and
5. - Arrived at a value conclusion, the results of which are reported as a single point value estimate.

It is important to note this summary appraisal report does not include the following:

1. - Full regional, state, and local analysis
2. - Detailed review of the zoning ordinance which governs the subject property
3. - Review of environmental or other survey reports
4. - Full tax and assessment analysis of the subject property
5. - Full site and improvement analysis
6. - In-depth market and highest and best use analysis.

GENERAL REGIONAL AND MUNICIPAL DATA

The following data has been extracted mostly from published studies by the State Occupational Information Coordinating Committee (SOICC) Of New Hampshire. The information is funded through a grant from the New Hampshire Department of Resources and Economic Development, Office of Business and Industrial Development.

Municipality:

City/Town:	City of Manchester
County:	Hillsborough
Labor Market Area:	Manchester NH Metropolitan NECTA
Planning Commission:	Southern NH
Tourism Region:	Manchester Valley
Regional Development:	Capital Region Development Council

Municipal Services:

Type of Government	Mayor and 14 Aldermen
Planning Board:	Appointed
Industrial Plans:	City Planning Board
Zoning:	1927/2012
Master Plan:	2010
Capital Improvement Plan:	Yes
Full Time Police Department:	Yes
Full Time Fire Department:	Yes
Nearest Hospital:	Elliot; Catholic Medical Center, Manchester
Distance to Hospital:	Local
Number of Beds:	296; 240 staffed beds

Available Utilities:

Electric Supplier:	Eversource Energy
Natural Gas Supplier:	Liberty Utilities
Water Supplier:	Manchester Water Works
Sanitation:	Municipal
Telephone Company:	Fairpoint
Cellular Phone Access:	Yes
Cable Television:	Yes

2014 Tax Burden Allocations:

Residential:	62.0%
Commercial:	35.1%
Public Utilities, Current Use, Other:	2.9%

Housing Statistics (ACS 2009-2013):

Total Estimated Housing Units:	49,025
Single Family Units:	20,904
Two to Four Units:	13,301
Five or More Units:	14,684
Manufactured Housing Units:	136

Demographics:

Population	2013	2010	2000	1990	1980	1970
Community	109,942	109,565	107,219	99,426	90,936	87,754
County	402,979	400,721	382,384	336,549	276,608	223,941

Income Estimate (ACS 2009-2013):

Per Capita Income:	\$28,055
Median Family Income:	\$65,892
Median Household Income:	\$54,496
Average Weekly Wage (2014):	\$ 1,024 (Total, private plus government)

The Top Five Major Employers:

Employer	Product/Services	Employees
Elliott Hospital	Health care	3,375
Catholic Medical Center	Health care	2,100
Eversource Energy	Utility	1,500
Fairpoint	Utility	1,300
TD Bank	Banking services	1,100

Transportation:

Road Access: US Routes	3
State Routes	3A, 28, 28A, 101, 114 & 114A
Nearest Interstate Exit:	I-93, Exit 6 - 8; I-293, Exits 1 - 7 / Local access
Railroad:	Guilford Rail Service
Public Transportation:	MTA
Nearest Commercial Airport:	Manchester-Boston Regional - Local

Distance to Major Metropolitan Areas:

Manchester, NH:	0± miles
Portland, ME:	95± miles
Boston, MA:	53± miles
New York, NY:	253± miles
Montreal, Canada:	259± miles

Commuting Patterns (ACS 2009-2013):

Mean Travel Time to Work:	23.1 minutes
Percent of residents:	
working in the community	47.9%
Commuting to NH community	44.3%
Commuting outside of NH	7.8%

Conclusions:

The City of Manchester is New Hampshire's largest commercial center and is home to a concentration of major malls and outlet stores. The city is an attractive location for both residential, commercial, and industrial development, with several easy access roads to major transportation routes, air service at the Manchester-Boston Regional Airport. Manchester's population density is 3,326.5 persons per square mile of land area. Manchester contains 33.1 square miles of land area and 1.9 square miles of inland water area.

In conclusion, the economy appears to have recovered from the recent recession and over the past few years the general area has seen the real estate markets stabilized with some segments of the market experiencing some growth. However, generally speaking, more recently, over the past year or so, most segments of the commercial and industrial market have reached a plateau where no appreciation or depreciation rates appears to be justifiable. The expected trend for the future is slow but steady growth.

NEIGHBORHOOD ANALYSIS

General

A neighborhood is defined as, "A group of complementary land uses; a related grouping of inhabitants, buildings or business enterprises". A neighborhood should be distinguished from a district, which is defined as, "A market area characterized by one predominant land use - e.g., apartment, commercial, industrial, agricultural".¹ A neighborhood will contain land uses, complementary to one another. For example, predominantly residential neighborhoods typically contain some commercial properties that provide services for the local residents. The boundaries of a neighborhood can be physical, such as a lake, stream, or major highway, or they may be less easily discernible such as changes in prevailing land use or occupant characteristics.

Neighborhood Boundaries

The subject property is located on the corner of Maple and Hanover Street in the City of Manchester, New Hampshire and is in an area zoned for a mix of residential and commercial uses located just a few blocks from the heart of the downtown Manchester area. The immediate boundaries for the subject neighborhood would be most of the commercial and residential uses located along both Maple and Hanover Street as well as the many intersecting streets with Elm Street. However, economically speaking, the neighborhood would include all those areas with similar characteristics to the subject neighborhood.

Character

Access

Access to the subject's neighborhood is good, with Maple Street being a one-way road in a northerly direction and Hanover Street being a two way east and west artery. This neighborhood is within a few blocks from Elm Street which is the main north and south artery in Manchester. The subject neighborhood is also located within 2.0 miles of Interstate 93 which is the main north and south route in the State of New Hampshire.

Uses

Uses in the subject's immediate neighborhood primarily consist of a mix of commercial, retail, along with some mixed use properties having apartments on the upper levels. The subject neighborhood is considered to be approximately 95% built-up with very little in new construction observed, over the past few years. However, there has been several owner occupied properties which have been renovated and/or converted into alternative uses.

¹ The Appraisal of Real Estate (Chicago, Ill: Appraisal Institute, Twelfth Edition, 2001) page 164.

Growth and Development***Life Stage of Neighborhood***

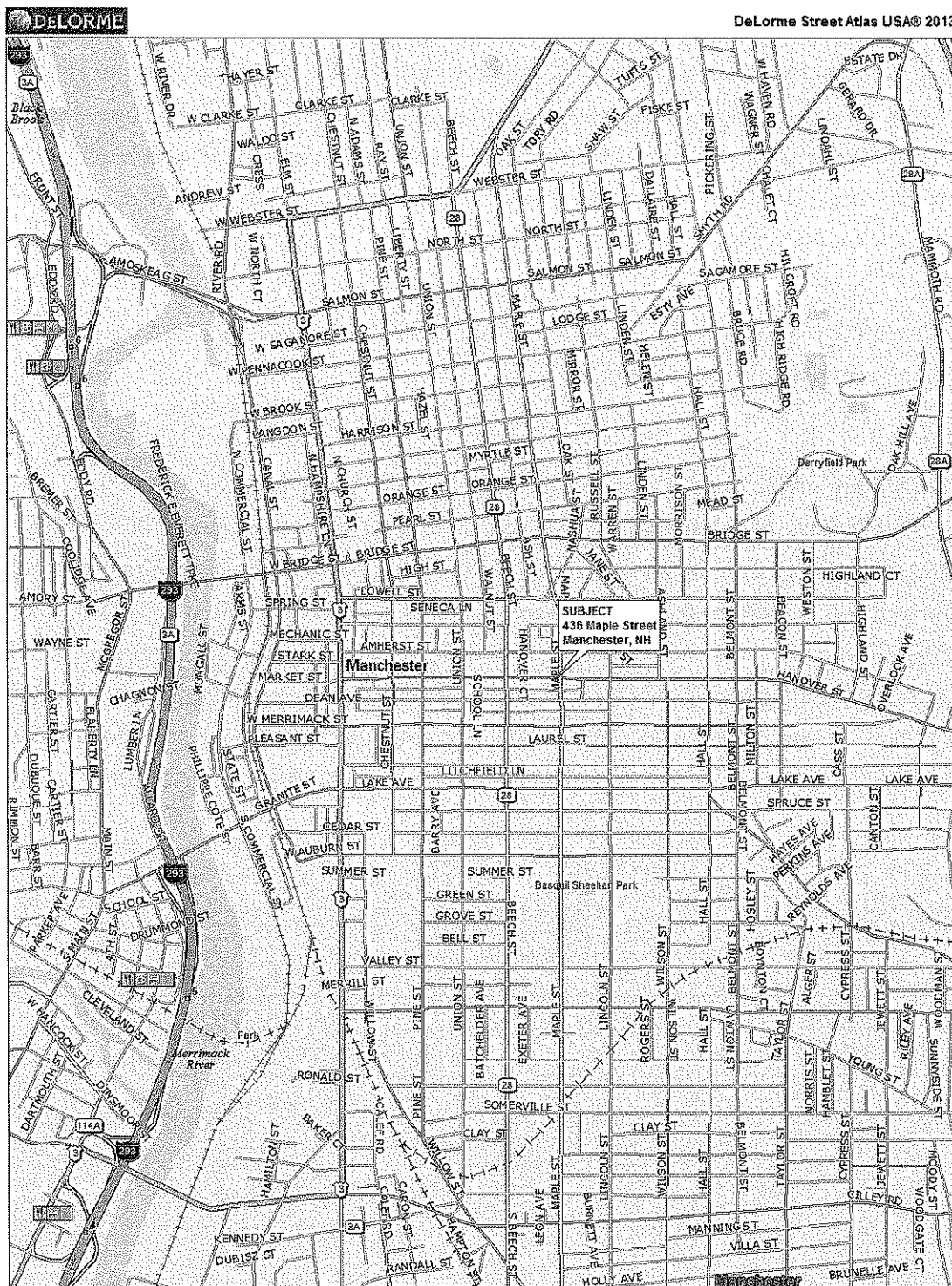
A good majority of the commercial structures in the subject neighborhood are either retail or service related uses. There are several mixed use properties having apartment uses above and a few multifamily homes and a few scattered single family homes are also common in the general market area. The actual age of the majority of the buildings in the subject's general market area is over 100 years. However, most have been restored and their effective ages are much lower.

The life stage of the neighborhood, based on my observations, appears to be one of stability to very limited amounts of growth.

Conclusions

Overall, the subject property enjoys fairly good exposure because of its location. This neighborhood enjoys good infrastructure of street improvements, easy access to downtown Manchester area, as well as easy access to the major highway systems connecting most of New Hampshire to this area, and adequate public services. Generally, most properties in this neighborhood have been adequately maintained and are of good quality and condition. Vacancies in the immediate neighborhood appear to be fairly stable and there appears to be fewer properties for lease than the last few years. Because of its location, this neighborhood will, in my opinion, continue to be a very desirable location in the foreseeable future.

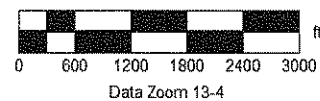
NEIGHBORHOOD MAP



Data use subject to license.

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www.delorme.com



DESCRIPTION OF THE REAL ESTATE TO BE APPRAISED - SITE

A summary of site characteristics is presented below:

Location: 436 Maple Street in Manchester, N.H.

Owner of Record: State of New Hampshire

Assessment & Taxes:

Map/Block/Lot			Improvements Value	Yard Items Value	Land Value	Total Assessment
93		29	\$0	\$7,100	\$93,700	\$100,800
Total			\$0	\$7,100	\$93,700	\$100,800
2015 Annual Taxes at		\$23.44	Per \$1,000			\$2,363
2014 Equalized Value at		101.00%				\$99,802

*It should be noted that the property is currently State owned and not subject to municipal taxes

Site Description:

According to the city assessment records, the subject consists of a single parcel of land containing 0.16± acres utilized as a parking lot. The parking lot has historically been utilized in conjunction with the office building located at 298 Hanover Street. The parking lot is located on the corner of Hanover and Maple Street with 70± feet of road frontage along the southerly side of Hanover Street, 100± feet of road frontage along the easterly side of Maple Street and 70.00± feet of frontage along the northerly side of Londonderry Lane which is a small alleyway at the rear of the property. Maple Street is a one-way roadway running in a northerly direction. Access to the parking lot appears to be limited to Hanover Street and Londonderry Lane. The topography of the site is generally level. The site is mostly covered by paved parking area which consists of 20 lined spaces.

Flood Hazard:

The subject does not appear to be located in a flood hazard zone as referenced by the National Flood Insurance Program/U.S. Department of Housing & Urban Development flood insurance rate map.

It is noted that I am not qualified to make flood plain determinations. If the client is so concerned, an independent analysis and determination should be conducted by a qualified expert. A copy of the national flood hazard map is included.

Zoning:

According to the city assessing department the subject is located in the R-3 (PO) - Urban Multifamily (Professional Office Overlay) Zoning District. The minimum requirements in this zoning district for non-residential uses is a 10,000 square foot site with 75 feet of road frontage. The minimum requirements in this zoning district for residential uses is a 5,000 square foot site with 50 feet of road frontage. Based on the current zoning requirements the subject site appears to be legal conforming lot of record. Permitted use include most residential uses such as single family, single family attached townhouse dwellings, duplex or two-family, multi-family dwellings, elderly housing or assisted living, elementary or secondary schools, churches, municipal facilities. The Professional Office Overlay District allows for conversion to low-intensity professional office space that are compatible in scale, density and use with the surrounding and adjacent residential neighborhood. The current use as a surface parking lot is a Conditional Use by the Planning Board. The current use, utilized in conjunction with the State office building located at 298 Hanover Street predates the current zoning ordinance and based on conversations with the municipal office, it appears that the current use is legal and conforming. However, as a separate individual lot a new Conditional Use permit may need to be approved by the Planning Board.

It should be noted the determination of zoning compliance is beyond the scope of this appraisal. If the client determines the zoning is or could be an issue, it is advised that the client hire a qualified zoning expert. The previous analysis and conclusions are based on available data obtained from the municipal offices and general conversations with municipal officials.

Easements & Detrimental Conditions:

I was not made aware of any detrimental conditions, easements, restrictions, or encroachments that exist on the subject property, which I would consider to adversely affect the marketability of the subject property. The research required to determine if additional restrictions exist is beyond the scope of this assignment. Typically, deed restrictions are a legal matter which may only be uncovered via a title abstract completed by a qualified attorney or title company. Therefore, if the client is so concerned, it is recommended that a professional title extract be completed by a qualified expert.

Highest & Best Use:

The Highest and Best Use is defined as “*The reasonably probable and legal use of vacant land or an improvement property that is physically possible, legally permissible, appropriately supported, financially feasible, and that results in the highest value.*”²

As Vacant

Considering the four criteria above, the conclusion of the highest and best use of the site as if vacant is for some type of commercial or residential development permitted by zoning.

As Improved

The subject has historically been utilized as a parking lot in conjunction with the office building located at 298 Hanover Street in order to satisfy the parking requirements within the R-3 (PO) zoning district for a non-residential use.

In my opinion, this appears to be the highest and best use of the subject property. Therefore, the highest and best use as improved is for the continued use as a parking lot in conjunction with the office building located at 298 Hanover Street.

However, per request of the client the subject has been valued as an independent parking lot facility.

² The Appraisal of Real Estate (Chicago, Ill: Appraisal Institute, Twelfth Edition, 2001) page 305

AERIAL VIEW – GOOGLE EARTH



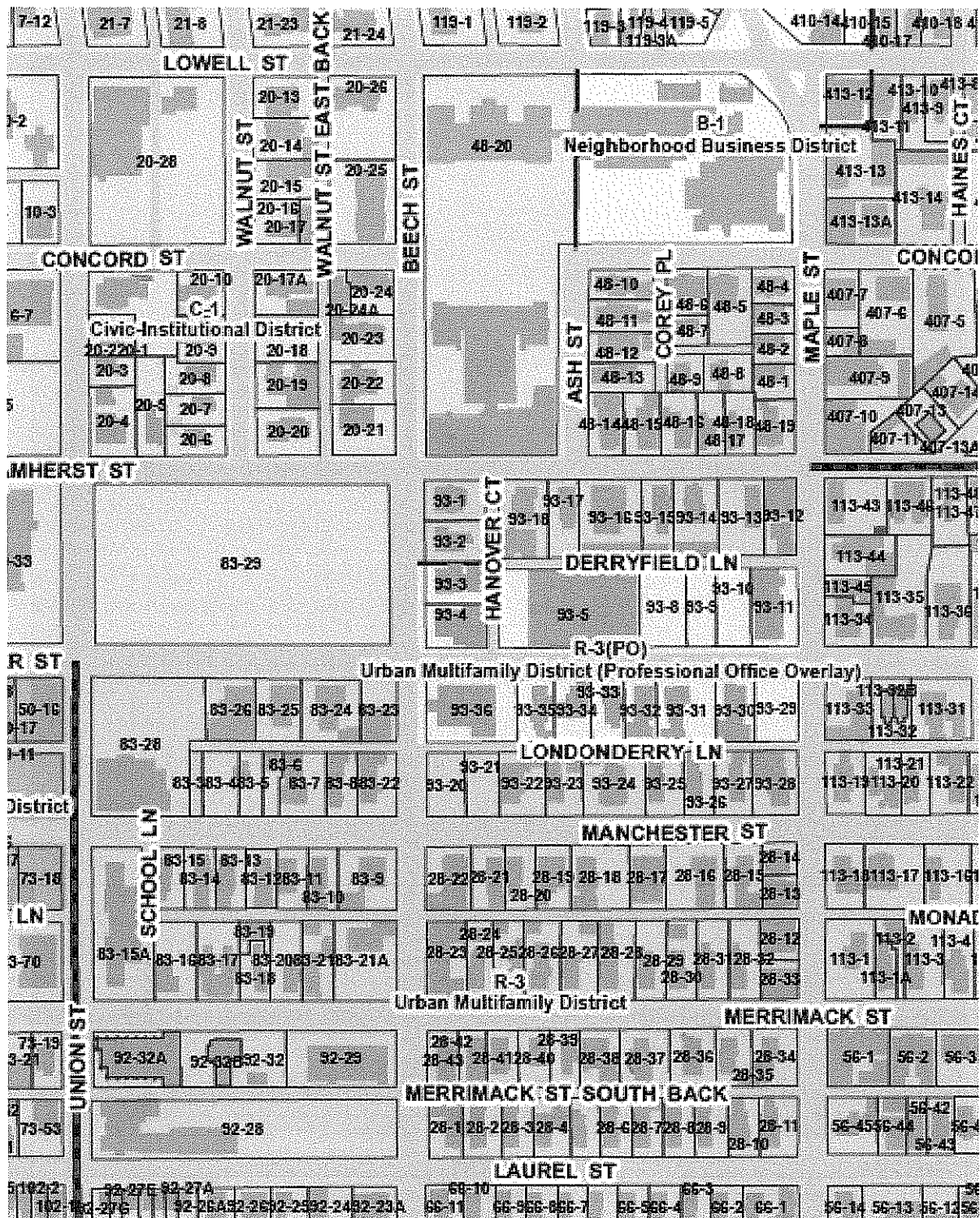
TAX MAP



AERIAL TAX MAP



ZONING MAP



FLOOD MAP

VALUATION PREMISES

General Overview

Every estimate of *market value* includes a presumption that the appraiser will consider and judge the applicability of each of the alternative courses of action potentially available to the decision-maker or purchaser. The realistic alternative choices confronting him (ignoring the alternative to do nothing) are three in number.

Sales Comparison Approach

The purchaser-investor can acquire through purchase an existing substitute property with the same apparent utility. The value of the subject property is measured by the price (s) at which effective substitute properties can be or have been purchased, under similar market conditions. Analyzing sales data for competitive substitute properties constitutes what is called the *Sales Comparison Approach* or what is widely termed the *Market Data Approach*.

Income Capitalization Approach

For income-producing real estate, the purchaser-investor has a third possible choice. He can acquire a substitute investment whose forecasted income stream has the same size, duration, timing, stability, and certainty (or risk) as the income stream forecasted for the subject property. The present worth or capitalized value of such an income stream represents the value of the right to receive that income stream. The cost of acquiring a competitive substitute income stream on the market measures the value of the property rights being appraised. This acquisition cost is calculated by what is usually referred to as the *Income Approach*.

Cost Approach

Alternatively, the purchaser-investor may possibly produce or have produced a substitute property with the same perceived utility as the subject property has. The cost of production of this substitute property, provided it is market-determined, represents another measure of the value of the property being appraised. This cost-of-production figure is derived by what is termed the *Cost Approach*.

VALUATION ANALYSIS

These three alternatives provide the conceptual foundation for approaching the valuation of property rights in real estate. They are interdependent and interrelated, and they all require data from the same market. If good market data is available, the value indications of the three approaches should fall within a fairly narrow range. The three value indicators are reconciled, and a final value conclusion is made. All three approaches are always considered, however, depending on the accuracy, reliability, and pertinence of the market data available for each approach, only one or two approaches may be utilized.

In the valuation of the subject property, the *Sales Comparison Approach* has not been utilized as I was unable to find an adequate number of arm's length comparable sales with which to develop a valuation estimate. There have been some land sales which were either converted into parking or were assembled and at least used for additional parking. However, all of the "true" parking lot sales do not seem to be arm's length. Therefore, a typical *Sales Comparison Approach* was deemed not to be applicable. There is a sufficient amount of income and expense data available from similar competing properties located in the subject's general market area, and therefore, the *Income Approach* has been utilized in this analysis. The *Cost Approach* is only applicable for improved properties. Noting the subject property has little improvements, other than paving and fencing it is my opinion the *Cost Approach* is also not considered to be an applicable approach.

The steps utilized for each appraisal approach used within this report are summarized in greater detail at the beginning of each approach.

INCOME CAPITALIZATION APPROACH

Overview

The *Income Approach* is a "procedure in appraisal analysis which converts anticipated benefits (dollar income or amenities) to be derived from the ownership of property into a value estimate."³

The *Income Approach*, which is related to investor thinking and motivation, is a basic tool for the valuation of income-producing real estate. It is based on the principal of anticipation reflected in the definition of value as the present worth of all the rights to future benefits accruing to ownership. The *Income Approach* is practical only when an income stream attributable to the real estate can be estimated. This income estimate may be developed and supported by comparisons in the local market or, alternatively, by an allocation to the real estate of some portion of the total income derived from the operation of an ongoing commercial use in which the real estate is a contributing component.⁴

The following outline is a step-by-step procedure which is utilized in deriving a value for the subject property.

1. - Estimate market rents to derive Gross Income.
2. - Estimate and deduct the vacancy and credit loss allowance to derive the Effective Gross Income.
3. - Estimate and deduct operating expenses to derive the Net Operating Income for the subject property (before debt service and depreciation).
4. - Select an appropriate capitalization method and develop the Capitalization Rate.
5. - Complete the necessary computations to derive an economic value indication by the *Income Approach*.

The method used for the income approach is the direct capitalization valuation technique, which utilizes capitalization rates derived from market data. The methods employed in the direct capitalization valuation technique are the mortgage equity technique and the debt coverage ratio method.

³ Byrl. N. Boyce, Real Estate Appraisal Terminology, 1984.

⁴ IBID.

Direct Capitalization

Direct capitalization is a method used to convert a single year's income into an indication of value, in one step. Direct capitalization assumes that the income of a property, before any interest or depreciation, can be expressed on a constant dollar or stabilized basis. The following income and expense estimates are based on a stabilized net operating income for the subject property.

Income Analysis

Regardless of the capitalization method employed, it is necessary to estimate, on an annual basis, the potential gross income, vacancy and operating expenses attributable to operation of the real estate as well as the net operating income for the subject property. Contained within the following subsections of this report is the basis for the estimates of the potential gross income as well as the operating expenses for the subject property.

Contract Rents

The subject of this report has historically been utilized as a 20 space parking lot in conjunction with the office building located at 298 Hanover Street. However, as an alternative it could be utilized as an independent parking facility and per request of the client has been appraised as such. Therefore, no actual income and expenses are available. Consequently, only market rents and expenses have been utilized in the following income analysis of the subject property.

Market Rent

Market rent is the rent that a property should receive based upon conditions in the open market. It is analyzed by comparing the rents being paid for similar and competing rental space. Market rent can vary from contract rent which is the rent being paid for the property as stipulated by a lease contract. The subject has historically been utilized as a parking lot in conjunction with the office building located at 298 Hanover Street. However, as an alternative it could be utilized as an independent parking facility and per request of the client has been appraised as such. These types of properties are customarily rented on a gross basis, with the owner being responsible for the all of the property related expenses such as, real estate taxes, heat, water, sewer, management, marketing and advertising, reserves for replacements and any common area expenses.

Although a lease can be drawn to fit any situation, most leases fall into two categories, gross rental lease and net rental lease. In a gross lease, the lessor pays all operating expenses of the real estate and in a net lease, the tenant pays for all of these expenses. In a modified gross lease, the tenant pays for one or two items normally covered under a gross lease. These items can range from utilities, to yard maintenance, but it should be noted that the majority of expenses are still covered by the lessor. On a triple net lease, the owner of the property typically pays for building insurance, property management, some exterior maintenance, and reserves for replacement, with the tenant paying for the remainder of expenses. For this analysis, I have assumed that the subject property's spaces would be leased based on a gross basis.

A survey of rental parking spaces throughout the City of Manchester was conducted to estimate the market rental rate for the subject's parking spaces. Several owners of private lots as well as municipal lot owned by the City of Manchester were surveyed. Based on the survey, a monthly rental rate of between \$55.00 to \$85.00 per month is reasonable and supported for the subject's parking spaces. The majority of the lower rents are on-street permit parking or larger surface parking lots closer to the downtown. The upper end of the rents are also closer to downtown, have covered spaces, and/or are located in more "secure" facilities. Therefore, considering the site's location outside the immediate downtown area, yet noting the property is rather small in size, is in average condition and is an "unsecured" parking lot, it is my opinion a monthly rental rate nearest to the middle of this range is reasonable and well supported. Also, based on this survey, a few respondents noted their typical operating expenses range from 10% to 20% of their gross income. The high end represents the expenses of dedicated standalone parking lots and the lower end represents expenses associated with parking lot operated in conjunction with a commercial building. Also, it should be noted all of the respondents surveyed noted this figure did not take into consideration any vacancy and credit loss or any management fees. This was done as most of the parking lot "managers" were owners, or owners of nearby improved properties which utilized the parking lot for their tenants associated with the buildings. Therefore, both of these anticipated operating costs have to be accounted for as well. Additionally, based on these conversations, as well as others previously appraised by Capital Appraisal Associates, Inc., most parking lot owners noted during the summer months (months without snow), their occupancy level is almost always approaching 90% to 100%, with some noting they have a waiting list for spaces. However, during the winter months at least this rates increases an additional 5% and 10%, depending on the size of the parking lot, in order to leave space to accommodate for snow "removal" or piling. Therefore, for the purposes of this report, I have allocated a reasonable market vacancy and collection loss figure of 10%.

A brief rental study has been included in the addenda of this report. The subject's estimated reconstructed operating statement is located on the following page.

RECONSTRUCTED OPERATING STATEMENT

ESTIMATED OPERATING STATEMENT 436 MAPLE STREET IN MANCHESTER, NEW HAMPSHIRE

Potential Gross Income

<u>Units</u>		<u>Rents</u>	
20	X	\$70.00	Estimated monthly rent

Total Potential Gross Income

Minus 10.00% Vacancy & Collection Loss

Effective Gross Income

Operating Expenses

Fixed Expenses

Property Taxes (Actual calculated)
Insurance (Estimated @ \$40/unit)

Total Fixed Expenses

Variable Expenses

Management & Admin. @ 4.00% Of EGI
Typical Maint. & Repairs 3.00% Of EGI
Legal & Accounting @ 1.00% Of EGI
Reserves for Replacement @ 1.00% Of EGI
Utilities (Included in misc. expense)
Plowing, Grounds, Trash (Estimated expense)
Office & Miscellaneous @ 1.00% Of EGI

Total Variable Expenses

Total Operating Expenses

Net Operating Income

<u>Actual/Projected Rent</u>	
<u>\$-Amount</u>	<u>% Revenue</u>
\$ 16,800	100.0%
\$ 16,800	100.0%
\$ (1,680)	-10.0%
\$ 15,120	90.0%
\$ 2,300	15.2%
\$ 800	5.3%
\$ 3,100	20.5%
\$ 605	4.0%
\$ 454	3.0%
\$ 151	1.0%
\$ 151	1.0%
\$ -	0.0%
\$ 2,500	16.5%
\$ 151	1.0%
\$ 4,012	26.5%
\$ 7,112	47.0%
\$ 8,008	53.0%

Market Development of Capitalization Rate - Direct Capitalization Method

Any interest in real estate that has an income stream can be valued by the direct capitalization method of valuation. Using this process, the value is estimated by dividing the net operating income by an appropriate overall capitalization rate. The formula for this calculation is as follows:

$$\text{Value (V)} = \text{Net Operating Income (NOI)} \div \text{Overall Capitalization Rate (R}_o\text{)}$$

The development of the capitalization rate has been based on three methods: the mortgage equity technique, the debt coverage ratio technique, and the market extraction method of valuation. In order to properly use these techniques, the appraiser has analyzed several elements of the market, such as current interest rates, loan-to-value ratios, current market rental information on similar comparable properties, equity yield rates of investors, holding periods typically found for investment properties similar to the subject, and the general economic and financial climate for properties similar to the subject property.

Summary of the Capitalization Rate Calculations

In order to estimate the overall capitalization rate via these techniques, I have surveyed local lending institutions to arrive at typical financial parameters. In addition to this bank survey I have also utilized periodicals, such as the Appraiser News in order to extract typical rates used throughout various lending institutions. In the following analysis, utilizing the mortgage equity technique and debt coverage ratio method, I have used the following parameters.

Loan to Value Ratio	70%
Mortgage Interest Rate	5.0%
Amortization Term	20 years
Holding Period	10 years
Equity Yield Rate	15%
Debt Coverage Ratio	1.30
Appreciation Rate	Estimated at 1% per year over the holding period, noting that some appreciation is offset by the subject's physical depreciation.

Capitalization Rate – Mortgage Equity Technique**ESTIMATED RATES**

Mortgage Ratio:	70.00 %
Annual Interest Rate:	5.00 %
Amortization Term:	20.00 Years
Equity Yield Rate:	15.00 %
Holding Period:	10.00 Years
Annual Appreciation / Depreciation Rate:	1.00 % per year

CALCULATED CONSTANTS

Rm = Mortgage Constant =	0.0792
1/Sn = Sinking Fund Factor =	0.0493
P = Contribution Factor =	0.3778

RATE CALCULATIONS

Weighted Rate Calculation:	
Mortgage Ratio x Rm =	0.0554
Equity Ratio x Yield Rate =	0.0450
Discount or Weighted Rate =	0.1004 = Rw
Credit for Equity Buildup Calculation:	
Mortgage Ratio x P x 1/Sn =	0.0130 = Re
Appreciation Calculation:	
Appreciation Rate x (-1/Sn) =	-0.0049 = Ra
Overall Cap Rate = Rw - Re + Ra =	0.0825

DEBT COVERAGE RATIO CALCULATION

Overall Rate / { LTV x Rm } =	1.49
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OVERALL RATE SUMMARY

Discount or Weighted Rate:	10.04%
Overall Capitalization Rate:	8.25%

Capitalization Rate – Debt Coverage Ratio Method

The formula to derive an overall rate via the debt coverage ratio method is as follows:

$$R_o = DC \times R_m \times M$$

Where;

$$R_o = \text{Overall Capitalization Rate}$$

$$DC = \text{Debt coverage Ratio}$$

$$R_m = \text{Mortgage Constant}$$

$$M = \text{the Typical Loan-to-Value Ratio}$$

The mortgage constant is a rate which reflects the relationship between debt service and the total principal amount of the mortgage loan.

The loan-to-value ratio is the ratio of the mortgage amount to the estimated market value of the property.

Utilizing this information, the appraiser has estimated a mortgage constant of 0.0792, based on a loan term of 20 years and a loan interest rate of 5.0%. The debt coverage ratio of 1.30, which seems reasonable and typical for the current economic conditions, has been utilized, as well as a 70% loan-to-value ratio which is somewhat standard throughout the financing industry. When these three factors are multiplied by each other, an overall capitalization rate of 7.20% is indicated.

Inserting these financing terms into the debt coverage ratio formula results in an overall rate as follows:

$$R_o = DC \times R_m \times M$$

$$R_o = 1.30 \times 0.0792 \times 0.70$$

$$R_o = 0.0720 \text{ or } 7.20\%$$

SUMMARY OF THE INCOME APPROACH

In estimating the value of the subject property via the income approach, two direct capitalization valuation techniques have been utilized.

First, utilizing current financing criteria, the mortgage equity technique was employed and an overall capitalization rate of 8.25% was indicated. The second technique used was the debt coverage ratio method which also uses current financing criteria. However, the debt coverage ratio method also utilizes the debt coverage ratio typically used by lending institutions. The indicated capitalization rate based on this technique is 7.20%. These two rates are further supported based on figures extracted from RealtyRates.com - Investor Survey for the fourth quarter of 2015 periodical "Average of All Property Types". This survey notes a range in overall capitalization rates, based on these two techniques, using actual market derived information from consummated transactions, as reported by respondents based on actual net operating incomes, was between 3.37% to as high as 23.60%, with an average for the DCR Technique of 8.98% and an average of 9.67% via the Band of Investment Technique.

Adding support for the above noted estimated overall capitalization rate is a periodical from the second quarter of 2015, the PwC Real Estate Investor Survey, published by the Appraisal Institute, the noted Overall Capitalization Rates for all types of properties ranges from 3.50% to 9.00% with a national average of between 5.30% and 6.13%. Also another study of overall capitalization rates extracted from RealtyRates.com - Investor Survey for the fourth quarter of 2015 (latest available), the weighted composite indices was 9.38% which was basically unchanged from the third quarter rate. Most real estate professionals in New Hampshire who use this study tend to agree that the average discount rates are high for New Hampshire, as well as the available returns in alternative type and risk investments. However, in any case, the rate utilized should also consider the risk involved with vacant space and the quality of existing and prospective tenants suitable for the subject property. Therefore, noting that the subject is a small volume parking lot, it is my opinion a rate nearest to the middle of the indicated rates, estimated to be between 8.00% and 9.00%, is most applicable.

Based on the preceding, it is my opinion an overall capitalization rate of 8.50%, is most applicable. Therefore, based on these assumptions, the direct capitalization valuation technique for the subject property is calculated as follows:

$$\text{Net Operating Income (NOI)} \div \text{Capitalization Rate (R}_o\text{)} = \text{Value (V)}$$

$$\text{NOI} - \$8,008 \div \text{R}_o - 0.085 = \text{V} - \$94,212$$

$$\text{Rounded Value Estimate: } \$95,000$$

RECONCILIATION OF APPROACHES

"Reconciliation is the process of coordinating and integrating relating facts in order to develop a unified conclusion." In the estimation of Market Value of the subject property, I have considered the *Sales Comparison Approach*, the *Cost Approach* and the *Income Approach*. All of these approaches are established and recognized appraisal techniques used in the valuation of real estate.

The purpose of reconciliation is to develop the most reliable estimate of value based on analysis of the quantity, quality, and durability of all the data developed. Thus, reconciliation is a review of the data and the various procedures in which the data is utilized within this report.

Each of these approaches has been reviewed separately by comparing to the others in terms of adequacy, defensibility and overall reliability. The results of these appraisal methods are as follows:

Sales Comparison Approach: Not Applicable

Income Approach: \$95,000

Cost Approach: Not Applicable

In my opinion, the *Income Approach* gives the best indication of actions of the buyers and sellers of properties similar to the subject property. As previously noted both the *Sales Comparison Approach* and the *Cost Approach* have not been utilized, as they are not considered to be applicable approaches in valuing a property like the subject.

The *Income Approach*, which is related to investor thinking and motivation, is a basic tool for valuation of income-producing real estate. It is based on the principal of anticipation reflected in the definition of value, "*as the present worth of all rights to future benefits accruing to ownership*". The income approach is practical only when an income stream attributable to the real estate can be estimated. This income estimate may be developed and supported by comparisons in the local market or, alternatively, by an allocation to real estate of some portion of the total income derived from operation of an ongoing business in which the real estate is a contributing component.

Based on the foregoing, with the only applicable approach being the *Income Approach*, it is my opinion that the market value of the subject property as of **January 14, 2016**, is **\$95,000**.

EXPOSURE TIME

The subject's exposure time is based on a typical effective marketing period for similar competing properties which have sold. Exposure time is always presumed to occur prior to the effective date of the appraisal.

Exposure time is defined by the Appraisal Foundation, USPAP 2016-2017 edition (page 195), as "the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; Exposure time is a retrospective opinion based upon an analysis of past events assuming a competitive and open market."

Exposure time is different for various types of property and under various market conditions. It is noted that the overall concept of reasonable exposure encompasses not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable effort. This statement focuses on the time component.

Exposure time is one of a series of conditions in most market value definitions. Exposure time may vary greatly depending upon a number of factors including the motivation of the owner, the reasonableness of the offering price, the different marketing avenues, as well as the amounts and willingness of the local financing markets to name just a few. Because all of these factors greatly affect the exposure period of a property, it is very difficult to accurately measure the exposure time for the subject property.

The two best methods of estimating an exposure time are one, through actual sales, and two, through conversations with local real estate brokers. Conversations with local professional real estate brokers indicated that most properties, if reasonably priced, should sell within a twelve month time frame. Also, a review of the comparable sales utilized in the sales comparison approach, revealed that when the sales were marketed at or near the eventual sales price, the exposure period was typically less than twelve months.

Based upon the preceding, it is my opinion that a reasonable exposure time for the subject property, based on the previously noted reconciled market value conclusion, would be twelve months or less. This assumes that the subject would be actively marketed by a professional real estate broker, at or near the final reconciled value estimate.

EXHIBITS AND ADDENDA

COMPARABLE RENTAL ANALYSIS

Location	Rate/Terms	Comments
General throughout the City of Manchester, NH	\$55 to \$85 per month	Ms. Denise Boutilier the Parking Manager for the City of Manchester noted all City owned open parking lot spaces are rented for \$60.00 per month and spaces in parking garages are rented for \$75.00 to \$85.00 per month. Downtown and Millyard Zone on-street permits are rented for \$55.00 per month.
25 Vine Street Victory Parking Garage Manchester, NH	\$85.00 per month	This property is located approximately one or two blocks off Elm Street. The lot is available at \$6.00 per day or on a monthly basis. Overall, considered superior.
61 Middle Street Middle St. Parking Lot Manchester, NH	\$75.00 per month	This property is located approximately one or two blocks off Elm Street. The lot is available at \$1.50 per hour or on a monthly basis. Overall, considered fairly similar.
65 Granite Street, Center of NH Garage Manchester, NH	\$75.00 per month	This property is located just off Elm Street. Overall, considered superior as most spaces are covered.
99 Lowell Street Hartnett Parking Lot Manchester, NH	\$60.00 per month	This property is located approximately one or two blocks off Elm Street. The lot is available at \$1.50 per hour or on a monthly basis. Overall, considered fairly similar.
306 Pine Street Pine St. Parking Lot Manchester, NH	\$60.00 per month	This property is located approximately one or two blocks off Elm Street. The lot is available at \$6.00 per day or on a monthly basis. Overall, considered fairly similar.
Kosciusko St. Kosciusko St. Garage Manchester, NH	\$75.00 per month	This property is located approximately one or two blocks off Elm Street in the southern end. Overall, considered fairly similar.
45 Orange Street Pearl Parking Lot Manchester, NH	\$60.00 per month	This property is located approximately one or two blocks off Elm Street. The lot is available at \$1.50 per hour or on a monthly basis. Overall, considered fairly similar.
555 Canal Street Wall St. Tower Garage Manchester, NH	\$60.00 per month	This property is located approximately one or two blocks off Elm Street. Overall, considered fairly similar.
Canal Street Private parking lot Manchester, NH	\$65.00 per month	This property is located approximately one or two blocks off Elm Street. The lot is a private lot in which spaces were rented to allow for abutters parking.
40 Lake Ave. Lake Ave. Parking Lot Manchester, NH	\$60.00 per month	This property is located approximately one or two blocks off Elm Street. Overall, considered fairly similar.

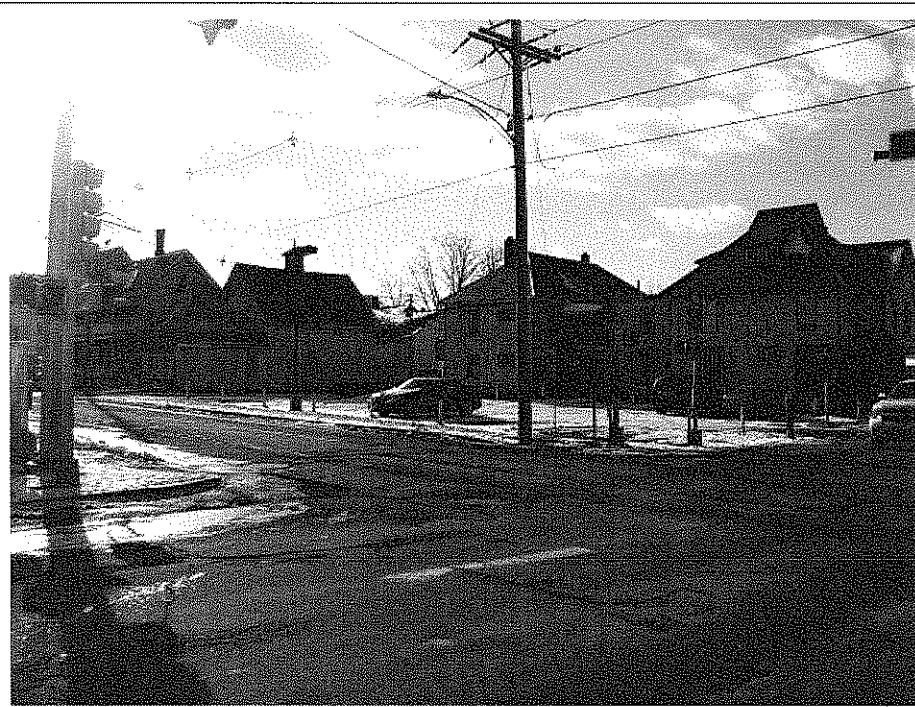
All of the parking rentals are gross leases with the owners of the parking lots paying for all of the operating expenses attributable to the parking garage or parking lot.

SUBJECT ADDENDA

SUBJECT PHOTOGRAPHS



Maple Street Parking Lot

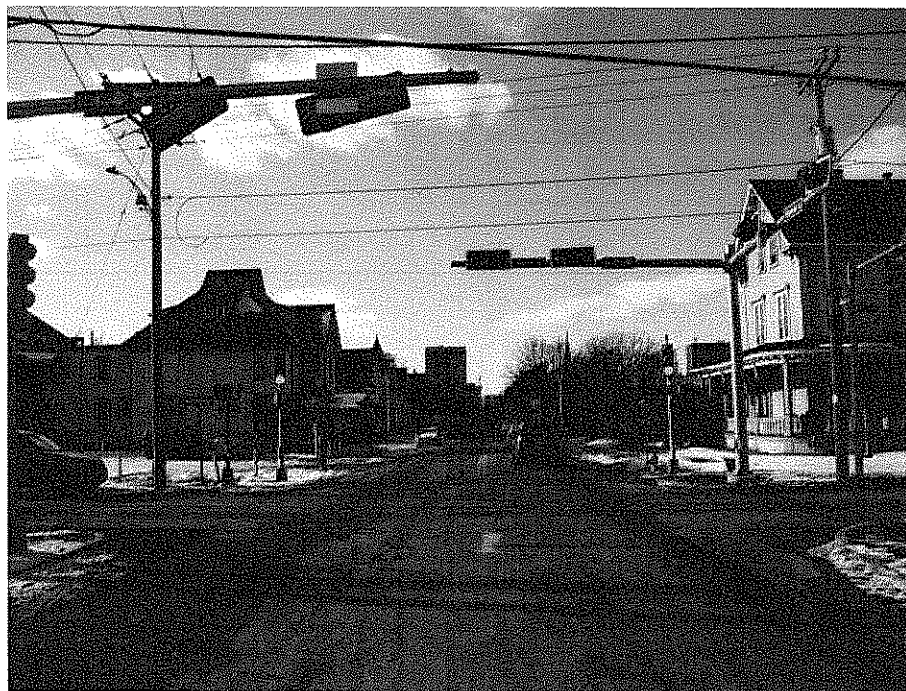


Maple Street Parking Lot

SUBJECT PHOTOGRAPHS



Maple Street – northerly one way



Hanover Street - westerly

State Use: 950V
Print Date: 12/21/2015 11:12

VISION

Appraised Bldg. Value (Card)	
Appraised XF (B) Value (Bldg)	
Appraised OB (L) Value (Bldg)	7,100
Appraised Land Value (Bldg)	93,700
Special Land Value	0
Total Appraised Parcel Value	100,800
Valuation Method:	C
Adjustment:	0
Net Total Appraised Parcel Value	100,800

VISIT/CHANGE HISTORY

LAND LINE VALUATION SECTION

State Use Only
Print Date: 2/27/13

LEGAL DESCRIPTION - SUBJECT PROPERTY

1020017

2001 MAR 29 AM 11:25

WARRANTY DEED

Jason Treisman, of 5768 West 39th Ave., Boca Raton, FL, for consideration paid, grants to the State of New Hampshire (c/o John J. Ratoff, Commissioner, New Hampshire Department of Employment Security 32 South Main Street, Concord, NH 03301), with Warranty Covenants, the following tract or parcel of land with the buildings and improvements thereon located in Manchester, Hillsborough County, NH and more particularly bounded and described as follows:

Northerly: on Hanover Street, there measuring 70 feet; Easterly: on Maple Street, there measuring 100 feet; Southerly: on a 20 foot passageway there measuring 70 feet; Westerly: by a line parallel with said Maple Street and 70 feet distant therefrom there measuring 100 feet.

Meaning and intending to describe and convey the same premises conveyed to the grantor herein by deed of Boulogne dated October 4, 1985 and recorded in the Hillsborough County Registry of Deeds in Book 3390, Page 646.

Pursuant to RSA 78-B:2(1), no real estate tax is due with respect to this conveyance.

Dated: March 4, 2001

Jason Treisman
Jason Treisman

State of Florida
County of Polk, ss

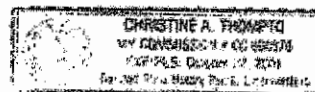
Personally appeared, before me, the undersigned officer, the within named Jason Treisman, who acknowledged the foregoing to be his free act and deed.

Dated: March 4, 2001

Christine A. Thompson
Notary Public

Name of Notary

My Commission Expires



BK6381PC1777

ENGAGEMENT LETTER


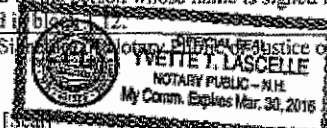
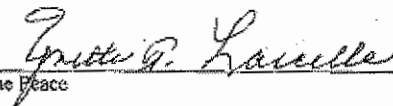
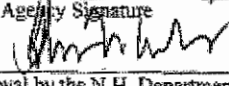
FORM NUMBER P-37 (version 5/8/15)

Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS**1. IDENTIFICATION.**

1.1 State Agency Name NH Employment Security		1.2 State Agency Address 45 South Fruit Street, Concord, NH 03301	
1.3 Contractor Name Capital Appraisal Associates, Inc., VC #156083		1.4 Contractor Address 128 South Fruit Street, Concord, NH	
1.5 Contractor Phone Number 603-228-9040	1.6 Account Number 010-027-8041-500-252	1.7 Completion Date January 15, 2016	1.8 Price Limitation \$4,000.00
1.9 Contracting Officer for State Agency George N. Copadis, Commissioner		1.10 State Agency Telephone Number 603-228-4000	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Timothy R. Daniels, President	
1.13 Acknowledgement: State of NH, County of Merrimack On Dec. 18, 2015, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Notary Public, Justice of the Peace  YVETTE T. LASCELLE NOTARY PUBLIC - N.H. My Comm. Expires Mar. 30, 2016 			
1.13.2 Name and Title of Notary or Justice of the Peace Yvette T. Lascelle, Notary			
1.14 State Agency Signature  Date: 12/23/15		1.15 Name and Title of State Agency Signatory George N. Copadis, Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: _____ On: _____			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

Page 1 of 4

ENGAGEMENT LETTER

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State 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 State 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 State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor 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.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor 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.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor'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.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor 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.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Page 2 of 4

Contractor Initials

Date 12/18/2015

ENGAGEMENT LETTER

Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. **TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. **CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor 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.

12. **ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

13. **INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 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.

Page 3 of 4

Contractor Initials JED
Date 12/18/2015

ENGAGEMENT LETTER

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor 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. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, 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 State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. **WAIVER OF BREACH.** No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. **NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no

such approval is required under the circumstances pursuant to State law, rule or policy.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. **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.

21. **HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. **SPECIAL PROVISIONS.** Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. **SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

Page 4 of 4

Contractor Initials TRD

Date 12/18/2015

ENGAGEMENT LETTER

EXHIBIT A**SCOPE**

This document defines specific services to be provided by Capital Appraisal Associates, Inc. ("Contractor") in connection with Commercial Real Estate Appraisals to be performed for New Hampshire Employment Security.

DESCRIPTION OF WORK/REQUIREMENTS

Capital Appraisal Associates, Inc., hereinafter referred to as Contractor, will provide all phases of Commercial Real Estate Appraisal work: provision of factual analysis, opinions and conclusions as to market value presented in a report format. Work performed will conform to all applicable Federal, State and local requirements, including the Uniform Standards of Professional Appraisal Practice.

Contractor guarantees quality of work. Contractor agrees to perform specified services in a professional manner and in accordance with appropriate standards and specifications. Contractor will be responsible for obtaining all materials, permits and approvals, as needed.

Contractor will prepare Commercial Real Estate Appraisals of three (3) NH Employment Security properties located in Manchester, New Hampshire – 300 Hanover Street, 298 Hanover Street and 436 Maple Street. Contractor will provide NH Employment Security a complete Summary Report for each property being appraised.

SAFETY ISSUES AND COMPLIANCE REQUIREMENTS

Safety and protection of NH Employment Security personnel, property and information is of utmost concern in the performance of work under this agreement. Work will interfere as little as possible with NH Employment Security business. Work performed will comply with all state and federal safety laws, rules, regulations and standards to ensure the safety of workers, NHES staff, NHES clients and the general public including, but not limited to, OSHA and U.S. Department of Labor laws and regulations

ENGAGEMENT LETTER

EXHIBIT B**PRICE FOR SERVICES**

Contractor agrees to provide NH Employment Security with the services indicated in Exhibit A of this Agreement at prices quoted and shown below. Contractor agrees to perform services in a professional manner and to meet appropriate specifications as outlined and approved by the NHES Employment Security representative.

<u>Location</u>	<u>Price</u>
300 Hanover Street, Manchester, NH 03104	\$1,500.00
298 Hanover Street, Manchester, NH 03104	\$1,500.00
436 Maple Street, Manchester, NH 03104	\$1,000.00
TOTAL AGREEMENT NOT TO EXCEED	\$4,000.00

INVOICES

Contractor will invoice NH Employment Security when services have been completed and approved by the NH Employment Security representative. Contractor may invoice as each property has been appraised and a complete Summary Report has been supplied to NHES.

Invoices must include the following:

Brief description of work
Date work was completed
Physical location of job site

All invoices must show sufficient detail of work performed. Payment will be made through normal State payment processes, which is within thirty (30) days following receipt of an approved invoice. Acceptance of the work will be determined by the NH Employment Security representative.

Invoices will be sent to:

Jill Revels
NHES Fiscal Management
45 South Fruit Street
Concord, NH 03301

ENGAGEMENT LETTER

EXHIBIT C**TERM & EXTENSION**

This agreement is for a term beginning upon NH Employment Security approval and terminating on or before January 15, 2016.

CONFIDENTIALITY, CRIMINAL RECORD, CERTIFICATE OF GOOD STANDING

Contractor and personnel scheduled to enter NH Employment Security facilities must submit a signed STATEMENT OF CONFIDENTIALITY OF RECORDS FORM (DES 1762) and a CRIMINAL RECORDS FORM (DES 21350) provided by NH Employment Security, if applicable, prior to entrance into a facility. There is a \$25.00 fee for each criminal record check. In connection with the execution of this agreement, the Contractor must provide a current NH CERTIFICATE OF GOOD STANDING (dated April 2015 or later). There is a thirty dollar (\$30.00) fee if applied for in person or a five dollar (\$5.00) fee if applied for by mail.

SUBCONTRACTING

Contractor will not assign, subcontract or otherwise transfer any duties or written performance obligations under this agreement to any other party without the prior written consent of NHES.

DEBARMENT, SUSPENSION, PRIMARY COVERED TRANSACTIONS

Contractor certifies that Capital Appraisal Associates, Inc. and its officers and directors, to the best of their knowledge and belief, are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency. Contractor will inform NHES of any relevant changes in status in keeping with this section.

AMERICANS WITH DISABILITIES ACT

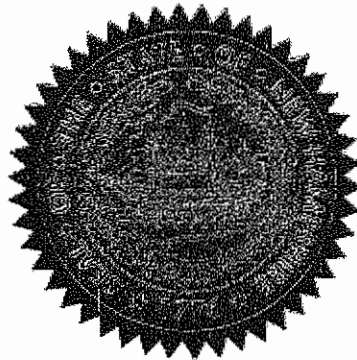
The undersigned agrees to comply with all Federal, State and Local ADA rules and regulations.

ENGAGEMENT LETTER

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 CAPITAL APPRAISAL ASSOCIATES, INC. is a New Hampshire corporation duly incorporated under the laws of the State of New Hampshire on September 12, 1996. I further certify that all fees and annual reports required by the Secretary of State's office have been received and that articles of dissolution have 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 18th day of December, A.D. 2015

A handwritten signature in dark ink, appearing to read "Wm. Gardner", written in a cursive style.

William M. Gardner
Secretary of State

ENGAGEMENT LETTER**CERTIFICATE OF VOTE****SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF CAPITAL APPRAISAL, INC.**

A special meeting of the Board of Directors of Capital Appraisal Associates, Inc. was held on this date at 11:00 a.m. at 128 South Fruit Street, Concord, New Hampshire. Present at the meeting were all of the members of the board, Timothy R. Daniels and Kathleen J. Daniels.

Timothy R. Daniels took the position of chairman of the meeting.

On a motion duly made and seconded, it was unanimously:

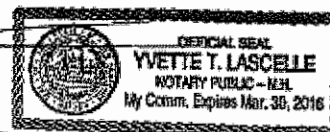
RESOLVED: That the Corporation is hereby authorized to enter into a certain agreement with the State of New Hampshire to provide real property appraisal services with regard to three properties located in the City of Manchester and identified as 300 Hanover Street, 298 Hanover Street, and 436 Maple Street that Timothy R. Daniels, being the duly elected and qualified President of the Corporation, is hereby authorized to execute on behalf of the Corporation said agreement and any such other agreements, amendments, instruments, certificates, or documents, and to take any such further action on behalf of the Corporation, as may in his sole judgment be necessary or desirable to effectuate the purposes of said agreement and this resolution; and that any and all actions taken prior to the date of this resolution by any officer, director, employee, or agent of the Corporation in furtherance of the purposes of said agreement or this resolution are hereby ratified and confirmed as the duly authorized actions of the Corporation.

There being no further business to be done a motion was duly made and seconded to adjourn.

12/18/2015

Date

Timothy R. Daniels
Timothy R. Daniels, Director



12/18/2015

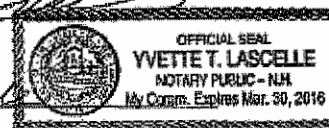
Date

Yvette T. Lascelle
Yvette T. Lascelle, Notary Public
My Commission expires March 30, 2016

12/18/2015

Date

Kathleen J. Daniels
Kathleen J. Daniels, Director



12/18/2015

Date

Yvette T. Lascelle
Yvette T. Lascelle, Notary Public
My Commission expires March 30, 2016

CAPITAL APPRAISAL ASSOCIATES

CAPITAL APPRAISAL ASSOCIATES, INC.

ENGAGEMENT LETTER



CERTIFICATE OF LIABILITY INSURANCE

CAPIAPP-01

MSNELL

DATE (MM/DD/YYYY)
12/21/2015

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
Davis & Towle Morrill & Everett, Inc.
115 Airport Road
Concord, NH 03301

CONTACT NAME: Mary Ellen Snell, CIC

PHONE (A/C No. Excl): (603) 225-8811

FAX (A/C No.): (603) 225-7935

E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A: Merchants Mutual Insurance

23329

INSURER B:

INSURER C:

INSURER D:

INSURER E:

INSURER F:

INSURED
Capital Appraisal Associates, Inc.
128 South Fruit Street
Concord, NH 03301

COVERAGES

CERTIFICATE NUMBER:

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.

INSTR LTR	TYPE OF INSURANCE	AMOUNT SUBROGATED	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:		BOP9089726	08/01/2015	08/01/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (See coverages) \$ 500,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPOUNDING \$ 2,000,000
A	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		BOP9089726	08/01/2015	08/01/2015	COMBINED SINGLE LIMIT (Per accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000		CUP9139809	08/01/2015	08/01/2016	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000
A	WORKERS COMPENSATION AND EMPLOYERS LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/OWNER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N X/A	WCA9085641	08/01/2015	08/01/2015	PER STATUTE <input type="checkbox"/> DTH-EX <input type="checkbox"/> EL EACH ACCIDENT \$ 100,000 EL DISEASE - EA EMPLOYEE \$ 100,000 EL DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Timothy Daniels and Kathy Daniels are Excluded Officers under the Worker's Compensation

CERTIFICATE HOLDER

State of NH Employment Security
45 S. Fruit Street
Concord, NH 03301

CANCELLATION

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

Mary Ellen Snell

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ACORD 25 (2014/01)

The ACORD name and logo are registered marks of ACORD

**ASSUMPTION AND
LIMITING CONDITIONS**

ASSUMPTIONS AND LIMITING CONDITIONS

Unless otherwise stated, this appraisal report is subject to the following assumptions and limiting conditions:

1. - No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. - The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. - Responsible ownership and competent property management are assumed.
4. - The property will be operated in conformance with applicable government regulations, codes, ordinances and statutes.
5. - The information furnished by others is believed to be reliable; however, it cannot be guaranteed as being certain. Thus, no warranty is given for its accuracy. No single item of information was completely relied upon to the exclusion of other information.
6. - All engineering is assumed to be correct. No survey of the property has been made by me and no responsibility is assumed in connection with such matters. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
7. - It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
8. - It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
9. - It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.
10. - It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in the report is based.
11. - It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
12. - The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
13. - By reason of this appraisal, I am not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.

14. - Information relative to sale transactions has been confirmed by either the buyer, seller, or a third party. Every reasonable attempt has been made by me to verify this information and it is assumed to be reliable. It is specifically assumed that the sales information noted herein is correct.
15. - Unless otherwise stated in this report the existence of hazardous material, which may or may not be present on the property, was not observed by me. I have no knowledge of the existence of such materials on or in the property. However, I am not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that NO HAZARDOUS WASTE or HAZARDOUS MATERIAL, as defined in N.H. RSA 107-A and 107-B or in any similar equivalent federal statute, is present on the appraised property and that with respect to this program embodied in New Hampshire RSA 107-A and 107-B, the Federal Resource Conservation and Recovery Act and Comprehensive Environmental Response, Compensation, and Liability Act, and ANY other applicable state, federal or local hazardous waste statutes. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
16. - Disclosure of the contents of the appraisal report is governed by the bylaws and regulations of the professional appraisal organizations with which I am affiliated.
17. - When the signatory of this appraisal report is a candidate or a member of the Appraisal Institute, its bylaws and regulations require the member or candidate to control the use and distribution of the report. Therefore, except as hereinafter provided, the party for whom this appraisal report was prepared may distribute copies of the report, in its entirety, to such third parties as may be selected by the party for whom this appraisal report was prepared. However, selected portions of this appraisal report may not be given to third parties without the prior written consent of the signatory of the report. Further, neither all nor any part of the appraisal report shall be disseminated to the general public by the use of advertising media, public relations media, news media, sales media or other media for public communication without the prior written consent of the signatory of the report. Nor shall I, the firm, or professional organization of which I am a member be identified without my written consent.
18. - Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the subject property will sell or lease for the indicated amounts.
19. - I have not made a survey or analysis of the subject property to determine whether the physical aspects of the improvements meet the accessibility guidelines specified under Americans with Disabilities Act (ADA). Under ADA guidelines, compliance matches each owner's financial ability with the cost to cure the potential physical deficiencies of the property. Thus, the requirements for compliance can change with each owner's financial ability to correct (cure) the no accessibility problems for the property. Specific studies of the cost-to-cure the deficiencies and the owner's financial ability to afford these costs would be needed for the Departments of Justice to determine compliance.
20. - The estimate of market value presented herein does not consider the effects of potential noncompliance.

21. - All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The property is appraised as though under responsible ownership and competent management.
22. - Unless so specified within the report, I am unaware of any housing or life, health and safety code violations or deficiencies which may exist in the subject property as of the date of the inspection. This does not preclude the presence of such violations or deficiencies; however, inspection for such items is beyond the scope of my assignment and, therefore, has not been addressed. It should be noted, however, that any physical defects found within the subject property, which may affect value, are addressed according to accepted appraisal practice within the body of the report.

General Limiting Conditions

1. - Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purposes by any person other than the party to whom it is addressed without my written consent, and in any event only with the proper written qualification and only in its entirety.
2. - The distribution of the total valuation in this report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
3. - No environmental impact studies were either requested or made in conjunction with the appraisal, and I hereby reserve the right to alter, amend, revise or rescind any of the value opinions based upon any subsequent environmental impact studies, research or investigation.
4. - This report has been specifically prepared for the purpose and function described within the body of this document. The use of this report for any other purpose or function, without my full written concurrence, renders this report null and void, and discharges me from all liability.
5. - Acceptance of and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and general limiting conditions.

APPRAISER QUALIFICATIONS

**APPRAISAL QUALIFICATIONS
OF
ERNEST TOUMPAS**

New Hampshire
Certified General Appraiser #731

EDUCATION

University of New Hampshire, Durham, NH

1976 - Bachelor of Science - Business Administration

J M B Real Estate Academy, Inc.

2003 - Basics of Real Estate Appraising

2003 - Appraising 1-4 Family Properties

2003 - National Uniform Standards Of Professional Appraisal Practice

2004 - Appraising Income Properties

2005 - Residential Market Analysis and Highest & Best Use

2006 - Residential Site Valuation and Cost Approach

2006 - Advanced Income Property Appraising

2007 - National USPAP Update Seminar

Massachusetts Board of Real Estate Appraisers

2007 - Appraising Complex Residential Properties

Lemay School of Real Estate

2006 - Real Estate Finance

2008 - Beyond Paired Sales

2008 - National USPAP Update Seminar

2010 - Seminar, 2010-2011 National USPAP Update

2012 - Uniform Appraisal Standards for Federal Land Acquisitions

2012 - Seminar, 2012-2013 National USPAP Update

2013 - The Strange Case on Agile Mountain

2014 - Seminar, 2014-2015 National USPAP Update

2015 - Darker Shades of Gray

2015 - Seminar, 2016-2017 National USPAP Update

Trans-American Institute of Professional Studies, Inc.

2008 - Appraising in the Foreclosure Market

2004 - National USPAP Update Seminar

McKissock Education

2009 - Private Appraisal Assignments
2010 - Residential Report Writing
2011 - Introduction to Residential Green Building
2011 - Introduction to Regression Analysis
2011 - Deriving and Supporting Adjustments
2013 - Introduction to Expert Witness Testimony
2014 - Appraisal of Self Storage Facilities

PROFESSIONAL EXPERIENCE

December 2007 - Present

Certified General Appraiser - Capital Appraisal Associates,
Real Estate Appraisers and Consultants.

2005 - 2007

Licensed Residential Appraiser - Capital Appraisal Associates,
Real Estate Appraisers and Consultants.

2003 - 2005

Appraiser/Trainee - Capital Appraisal Associates,
Real Estate Appraisers and Consultants.

1988 - 2002

New Hampshire Army National Guard
Military Personnel Technician (1993-2002)
Personnel Database and Personnel Records Branch Chief
Property Account Technician (1988-1993)
1st Battalion 172d Field Artillery
Stock Control & Accounting Supervisor (1982-1988)

1976 - 1982

Sears Roebuck & Company, Concord, NH
Division Manager: Hardware, Paint, Electrical, Lawn & Garden

COURT EXPERIENCE

Qualified Expert - United States Bankruptcy Court, District of New Hampshire
Qualified Expert - State of New Hampshire, Board of Tax and Land Appeal

NH REAL ESTATE CERTIFICATE

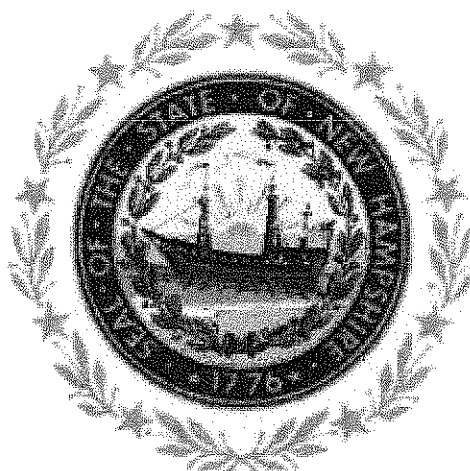
State of New Hampshire

REAL ESTATE APPRAISER BOARD

APPROVED TO PRACTICE AS A

CERTIFIED GENERAL APPRAISER

ISSUED TO: ERNEST TOUMPAS



Certificate No: **NHCG-731**

EXPIRATION DATE: **12/31/2017**

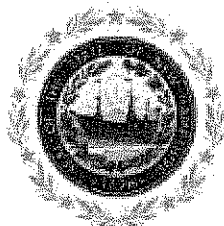
State of New Hampshire

REAL ESTATE APPRAISER BOARD

APPROVED TO PRACTICE AS A

Certified General Appraiser

ISSUED TO: ERNEST TOUMPAS



Certificate No:
NHCG-731

EXPIRATION DATE:
12/31/2017

For additional information please contact the Board office at dawn.couture@nh.gov or visit our web site at <http://www.nh.gov/nhreb>



JEFFRY A. PATTISON
Legislative Budget Assistant
(603) 271-3181

MICHAEL W. KANE, MPA
Deputy Legislative Budget Assistant
(603) 271-8181

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

LRCP 12-059

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

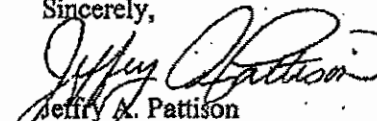
November 28, 2012

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,


Jeffry A. Pattison
Legislative Budget Assistant

JAP/pe
Attachment



GEORGE N. COPADIS, COMMISSIONER

November 14, 2012

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

Dear Chairman Graham:

Requested Action

Pursuant to RSA 4:40 the New Hampshire Department of Employment Security (NHES) requests consent of the Long Range Capital Planning and Utilization Committee to amend the Committee's approval dated September 18, 2012 to allow NHES to sell **without the services of a real estate broker** the following properties:

- 32-34 South Main Street, Concord, NH for current market value, assess an administrative fee of \$1,100, and allow negotiations within the Committee's current policy guidelines and that the right of first refusal be treated in the customary manner. According to an appraisal of the property dated July 21, 2011 the property appraised for \$1,750,000.
- 10 West Street, Concord, NH for current market value, assess an administrative fee of \$1,100, and allow negotiations within the Committee's current policy guidelines and that the right of first refusal be treated in the customary manner. According to an appraisal of the property dated July 21, 2011 the property appraised for \$1,700,000.
- 298 Hanover Street, Manchester, NH for current market value, assess an administrative fee of \$1,100, and allow negotiations within the Committee's current policy guidelines and that the right of first refusal be treated in the customary manner. According to an appraisal of the property dated May 27, 2011 the property appraised for \$700,000.
- 300 Hanover Street, Manchester, NH for current market value, assess an administrative fee of \$1,100, and allow negotiations within the Committee's current policy guidelines and that the right of first refusal be treated in the customary manner. According to an appraisal of the property dated May 27, 2011 the property appraised for \$1,500,000.

NHES employees currently housed in these buildings will be relocated to the renovated Tobey Building located in the Hugh Gallen State Office Park at 45 Fruit Street, Concord, NH. The Manchester Local Office, currently located at 300 Hanover Street, will be relocated to another facility in Manchester which has yet to be identified.

Summary

On September 18, 2012 the Committee voted to approve the NHES request to sell the above described properties for the current market value, allowing negotiations within the Committee's current policy guidelines, assess an \$1,100 Administrative Fee per property and that the right of first refusal be treated in the customary manner.

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 on request of individuals with disabilities

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

Subsequent to the Committee voting to approve the request to sell the above properties, the City of Concord in a letter to Governor Lynch dated October 2, 2012 confirmed Concord's intent to exercise its statutory right of first refusal pursuant to RSA 4:40 to acquire the NHES property located at 32-34 South Main Street, Concord, NH.

On October 17, 2012 the Governor and Executive Council voted to authorize NHES to sell the above described properties pursuant to RSA 4:40 as detailed in the NHES request dated October 9, 2012 and to relocate the employees currently housed in these buildings, to the renovated Tobey Building located in the Hugh Gallen State Office Park, Concord, NH. The Manchester Local Office, will be relocated to another facility in Manchester which has yet to be identified.

Further, as part of the Governor and Executive Council's authorization they accepted the City of Concord's exercise of their statutory right of first refusal to acquire the NHES property located as 32-34 South Main Street, Concord, NH.

NHES is now requesting the Committee to amend its prior approval and allow NHES to sell the above described properties without the services of a real estate broker. In support of this request NHES states as follows:

- Pursuant to NH Laws 2011 Chapter 253 Section V "An amount equal to the proceeds derived from the sale of any of the [NHES] currently owned real estate shall be applied to the bonds and notes issued pursuant to subparagraph V." Therefore, NHES is required pursuant to the Capital Improvement appropriation to apply all proceeds derived from the sale of any NHES property directly to the bonds and notes in order to quickly pay down the amounts borrowed for the renovation of the Tobey building and thus reduce borrowing costs.
- Assuming the NHES properties sell for their appraised value, excluding the property located at 32-34 South Main Street, Concord, NH which the City of Concord has exercised their statutory right of first refusal to acquire, and also assuming a broker's commission of 6% of the selling price for each property then the potential broker's commission for these transactions would be \$234,000 which NHES would be unable to apply to the bonds and notes discussed in NH Laws 2011 Chapter 253 Section V.
- NHES has a full Legal department with attorneys experienced in real estate sales and development and is confident that it can appropriately and legally conduct the sales process.
- If approved to sell without the services of a real estate broker, NHES would handle the process entirely on its own. NHES would issue a request for proposals for offers to purchase the properties. NHES would market the properties utilizing online listing services for commercial property, newspaper advertisements, as well as outreach to real estate developers and brokers. NHES would then conduct tours of the property with interested parties. NHES would accept sealed bids by a specified deadline and then would negotiate the terms of a purchase and sale agreement with the highest qualified bidder subject to approval by the Governor and Executive Council.
- If the offers received by NHES do not meet the requirement contained in RSA 4:40 to sell "at not less than a current market value" then NHES would have the option of enlisting the services of a real estate broker at that point in time.
- Further, if the City of Concord were for some reason unable to complete the transaction pursuant to its statutory right of first refusal for 32-34 South Main Street, Concord, NH then NHES would also look to sell that property without the services of a real estate broker as well.

Background

On June 22, 2011, the House and Senate voted (by voice vote) to adopt the committee of conference report (2011-2429) on HB 25; an act making appropriations for capital improvements. The bill includes the Department's request that capital budget projects include the renovation of the Tobey building and the

construction of the parking garage. The bill also provides for the consolidation of four NHES offices. No general funds are being used for the renovation project and parking garage.

Since then, NHES has retained the architectural firm of Lavallee Brensinger Architects of Manchester, NH to provide design services for the renovation of the Tobey Building. In addition, NHES contracted with DEC-TAM Corporation of North Reading, MA for the internal demolition and abatement of the Tobey Building. NHES expects the construction renovation contract to go before the Governor and Executive Council for approval at its meeting on December 19, 2012.

NHES also began the process of gaining formal approval for the sale of the four properties. Requests for Project Review by the New Hampshire Division of Historical Resources were submitted simultaneously for the properties in Manchester and Concord. Requests for Surplus Land Review Actions were also prepared and submitted to CORD.

32-34 South Main Street Concord, NH

DHR requested that a NH Individual Inventory Form be prepared by an Architectural Historian qualified under 36 CFR 61. NH Individual Inventory Form was completed and submitted by Lisa Mausolf on October 31, 2011. In addition, DHR requested that a historic context study on Mid-Twentieth Century Modern architecture in NH be prepared and presented to the public at a workshop or open house. The study must also be prepared by an Architectural Historian qualified under 36 CFR 61 and completed prior to December 31, 2012. NHES has contracted with Lisa Mausolf to prepare the study and workshop. The study and workshop will be paid by NHES at a cost of \$8,000. To reiterate that stated above, upon completion of the historic context study RSA 227-C:9 will be fully satisfied and there will be no additional studies required or encumbrances on the subject property.

Effective November 10, 2011, CORD took action on the request brought by NHES to sell the property located at 32-34 South Main Street, Concord, NH. CORD voted to recommend approval of the request. During the 60-day waiting period, no state agency expressed interest in the property.

In a letter dated October 24, 2011 the City of Concord expressed the desire to invoke its "right of first refusal" under RSA 4:40 to intervene in the final disposal of the property. The City, using a "Request for Proposals" process, would like the opportunity to select a private developer and enter into a public / private partnership, to redevelop the property.

On September 18, 2012 the Committee voted to approve the NHES request to sell the above described properties for the current market value, allowing negotiations within the Committee's current policy guidelines, assess an \$1,100 Administrative Fee per property and that the right of first refusal be treated in the customary manner.

Subsequent to the Committee voting to approve the request to sell the above properties, the City of Concord in a letter to Governor Lynch dated October 2, 2012 confirmed Concord's intent to exercise its statutory right of first refusal pursuant to RSA 4:40 to acquire the NHES property located at 32-34 South Main Street, Concord, NH.

On October 17, 2012 the Governor and Executive Council voted to authorize NHES to sell the above described properties pursuant to RSA 4:40 as detailed in the NHES request dated October 9, 2012.

Further, as part of the Governor and Executive Council's authorization they accepted the City of Concord's exercise of their statutory right of first refusal to acquire the NHES property located as 32-34 South Main Street, Concord, NH.

10 West Street Concord, NH

As a result of the Request for Project Review by the New Hampshire Division of Historical Resources, DHR indicated that no historic properties were affected. Therefore, the property is not encumbered and available for possible sale.

Effective November 10, 2011, CORD took action on the request brought by the NHES to sell the property located at 10 West Street, Concord, NH. CORD voted to recommend approval of the request. During the 60-day waiting period, no state agency came forward to express interest in the property.

In a letter dated October 24, 2011 the City of Concord expressed the desire to invoke its "right of first refusal" under RSA 4:40 to intervene in the final disposal of the property. The City then withdrew its exercised right of first refusal in a letter dated August 14, 2012.

Granite State Independent Living has also expressed interest in acquiring the property.

On September 18, 2012 the Committee voted to approve the NHES request to sell the above described properties for the current market value, allowing negotiations within the Committee's current policy guidelines, assess an \$1,100 Administrative Fee per property and that the right of first refusal be treated in the customary manner.

On October 17, 2012 the Governor and Executive Council voted to authorize NHES to sell the above described properties pursuant to RSA 4:40 as detailed in the NHES request dated October 9, 2012.

298 Hanover Street, Manchester, NH

DHR requested that a NH Individual Inventory Form be prepared by an Architectural Historian qualified under 36 CFR 61. NH Individual Inventory Form was completed and submitted by Lisa Mausolf on October 31, 2011.

DHR responded in a letter dated December 2, 2011 indicating that while the property is a contributing element to the Janesville area, a potential historic district identified in the City of Manchester, disposal of the property would not have the potential to impact the qualities of the district that make it significant. No additional studies are required. Therefore, the property is not encumbered and available for possible sale.

Effective November 10, 2011, CORD took action on the request brought by NHES to sell the property located at 10 West Street, Concord, NH. CORD voted to recommend approval of the request to sell the property. During the 60-day waiting period, no state agency came forward to express interest in the property.

On September 18, 2012 the Committee voted to approve the NHES request to sell the above described properties for the current market value, allowing negotiations within the Committee's current policy guidelines, assess an \$1,100 Administrative Fee per property and that the right of first refusal be treated in the customary manner.

On October 17, 2012 the Governor and Executive Council voted to authorize NHES to sell the above described properties pursuant to RSA 4:40 as detailed in the NHES request dated October 9, 2012.

300 Hanover Street, Manchester, NH

As a result of the Request for Project Review by the New Hampshire Division of Historical Resources, DHR indicated that there was no potential to cause affects.

Effective January 5, 2012, CORD took action on the request brought by NHES to sell or lease the property located at 300 Hanover Street, Manchester, NH. CORD voted to recommend approval of the request to sell or lease the property. During the waiting period, no state agency came forward to express interest in the property.

On September 18, 2012 the Committee voted to approve the NHES request to sell the above described properties for the current market value, allowing negotiations within the Committee's current policy guidelines, assess an \$1,100 Administrative Fee per property and that the right of first refusal be treated in the customary manner.

On October 17, 2012 the Governor and Executive Council voted to authorize NHES to sell the above described properties pursuant to RSA 4:40 as detailed in the NHES request dated October 9, 2012.

Property Descriptions and Acquisition Costs

NHES believes that, given the Department's current use of the four properties as administrative office space, all four properties should be marketed and sold as commercial office buildings. Per HB-25-FN-A subparagraph V, A proceeds from the sale of the buildings shall be applied to the outstanding bonds and notes.

32 - 34 South Main Street

The property contains two parcels of land totaling .74± acres. The first parcel contains .61± acres of land and includes one building of approximately 22,780 square feet containing a mix of offices, conference rooms, utility spaces and a majority of the parking lot in conjunction with the office building. The second parcel containing .13± acres is utilized as a portion of the parking lot. The building currently houses the Department's administrative functions. These groups will be moving to the Tobey Building located in the Hugh Gallen State Office Park at 45 Fruit Street in Concord upon completion of a renovation project leaving the building at 32 - 34 South Main Street vacant.

The building at 32 - 34 South Main Street was transferred to the State of New Hampshire on 1/2/1979 from the Fayette Street Realty, Inc. - of the J. Slotnik Company. The J. Slotnik Company, the builder, was paid \$47,000 per year for twenty years for the building after which ownership automatically reverted to the State of New Hampshire.

32-34 South Main Street Concord, NH Original Fund Sources

Federal Funds	\$1,112,594	87.69%
Reed Act Funds	\$156,259	12.31%
Total	\$1,268,853	100.00%

The Federal Funds of \$1,112,594 are now restricted and cannot be applied to the bonds and notes used to finance the renovation of the Tobey Building. The Reed Act Funds are restricted and must be returned to the state's account in the Unemployment Trust Fund. The amount credited as Reed Act funds are restricted and may be used only for authorized Reed Act purposes consistent with Reed Act requirements.

10 West Street

The property contains 1.94± acres of land and includes one building of approximately 20,334 square feet containing a mix of offices, conference rooms, and utility spaces. The building currently houses several of the Department's administrative functions, the Economic and Labor Market Information Bureau, and the Concord local office. These groups will be moving to the Tobey Building located in the Hugh Gallen State Office Park at 45 Fruit Street in Concord upon completion of a renovation project leaving the building at 10 West Street vacant.

The property at 10 West Street was purchased from Alvan and Kathleen Trafficke on February 2, 1998 for the sum of \$2,553,043. Funds to purchase the property came from:

10 West Street Concord, NH Original Fund Sources

Federal Funds	\$1,345,745.00	52.71%
Penalty and Interest Funds	\$615,274.52	24.10%
Administrative Contribution Funds	\$592,023.48	23.19%
Total	\$2,553,043.00	100.00%

The Federal Funds of \$1,345,745 cannot be applied to the bonds and notes used to finance the renovation of the Tobey Building. The Penalty and Interest Funds may be applied to the bonds and notes or used to support Unemployment Insurance programs. The Administrative Contribution Funds may be applied to the bonds and notes or used to support the Employment Services or Unemployment Insurance programs.

298 Hanover Street, Manchester

The property contains two parcels of land totaling 0.31± acres. The first parcel contains 0.15± acres of land and includes one building of approximately 9,559 square feet containing a mix of offices, training rooms, conference rooms, and utility spaces. The second parcel located on the corner of Hanover Street and Maple Street contains 0.16± acres utilized as a parking lot in conjunction with the office building. The building currently houses the Department's Unemployment Insurance Appeals Unit. This group will be moving to the Tobey Building located in the Hugh Gallen State Office Park at 45 Fruit Street in Concord upon completion of a renovation project leaving the building at 298 Hanover Street vacant.

NHES purchased the 298 Hanover Street property on March 29, 2001 for \$366,500.00 and financed exclusively (100%) from the NHES Penalty and Interest Fund.

298 Hanover Street Manchester, NH Original Fund Sources

Federal Funds	\$0	0.00%
Administrative Contribution	\$364,500	100.00%
Total	\$364,500	100.00%

The Administrative Contribution Funds may be applied to the bonds and notes or used to support the Employment Service or Unemployment Insurance programs.

300 Hanover Street, Manchester

The property contains four parcels of land totaling 1.18± acres. The first parcel contains 0.65± acres of land and includes one building of approximately 20,360 square feet containing a mix of offices, conference rooms, and utility spaces. The other three parcels containing .22± acres, .14± acres, and .17± acres respectively are used as a parking lot in conjunction with the office building. The building currently houses a portion of the Department's Benefit Adjudication Unit and the Wages and Special Programs Unit. These groups will be moving to the Tobey Building located in the Hugh Gallen State Office Park at 45 Fruit Street in Concord upon completion of a renovation project. The building also houses the Manchester local office which will move to a location yet to be determined in the greater Manchester area. These relocations will leave the building at 300 Hanover Street vacant.

NHES purchased the 300 Hanover Street property on July 27, 1998 from Jason E. Treisman in the total amount of \$1,342,559.63 which represents a purchase price of \$1,300,000.00, prorated costs of improvements in accordance with the original lease in the amount of \$34,781.31 and prorated taxes for the first half of the 1998 - 1999 fiscal tax year in the amount of \$7,778.32. NHES purchased the property by exercising an option in its existing lease and was financed exclusively (100%) from the Administrative Contribution Fund.

300 Hanover Street Manchester, NH Original Fund Sources

Federal Funds	\$0	0.00%
Administrative Contribution Funds	\$1,342,560	100.00%
Total	\$1,342,560	100.00%

The Administrative Contribution Funds may be applied to the bonds and notes or used to support Employment Services or Unemployment Insurance programs.

Property Appraisals

Each of the four properties was appraised by Capital Appraisal Associates located in Concord, NH in reports published on July 21, 2011. The "as is" fee simple unencumbered market values of the properties as of June 21, 2011 were:

Property	Appraised Value
32 - 34 South Main Street, Concord, NH	\$1,750,000
10 West Street, Concord, NH	1,700,000
298 Hanover Street, Manchester, NH	700,000
300 Hanover Street, Manchester, NH	1,500,000
Total	\$5,650,000

Sale Transactions

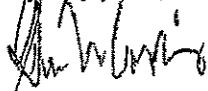
Section 193 of the Workforce Investment Act was amended in 2007 in order to transfer federal equity in state real property to the states under certain guidelines. Specifically, upon the sale or disposition of property in which there is some degree of federal equity, the proportion of the sale proceeds attributable to the federal equity must be used solely for program activities authorized under the Workforce Investment Act, Wagner-Peyser Act (aka Employment Services) or Title III of the Social Security Act (aka Unemployment Insurance). The proceeds cannot be used toward the purchase of real property, nor can they be used to supplement the New Hampshire General Fund.

While federal funding continues to be the primary source of funding for New Hampshire Employment Security, the Department receives supplemental administrative funding under RSA 282-A:87 IV. However, its use is strictly limited to worker training, unemployment insurance, and employment services program activities including rent and the purchase of property where these programs are administered.

There is federal interest in only the two Concord properties. The proportion of federal interest in the 32-34 South Main Street property is 87.69% while the proportion of federal interest at the 10 West Street property is 52.71%.

The estimated value of the federal interest is derived by multiplying the proportion percentage against the appraised value of each property. The appraised value of the 32-34 South Main Street property is \$1,750,000 while the appraised value of the 10 West Street property is \$1,700,000. The resultant federal equity in the 32-34 South Main Street property comes to \$1,534,575 while the 10 West Street federal equity comes to \$896,070. The federal equity for both Concord properties totals \$2,430,645. However, the final federal equity interest is directly dependent upon the final sale prices of the two Concord properties.

Very truly yours,

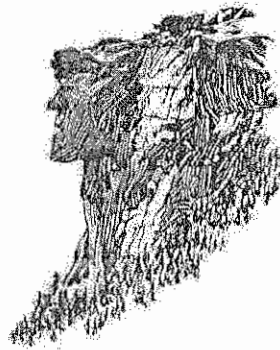


George N. Copadis
Interim Commissioner

GNC/rjl

New Hampshire Council on Resources and Development

NH Office of Energy and Planning
107 Pleasant Street, Johnson Hall
Concord, NH 03301
Phone: 603-271-2155
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LRCP 16-016

TDD Access: Relay NH
1-800-735-2964

MEMORANDUM

TO: Commissioner Vicki V. Quiram
Department of Administrative Services

FROM: Susan Slack, Principal Planner *Susan Slack*
NH Office of Energy and Planning

DATE: May 13, 2016

SUBJECT: Surplus Land Review, SLR 16-002-Ashland

On May 12, 2016, the Council on Resources and Development (CORD) took action on the following Surplus Land Review application:

Request from the Department Administrative Services, on behalf of the NH Liquor Commission, to dispose of by sale the Ashland Liquor Store property located at the intersection of U.S. Route 3 and West Street in Ashland, consisting of approximately 0.41 acres, a single-story concrete block commercial retail building with approximately 3,600 square feet of interior space, and pavement on three sides of the building for vehicular access and parking.

CORD members voted to RECOMMEND APPROVAL OF SLR 16-001 as submitted.

cc: Jared Nylund, NH Department of Administrative Services
Meredith Hatfield, Director, NH Office of Energy and Planning
Chair, Long Range Capital Planning and Utilization Committee