

State of New Hampshire

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

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DM

LINDA M. HODGDON
Commissioner
(603) 271-3201

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

July 8, 2014

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

(1) Pursuant to RSA 4:8, authorize the Department of Administrative Services, Bureau of Court Facilities, to accept a donation of a parcel of land with an estimated market value range of \$430,000 to \$560,000, described as Tax Map 168 Lots 15 & 15A ("parcel of land") from the City of Manchester, One City Hall Plaza, Manchester, NH, 03101, situated in the City of Manchester, County of Hillsborough, surrounding the Hillsborough County Superior Court North, 300 Chestnut Street, Manchester, NH, effective upon Governor and Council approval.

(2) Authorize the Department of Administrative Services, Bureau of Court Facilities, to enter into a maintenance agreement with Amoskeag Industries, Inc. with an address of McLane, Graf, Raulerson & Middleton, Professional Association, P.O. Box 326, Manchester, NH 03105, providing for the responsibility of the reasonable and customary maintenance of such parcel of land. Effective upon approval by the Governor and Council.

(3) Authorize the Department of Administrative Services, Bureau of Court Facilities, to provide funds in the amount of \$5,000 for the establishment of an escrow account at Citizens Private Bank and Trust for the purpose of guaranteeing that the parcel be properly maintained and preserved for the use and enjoyment of the public in accordance with #2 above. Effective upon approval by the Governor and Council. **100% Escrow**

Funding is available in FY 2015 in the account titled Judicial Branch, Supreme Court, Facilities Escrow as follows:

02-10-10-100010-85100000-500226 \$5,000

EXPLANATION

Prior to the construction of the Hillsborough Superior Court North courthouse, 300 Chestnut Street, Manchester, NH 03104, the Department of Administrative Services ("Department") approached the City of Manchester, One City Hall Plaza, Manchester, NH 03101 ("City") regarding the acquisition of a 3' perimeter around the existing building essential

to accommodate the front and back build-outs (see Land Conveyance Exhibit, easterly and westerly sideline). As part of the construction project and the expansion necessary to the westerly sideline, the request involved the relocation of Barrister Lane, a city-owned street, towards Veterans Memorial Park.

In response to the Department's request, the City proposed that the Department receive the total parcel of land surrounding the building consisting of the southerly sideline of Merrimack Street, the westerly side of Chestnut Street and the northerly sideline of Central Street. See attached Land Conveyance Exhibit, Tax Map 168 Lots 15 & 15A. By accepting this parcel from the City, it provides the Department with full access to all sides of the state-owned courthouse, Hillsborough County Superior Court North, and relieves the City from the responsibility of maintaining the grounds surrounding the courthouse. In anticipation of the Department's acceptance of the land, the construction project included a landscape plan consisting of grass, hedges, trees, and sitting benches for public enjoyment; such landscape plan was completed as part of the project at minimal cost to the Department.

While construction of the courthouse concluded in the fall of 2011, the process to obtain the land started in 2010 with the City and has been an extensive and prolonged process as the transfer of land involves the Department, the City and Amoskeag Industries, Inc.

Approval of these requested actions will authorize the Department to conclude the process as follows:

Amoskeag Industries, Inc. ("Amoskeag") shall convey the parcel of land, by Release and Quitclaim Deed, to the City; Amoskeag shall maintain a Right of Entry to the described parcel identified as Area N and S on the Release and Quitclaim Deed and being showing on the Plan as Deed Restriction Area N and Area S.

Subject to the conditions contained in the Release and Quitclaim Deed from Amoskeag to the City, the City shall convey the parcel of land, by Deed Without Covenants, to the Department; see attached.

Further, as defined by the Release and Quitclaim Deed, the Department as the successor to the parcel from the City, has agreed to enter into a maintenance agreement for parcel identified as Area N and Area S to ensure the parcel is properly maintained and preserved as a public ground for recreation, health, exercise and enjoyment of the public. As part of the maintenance agreement, the Department agrees to set aside \$5,000 in an escrow account as a fail-safe measure. If at any time the Department fails to maintain the property, if such failure is not cured within thirty (30) days, Amoskeag Industries shall have the right to have such condition repaired and the Department shall be liable for expenses incurred by Amoskeag Industries resulting from the Department's failure.

The Department estimates the cost of yearly maintenance to be less than \$500. The Department shall have no responsibility for the sidewalks or streets surrounding the courthouse.

Her Excellency, Governor Margaret Wood Hassan
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The Office of the Attorney General has reviewed and approved the agreements.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Linda M. Hodgdon", with a long horizontal flourish extending to the right.

Linda M. Hodgdon
Commissioner

STATE OF NEW HAMPSHIRE
INTER-DEPARTMENT COMMUNICATION

FROM: Laura J. Davies
Right of Way Appraiser Supervisor

DATE: July 14, 2014

SUBJECT: Hillsborough County North Superior
Courthouse Land Gift of 0.9857 Acre
From M168/ L15 to M68/L15A
300 Chestnut Street, Hooksett, NH

TO: Charles R. Schmidt, Administrator
Bureau of Right of Way

THROUGH: Steven Bernard
Chief ROW Appraiser

MEMORANDUM

This memo constitutes a Restricted Appraisal Report conveying the conclusions from a preliminary analysis of the market value of the fee simple interest of the above referenced subject parcel as of July 11, 2014. Market value is as defined by the Uniform Appraisal Standards for Federal Land Acquisitions, A, A-2, page 3. The intended recipients and those requesting this report are officials, employees and agents of the Department of Transportation and other Departments of the State of New Hampshire. The opinions and conclusions set forth in this report may not be understood properly without additional information in the appraiser's work file. The intended use of this report is to assist the intended users in determining the market value of the subject property for use in conjunction with the gifting of the subject land from the City of Manchester to the State of New Hampshire Court System. This report is in compliance with the Standard Rule 2-2(b) within USPAP permitting Restricted Appraisal Reports.

The subject land consists of 0.9857 acre that surrounds the courthouse and it is proposed to be gifted to the State. The subject land area is proposed to be combined with the 0.6453 acre of land upon which the two story Hillsborough County North Superior Courthouse sits. The combined areas will result in a total site area after the gift of 1.631+ acre. The total site has been valued, as neither area represents a functional building site on its own. The proposed parcel is located on the west side of Chestnut Street between Merrimack Street to the north and Central Street to the south, with Veterans Park abutting the site to the rear. The improvements and the land under the building are not included in this valuation as they are already owned by the State of New Hampshire Court System. The entire 1.631+ acre **site** is valued at its highest and best use and the value is then allocated between the two inter-dependent portions. The parcel lies within Manchester's Central Business District, which allows by right a wide variety of commercial, institutional, service and office uses as well as dwellings in the upper stories of buildings with commercial on the first floor. Multi-family, elderly housing, assisted living and congregate housing are allowed with a conditional use permit. As the subject also lies within the Arena Overlay District, multi-family is a permitted use. The only dimensional requirement for permitted uses in the Central Business District is the maximum floor area ratio of 5.0. This represents an exceptionally liberal zoning district.

The combined site is a rectangle shape with 130.58 feet of frontage on Chestnut Street on the eastern boundary and 165 feet of frontage on Merrimack and Central Streets on the northern and southern boundaries of the lot. The parcel is identified as tax lot 15A and part of Lot 15 on Tax Map 168. The site is level and includes landscaped areas with lawn, shrubs, mature trees as well as more recently planted trees, patio areas with benches, stone paver walkways, granite curbing, granite and metal

Inter-Department Communication - 300Chestnut St., Manchester, NH.doc

bollards, granite walls, benches and signs, storm drains, concrete retaining walls and a ramp to below grade areas and a right of way to the rear known as Barrister Lane. Municipal water and sewer, natural gas, telephone, electric and cable are on site.

The immediate neighborhood consists mainly of commercial and institutional uses with some multi-family residential uses nearby and a major influence is the Verizon Wireless Arena about one block to the south. Elm Street, the primary artery in Manchester's downtown, is located on the other side of Veteran's Park, one block to the west.

The scope of this preliminary analysis includes an inspection of the site, review of a plan entitled "Land Conveyance Exhibit, Hillsborough County Superior Court, 300 Chestnut Street, Manchester, NH" dated August 17, 2010, review of pertinent assessing and zoning data, a determination of likely highest and best use and research and analysis of comparable land sales for the sales comparison approach. The cost and income approaches are not applicable to the site as if vacant and have not been developed. Sales comparables were confirmed by sources considered reliable but not by the appraiser herself. The work performed for this preliminary analysis was not exhaustive in nature but was deemed sufficient to provide a reasonably reliable range of value for the subject site.

The Highest and Best Use of the subject site is determined to be multi-family residential development or a medium intensity commercial or institutional use. The downtown Manchester market has experienced significant development of various types of multi-family housing in recent years, ranging from market rate apartments, student housing, to elderly facilities, low-income housing and shelters. There has been minimal new office development in recent decades. Three commercial land sales between November 2010 and January 2014 located in or near the downtown produced a range of \$18-\$22 per square foot. These were superior locations that were suitable for intensive retail uses, significantly superior to the subject. Multi-family land sales located in the urban center between July 2008 and October 2011 indicated a range of \$9.26 to 10.82 per square foot.

Given the subject's size, location and zoning, it is my preliminary opinion that the site warrants a value estimate of \$10 to \$13 per square foot. Supporting data and documentation are retained in the appraiser's files.

Based upon the above described research and analysis, it is my opinion that the market value of the subject site's fee simple interest is **between \$710,000 to \$925,000** for the entire site and a range of **\$430,000 to \$560,000** for the subject 0.9857 acre area.

Respectfully submitted,



Laura J. Davies
Appraiser Supervisor, NHICG #529
Bureau of ROW

Certification

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

- 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, unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved;
- I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment;
- I have not provided any valuation services for the subject property within the last 3 years.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results;
- neither my compensation nor my employment is contingent upon the reporting of a predetermined value or direction in value that favors the cause of my employer, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event;
- I will not directly or indirectly benefit from the disposition of such property appraised;
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP), and the appropriate State laws, regulations, policies, and procedures applicable to appraisal of right of way for these purposes;
- I have personally made an inspection of the property that is the subject of this report;
- no one provided significant professional assistance to me in the preparation of this report;
- I have not revealed the findings and results of this appraisal to anyone other than the proper officials of the Department of Transportation and other Departments of the State of New Hampshire and I will not do so until so authorized by State officials, or until I am either required to do so by due process of law or until I am released of this obligation by having publicly testified as to such findings, and that;

July 14, 2014

Date



Laura J. Davies





**CITIZENS
PRIVATE BANK & TRUST**

ESCROW AGREEMENT

This ESCROW AGREEMENT is made as of this ___ day of October, 2011 between Amoskeag Industries, a Corporation with a principal place of business at 660 Chestnut Street, Manchester, NH 03104 ("Company") and RBS CITIZENS, N.A. One Citizens Plaza, Providence, Rhode Island 02903 (herein called the "Bank"), a bank organized under the laws of the State of Rhode Island acting by and through its Institutional Services Group with an office at 870 Westminster Street, Providence, Rhode Island 02903, in its capacity as escrow agent only (the "Escrow Agent").

WITNESSETH:

WHEREAS, Company desires to create an escrow account for the reasons set forth on Exhibit A attached hereto; and

WHEREAS, Company agrees to appoint the Escrow Agent as the escrow agent for such account, on the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth below, and for other valuable consideration the sufficiency and receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Appointment of Escrow Agent and Creation of Account. Contemporaneously with the execution of this Agreement, Company has provided the Escrow Agent with those assets listed on Exhibit B attached hereto. Company hereby appoints the Escrow Agent as escrow agent hereunder and directs it to hold those assets described in said Exhibit B, together with any additional assets which may be provided to the Escrow Agent from time to time to be held pursuant to this Agreement and all income earned from investment of the assets described in Exhibit B and any additions thereto (collectively the "Escrow Assets"), in a separate account in the name of "Amoskeag Industries Escrow" (the "Escrow Account"). The Escrow Account shall be invested, administered and distributed in accordance with the terms set forth below.

2. Investment of Escrow Assets. The Escrow Assets shall be invested in accordance with the instructions set forth in Exhibit C attached hereto. The Escrow Agent shall make monthly accountings of such investments, the income received therefrom, and the then existing balance of the Escrow Account to Company. Both the Company and the recipient agree to furnish the Escrow Agent a completed form W-9 Request for Taxpayer Identification Number and Certification prior to the release of income, if any, from the Escrow Assets.

3. Distributions from Escrow Account. The Escrow Agent shall make distributions from the Escrow Account in accordance with the instructions set forth in Exhibit D attached hereto. Upon the final distribution of all of the Escrow Assets, this Agreement shall terminate, except as set forth in paragraph 6 hereof, and the Escrow Agent shall have no further obligations or liabilities hereunder.

4. Compensation of Escrow Agent. In consideration of the services provided by the Escrow Agent in the performance of its duties hereunder, Company agrees to reimburse the Escrow Agent for all costs and expenses incurred by it with respect to this Agreement, including reasonable fees of legal counsel and other consultants, and to further compensate the Escrow Agent in accordance with the fee arrangement described in Exhibit E attached hereto. The Company agrees that the Escrow Agent shall

have and the Company hereby grants to the Escrow Agent, a first lien for the payment of such costs and expenses upon the Escrow Assets in the Escrow Account.

5. Limitation of Escrow Agent's Duties.

(a) Company acknowledges that the duties of the Escrow Agent hereunder are solely ministerial in nature, and have been requested for their convenience. The Escrow Agent shall not be deemed to be the agent of the Company, or to have any legal or beneficial interest in any of the Escrow Assets. The Company agrees that the Escrow Agent is a party to the Escrow Agreement only and has no duties or responsibilities in connection with any agreements related hereto. The Company agrees that the Escrow Agent shall not be liable for any act or omission taken or suffered in good faith with respect to this Agreement unless such act or omission is the result of the gross negligence or willful misconduct of the Escrow Agent.

(b) The Escrow Agent may consult with legal counsel and shall be fully protected and incur no liability relative to any action or inaction taken in good faith in accordance with the advice of such counsel. The Escrow Agent shall have no responsibility for determining the genuineness or validity of any certificate, document, notice or other instrument or item presented to it, and shall be fully protected in acting in accordance with any written instruction given to it by the Company and reasonably believed by the Escrow Agent to have been signed by the proper representatives of the Company.

(c) The Escrow Agent shall not be responsible for any losses relative to the investment or liquidation of the Escrow Assets, provided such Escrow Assets are invested and held in accordance with paragraph 2 hereof. The Escrow Agent further shall not be responsible for assuring that the Escrow Assets are sufficient for the disbursements contemplated under paragraph 3 hereof.

(d) The Escrow Agent shall not be required to institute legal proceedings of any kind. The Escrow Agent shall not be required to defend any legal proceedings which may be instituted against it with respect to this Agreement unless requested to do so in writing by the Company, and unless and until it is indemnified by the Company to the satisfaction of the Escrow Agent, in its sole discretion, against the cost and expense of such defense, including without limitation the reasonable fees and expenses of its legal counsel. If any conflicting demand shall be made upon the Escrow Agent, it shall not be required to determine the same or take any action thereon and may await settlement of the controversy by appropriate and non-appealable legal proceedings. Upon the commencement of any action against or otherwise involving the Escrow Agent with respect to this Agreement, or upon advice of counsel under paragraph (b) hereunder, the Escrow Agent shall be entitled to interplead the matter of this escrow into a court of competent jurisdiction in the State of New Hampshire and, in such event, the Escrow Agent shall be relieved of and discharged from any and all obligations and liabilities under this Agreement. In any such action, the Escrow Agent shall be entitled to the indemnities provided in paragraph 6 hereof.

6. Indemnification of Escrow Agent. Company hereto hold harmless and indemnifies the Escrow Agent, its directors, officers, employees and agents from and against all obligations, liabilities, claims, suits, judgments, losses, damages, costs or expenses of any kind or nature, including without limitation reasonable attorneys' fees, which may be imposed on, incurred by, or asserted against the Escrow Agent or the Escrow Agent's duties hereunder. The foregoing indemnities shall survive the resignation of the Escrow Agent or the termination of this Agreement. The parties agree that the Escrow Agent shall have and hereby grant the Escrow Agent a first lien for the payment of such expenses upon the Escrow Assets in the Escrow Account.

7. Resignation of Escrow Agent. The Escrow Agent in its sole discretion may resign at any time and be discharged of its duties hereunder by giving thirty (30) days prior written notice to the Company, and which notice shall specify the date of such resignation. In the event the Company fails to appoint a successor escrow agent and notify the Escrow Agent in writing of such appointment within such thirty (30) day period, the Escrow Agent shall be deemed to be solely a custodian of the Escrow Account without further duties hereunder, and shall be entitled to petition a court of competent jurisdiction to

appoint a successor escrow agent. Upon the appointment of a successor escrow agent by the parties hereunder or by such court, the Escrow Agent's duties and liabilities under this Agreement shall terminate.

8. Notices. All demands, notices and communications hereunder shall be in writing and shall be given prepaid, by hand-delivery, courier service or certified or registered United States mail, return receipt requested, and addressed to the party for whom intended, at the following addresses:

(a) If to Company:

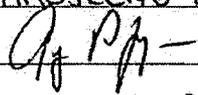
(b) If to Escrow Agent:

Citizens Bank
870 Westminster Street
Providence, Rhode Island 02903
Attn: Institutional Services Group

9. Governing Law and Severability. This agreement shall be construed, and the obligations, rights and remedies of the parties hereunder shall be determined, in accordance with the laws of the State of Rhode Island. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and the Agreement shall be construed in all respects as if such invalid or unenforceable provision was omitted.

10. General Provisions. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument. This Agreement shall bind and inure to the benefit of the parties hereto, and their respective successors and assigns, and shall not be modified or amended except by a written instrument executed by the parties hereto.

EXECUTED by the duly-authorized officers of the parties as of the first date written above.

AMOSKEAG INDUSTRIES
By 
Title: GEORGE P. LAGOS, PRES.

RBS CITIZENS, N.A. as Escrow Agent

By _____

Title: _____

EXHIBIT A TO ESCROW AGREEMENT

Purpose of Escrow

This Escrow has been established for the following purpose:

Company and the State of New Hampshire ("State") are parties to a Maintenance Agreement pursuant to which State is obligated to landscape, maintain, and repair Area N and Area S of that certain parcel shown as New Lot 168-15A on a plan by TF Moran Inc. entitled "Tax Map 168 Lots 15 & 15A Land Conveyance Plan Hillsborough County Superior Court, 300 Chestnut Street, Manchester, N.H. dated December 16, 2009, and recorded in the Hillsborough County Registry of Deeds as Plan # _____ (the "Plan"). In the event that State fails to perform its obligations under the Maintenance Agreement, Company has the right to landscape, maintain, and repair Area N and Area S and seek reimbursement from State for its reasonable expenses. The Escrow is established in order to secure State's performance of its maintenance and payment obligations under the Maintenance Agreement.

This State is not a party to this Escrow Agreement and has no duties or obligations hereunder. The State shall not be named as a party to any legal action brought relative to this Escrow Agreement. Further, 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 shall survive the termination of this agreement.

EXHIBIT B to ESCROW AGREEMENT

Escrow Assets

Escrow Assets shall consist of the following: \$5,000

Notwithstanding Section 1 of the Escrow Agreement, the \$5,000 delivered to the Escrow Agent was delivered by the State.

In the event of distributions to the Company from the Escrow Account pursuant to Section 1 of Exhibit D, additional amounts shall be paid to the Escrow Agent to restore the Escrow Account balance to \$5,000, subject to the contingency described in Section 4 of the Maintenance Agreement and to the terms of this Agreement.

EXHIBIT C to ESCROW AGREEMENT

Investment Instructions

The Escrow Assets presented to the Escrow Agent for the Escrow Account shall be invested in an interest bearing account of the Escrow Agent.

EXHIBIT D to ESCROW AGREEMENT

Disbursement Instructions

The Escrow Agent shall make distributions from the Escrow Account as follows:

1. Distribution of Escrow Assets. Company shall be entitled to receive disbursements from the Escrow Account in the amount of any reasonable expenses incurred by Company in performing State's obligations under Section 1 of the Maintenance Agreement, in the event that the State has failed to reimburse Company for such expenses as required under Section 1 of the Maintenance Agreement. The Escrow Agent shall not make any distributions to Company unless and until Escrow Agent receives a written certification executed by the President, Treasurer, or Secretary of the Company, certifying that (i) the State failed to maintain Area N and/or Area S (as described in the Plan) as required under Section 1 of the Maintenance Agreement; and (ii) the State failed to make payment to Company as and when due under Section 1 of the Maintenance Agreement, and further stating the total amount due to Company from State of the certification. Upon receipt of such certification, the Escrow Agent shall distribute from the Escrow Account the amount so certified. The Escrow Agent shall have no obligation to confirm the correctness of the facts so certified, and shall have no liability to any person with respect to any such distribution.

2. Termination of Escrow Agreement and Release of all Escrow Assets. If in any period of ten consecutive years there have been no disbursements from the Escrow Account to Company under Section 1 of this Exhibit D, upon written notice to the Escrow Agent from Company, all sums then remaining in the Escrow Account shall be released to State, and this Escrow Agreement shall be deemed null and void and of no further effect except for Sections 5 and 6 of the Agreement, which shall survive termination.

EXHIBIT E to ESCROW AGREEMENT

Fee Arrangement

The Escrow Agent shall earn no fee for its services and shall bear all responsibility for any costs or expenses it may incur in performing its obligations under this Agreement, except for those costs and expenses payable by Company under Section 6 of this Agreement.

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MAINTENANCE AGREEMENT

This Agreement is made this ___ day of _____, 2014 by and between Amoskeag Industries, Inc. with an address of McLane, Graf, Raulerson & Middleton, Professional Association, P.O. Box 326, Manchester, New Hampshire 03105 and the **STATE OF NEW HAMPSHIRE**, Department of Administrative Services whose mailing address is 25 Capitol Street, Concord, New Hampshire 03301 ("State").

WITNESSETH:

WHEREAS, Amoskeag Industries Inc., has conveyed a parcel of land, by Release and Quitclaim Deed to the City of Manchester dated _____ 2014 and to be recorded in the Hillsborough County Registry of Deeds ;and

WHEREAS, the property described in the Release and Quitclaim Deed includes a restrictive covenant in Area N and Area S as described as New Lot 168-15A on a plan by TF Moran Inc. entitled "Tax Map 168 Lots 15 & 15A Land Conveyance Plan Hillsborough County Superior Court, 300 Chestnut Street, Manchester, N.H. dated December 16, 2009, and recorded in the Hillsborough County Registry of Deeds as Plan#_____ to require that said areas be maintained by grantee or its successors or assigns as a public ground for recreation, health, exercise, and enjoyment of the public to be maintained free from all dirt, filth and rubbish of any kind and that the trees and lawn on Area N and Area S be preserved, maintained, and replaced as needed for shade and ornament and green space

WHEREAS, as set forth herein, the State, as the successor and assign by deed to it from the City, is willing to undertake the responsibility for the reasonable and customary maintenance of Area N and Area S identified on Plan#_____.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the State hereby agrees as follows:

1. COST: The State agrees to pay all reasonable costs and expenses associated with the landscaping, maintenance, and repair activities of Area N and Area S customary for a well-maintained public park area. The landscaping, maintenance and repair activities in said areas include fertilizing and mowing of lawn, shrub and tree trimming, pruning of broken tree branches, treating trees for insects and disease and replacing dead or mortally afflicted planting. Further, the State agrees to remove trash, debris and fallen leaves in designated areas and maintain, repair, or replace any damage to the hardscape which includes the benches, pavers and any graffiti.

If the State fails to maintain Area N and Area S as provided herein, Amoskeag Industries shall give the State written notice of such failure in writing. If within thirty (30) calendar days after such notice is given to the State no steps to remedy the condition(s) have been initiated, then Amoskeag Industries may, at their option have such condition(s) repaired, and the State shall be liable for any and all reasonable expenses incurred by Amoskeag Industries resulting from the State's failure. Amoskeag Industries shall submit

documentation of the expenses incurred to the State, who shall reimburse Amoskeag Industries within thirty (30) days of receipt of said documentation of work.

2. PERIODIC MEETINGS: The State agrees to meet with Amoskeag periodically at Amoskeag's request to discuss any concerns or issues with respect to landscaping and maintenance.

3. APPLICABILITY: The provisions of this Agreement shall be deemed covenants running with the land, burdening and benefiting the property of each party hereto, and their respective heirs, devisees, personal representatives and assigns.

4. CONDITIONAL NATURE OF AGREEMENT: Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, funding for the continuance of maintenance obligations under Section 1 and restoration of the Escrow Account under Section 5, are contingent upon the availability and continued appropriation of funds by the State General Court or any executive department, and in no event shall the State be liable for any maintenance obligations or payments hereunder in excess of such available appropriated funds. The Department of Administrative Services hereby agrees to include, in any future estimates of their expenditure requirements for each fiscal year of the ensuing biennium their respective obligations under this Agreement. 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. The State shall not be required to transfer funds from any other account to the Account Numbers 01-14-14-141510-2045- 020 or 01-14-14-141510-2045-048 in the event funds in those accounts are reduced or unavailable.

5. ESCROW: Amoskeag will enter into an Escrow Agreement with RBS Citizens, N.A., ("Citizens") as escrow agent, attached as Appendix A to this Agreement, (the "Escrow Agreement"), pursuant to which the State shall deposit \$5,000 of immediately available funds into an account (the "Escrow Account") with Citizens to secure performance of the State's obligations under this Agreement. Amoskeag may draw on the Escrow Account to pay expenses of maintenance as provided in the Escrow Agreement and its Exhibits. In such event, the State shall deposit additional amounts into the Escrow Account to restore the Escrow Account balance to \$5,000, subject to the contingency described in Section 4 of this Agreement and to the terms of the Escrow Agreement.

6. OFFSET: The State acknowledges that any payment to be made by it to Amoskeag Industries pursuant to this Agreement is a reimbursement of expenses incurred by Amoskeag Industries that were an obligation of the State and not revenue to Amoskeag Industries. However, to comply with State law, the State reserves the right to offset from any amounts otherwise payable under this Agreement those liquidated amounts required by N.H. RSA 80:7 through RSA 80:7-cc or required by any other provision of law.

7. ASSIGNMENT DELEGATION/SUBCONTRACTS. Amoskeag Industries shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services, which consent shall not be unreasonably withheld.

8. 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 and Amoskeag Industries.

9. 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.

10. 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.

11. HEADINGS. The headings throughout this 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.

12. 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.

13. NO WAIVER OF SOVEREIGN IMMUNITY: No provision of this agreement is intended to be, nor shall it be, interpreted by either party to be a waiver of sovereign immunity.

14. 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.

Witness the hands of the parties hereto this ____ day of _____, 2014.

AMOSKEAG INDUSTRIES

George Lagos, President

STATE OF NEW HAMPSHIRE

By: _____

Its: _____

Witness

5422494_1

July 1, 2014 2:34:48 PM

DEED WITHOUT COVENANTS

KNOW ALL MEN BY THESE PRESENT that the City of Manchester, New Hampshire, a body corporate and politic, with a principal address of One City Hall Plaza, Manchester, New Hampshire 03101, Grantor, for consideration paid, does hereby convey the State of New Hampshire, Department of Administrative Services, 25 Capitol Street, Concord, New Hampshire 03301, Grantee, WITHOUT COVENANTS OR WARRANTIES EXCEPT AS PROVIDED BELOW, all Grantor's right, title and interest in and to certain parcel of land situated in the City of Manchester, County of Hillsborough, New Hampshire, subject to Amoskeag Industries, Inc. right of entry, described as follows:

A certain parcel of land situated on the southerly sideline of Merrimack Street, the westerly sideline of Chestnut Street and the northerly sideline of Central Street, in the City of Manchester, County of Hillsborough, State of New Hampshire, more particularly bounded and described as follows:

S00°06'50"E by the westerly sideline of Chestnut Street a distance of 430.58 feet to a point on the northerly sideline of Central Street; Thence
S89°49'11"W by the northerly sideline of Central Street a distance of 165.00 feet to a point at New Lot 168-15; thence
N00°06'50"W by New Lot 168-15 a distance of 430.58 feet to a point on the southerly sideline of Merrimack Street; Thence

N89°49'11"E by the southerly sideline of Merrimack Street a distance of 165.00 feet to the point of beginning.

Being shown as New 168-15A on a plan by TFMoran Inc. entitled "Tax Map 168 Lots 15 & 15A Land Conveyance Exhibit Hillsborough County Superior Court 300 Chestnut Street, Manchester, NH Owned by City of Manchester & County of Hillsborough Prepared For Lavallo/Brensinger Architects Scale 1"=40' August 17, 2010 on file with the State of New Hampshire, Department of Administrative Services and the Manchester, New Hampshire City Clerk's Office.

SUBJECT TO AND EXCEPTING AND RESERVING from the conveyance for the Right of Entry in the above described parcel, the Right of Entry reserved in and modified in a portion of the premises by the deed of Amoskeag Industries, Inc. to the County of Hillsborough dated March 18, 1988 and recorded in the Hillsborough County Registry of Deeds at Book 4693, Page 171 in the land conveyed by the City of Manchester to the County of Hillsborough dated April 25, 1968 and recorded at Book 1976 Page 481 in the Hillsborough County Registry of Deeds, and extending that Right of Entry as modified to the following to portions of New Lot 168-15A identified as Areas N and S:

AREA N:

Beginning at the northeast corner of Area N, being the intersection of the southerly sideline of Merrimack Street and the westerly sideline of Chestnut Street;
Thence

S00°06'50"E by the westerly sideline of Chestnut Street a distance of 132.35 feet to a point; Thence

S89°53'10"W through New Lot 168-15A a distance of 36.63 feet to a point; Thence

N00°11'37"W through New Lot 168-15A a distance of 24.75 feet to a point; Thence

N89°48'23"E through New lot 168-15A a distance of 19.50 feet to a point; Thence

N00°11'37"W through New Lot 168-15A a distance of 36.00 feet to a point, Thence

S89°48'23"W through New Lot 168-15A a distance of 40.50 feet to a point, Thence
S00°11'37"E through New Lot 168-15A a distance of 15.00 feet to a point, Thence
S89°48'23"W through New Lot 168-15A a distance of 86.66 feet to a point; Thence
N00°10'49"W through New Lot 168-15A a distance of 86.58 feet to a point on the
southerly sideline of Merrimack Street; thence
N89°49'11"E by the southerly sideline of Merrimack Street a distance of 144.45 feet to
the point of beginning.

Being shown on the Plan as Deed Restriction Area N.

AREA S:

Beginning at the southeast corner of Area S, being the intersection of the
northerly sideline of Central Street and the Westerly sideline of Chestnut Street; Thence

S89°49'11"W by the southerly sideline of Central Street a distance of 78.60 feet to a
point; Thence
N00°10'49"W through New Lot 168-15A a distance of 85.34 feet to a point; Thence
N89°48'23"E through New Lot 168-15A a distance of 42.36 feet to a point; Thence
N00°11'37"W through New Lot 168-15A a distance of 45.75 feet to a point; Thence
N89°53'10"E though New Lot 168-15A a distance of 36.40 feet to a point on the
westerly sideline of Chestnut Street; Thence
S00°06'50"E by the westerly sideline of Chestnut Street a distance of 131.06 feet to
the point of beginning.

Being shown on the Plan as Deed Restriction Area S.

FURTHER, this conveyance is subject to the conditions contained in the Release
and Quitclaim Deed from Amoskeag Industries, Inc. to the City of Manchester, dated
_____, 2014 and recorded in the Hillsborough County Registry of Deeds.

Meaning and intending to describe portions of the premises conveyed to the City of Manchester by deed of the Amoskeag Manufacturing Company dated January 25, 1848 and recorded in the Hillsborough County Registry of Deeds a Book 251, Page 270, said deed containing the original Right of Entry, which has been modified from time to time, including by the deed to County of Hillsborough recorded at Book 4693, Page 171.

This conveyance is exempt from real estate transfer tax pursuant to RSA 78-B:2 I.

IN WITNESS WHEREOF, the City of Manchester has caused this deed to be executed in its name and on its behalf by Theodor Gatsas, Mayor, this _____ day of _____, 2014.

Signed in presence of:

City of Manchester

Witness

Theodor Gatsas
Mayor

STATE OF NEW HAMPSHIRE
COUNTY OF HILLSBOROUGH, SS

Before me, the undersigned officer, personally appeared Theodor Gatsas, Mayor of the City of Manchester, known to me to be the person whose name is subscribed to the foregoing deed, and who acknowledged that he executed the same for the purposes contained therein.

Date

STATE OF NEW HAMPSHIRE

By: _____

Title: _____

STATE OF NEW HAMPSHIRE
COUNTY OF _____, SS

Before me, the undersigned officer, personally appeared _____,
_____ of the State of New Hampshire, known to me to be the person whose name
is subscribed to the foregoing deed, and who acknowledged that he executed the same for
the purposes contained therein.

Date
