**AGENDA**

# COMMITTEE ON LANDS AND BUILDINGS

**May 17, 2010**
**Aldermen Osborne, Lopez,**
**Shea, Roy, Greazzo**

**4:30 PM**
**Aldermanic Chambers**
**City Hall (3rd Floor)**

1. Chairman Osborne calls the meeting to order.

2. The Clerk calls the roll.

3. Slope and Grading Easement over an area at the Manchester Transit Authority.
   *(Note: Referred by the Board of Mayor and Aldermen on 04/20/2010.)*
   **Ladies and Gentlemen, what is your pleasure?**

4. Request from the Highway Department to change the official street name of Betty Drive to Betty Lane.
   *(Note: Referred by the Board of Mayor and Aldermen on 04/20/2010.)*
   **Ladies and Gentlemen, what is your pleasure?**

5. Communication from Jay Minkarah, Economic Development Director, regarding a proposal from the Danais Realty Group for the acquisition and development of the Northwest Business Park at Hackett Hill.
   **Ladies and Gentlemen, what is your pleasure?**

## TABLED ITEMS

***A motion is in order to remove any item off the table.***

6. Communication from Jack Baringer, Site Acquisition Manager for Goodman Networks, submitting a proposal for Clearwire to Lease City Property.
*(Note: Tabled 1/19/10; Leon LaFreniere, Director of Planning & Community Development, to work with staff and provide a recommendation.)*

7. Request to obtain lot number 611-4A Island Pond Road.
*(Note: Attached is a memo from Joan Porter regarding the Tax-Deeded property; appraisal from the Board of Assessors, if available. Tabled 9/1/09, additional information submitted by the Director of Planning & Community Development. Re-tabled 1/19/10; Leon LaFreniere, Director of Planning & Community Development to work with the City Solicitor and provide a recommendation.)*

8. Report of the Board of Mayor and Aldermen advising that is has requested staff to prepare documents to provide that the City agree to extend the term on the 2nd mortgage relating to Lowell Terrace Associates property located at the northwest corner of Lowell and Chestnut Streets to coincide with the expiration of the existing first mortgage in 2013.
*(Note: The Committee has requested clarification from Finance as to whether financials from 1984 – 2001 have been provided; Solicitor to provide a fair market value for the property as established by the Superior Court in October; Tabled 8/04/08; The Committee requests the Solicitor to provide an updated Certificate of Insurance for the property; Re-tabled 12/2/08. Information to be provided by the Assessor. Re-tabled 7/07/09 waiting for disposition letter. Re-tabled 9/1/09, Finance Officer and City Solicitor to provide a final disposition letter.). Re-tabled 1/19/10, Mayor, Finance Officer and City Solicitor to provide a final disposition letter.) On file for viewing with Office of the City Clerk, One City Hall Plaza.*

9. There being no further business, a motion is in order to adjourn.

In board of Mayor and Aldermen
Date: 4|20|10 On Motion of Ald. O'Neil
Second by Ald. Lopez
Voted to refer to the Committee on Lands and Buildings.
City Clerk

*After Recording, Return to:*
*Kenneth A. Viscarello, Esquire*
*Sheehan Phinney Bass + Green, PA*
*1000 Elm Street*
*P.O. Box 3701*
*Manchester, NH 03105-3701*

# EASEMENT DEED

KNOW ALL MEN BY THESE PRESENTS that the CITY OF MANCHESTER, a body corporate and politic, duly established by the laws of the State of New Hampshire, having a mailing address of One City Hall Plaza, Manchester, New Hampshire 03101 (hereinafter "Grantor"), for consideration paid, grants to RIVER'S EDGE MANCHESTER, LLC, a New Hampshire limited liability company with a mailing address c/o 33 South Commercial Street, Manchester, New Hampshire 03101(hereinafter "Grantee") with QUITCLAIM COVENANTS upon the conditions hereafter set forth the easement contained herein.

1. Recitals.

1.1 Grantor is the owner of certain land located in Manchester, Hillsborough County, New Hampshire, described in a Warranty Deed from R. Theodore, Inc. and Raco Theodore to Grantor, recorded November 13, 1974 in the Hillsborough County Registry of Deeds at Book 2379, Page 331.

1.2 Grantee is the owner of certain land located in Manchester, Hillsborough County, New Hampshire described in a Warranty Deed from MHRA I, Inc. to Grantee, dated October 2, 2008, as recorded in the Hillsborough County Registry of Deeds at Book 8023, Page 2937.

1.3 Grantor's and Grantee's land are contiguous to each other.

1.4 Grantor wishes to grant to Grantee, its successors and assigns, a permanent slope and grading easement, as more specifically set forth herein.

2. Grant of Easement. Grantor, for consideration paid, hereby grants to Grantee, its successors and assigns with Quitclaim Covenants the following:

A perpetual slope and grading easement over the area more particularly described on Exhibit A hereto (the "Easement Area"), for the purpose of slope control and grading, including the right to: (i) construct, replace, repair, maintain, grade and plant slopes on the Easement Area; and (ii) install appurtenant equipment, facilities and improvements in said Easement Area, and (iii) prevent the doing of any activity

which might interfere with slopes or which might create erosion or sliding problems or which might change, obstruct or retard drainage flow.

The easements and rights set forth herein, are hereby conveyed together with the right and perpetual easement for Grantee, its successors, assigns and contractors, to enter onto other land of Grantor adjacent to the Easement Area, as is reasonably necessary, to carry out the construction and maintenance of the slopes, grades, structures, facilities, improvements and appurtenances contemplated above; provided, however, Grantee shall, at its sole cost and expense, restore said other land of Grantee, as nearly as possible, to its condition existing prior to the time of said construction activities.

3. Construction, Maintenance and Indemnification.

3.1 Grantee shall be responsible for all costs associated with constructing any of the above mentioned slopes, grades, structures, facilities, improvements and/or appurtenances in the Easement Area.

3.2. Grantee shall be responsible for maintenance of the Easement Area necessary to utilize the Easement Area for its intended purpose. Grantee shall maintain any structures, facilities, improvments or appurtenances it constructs or installs (collectively the "Improvements") in the Easement Area at all times in a state of good and safe condition at its sole cost and expense. Nothing in this provision shall be construed to relieve the Grantor of any liability to the Grantee in the event that its acts, omissions or negligence necessitate additional or repairs to the Improvements.

3.3 The Grantee agrees to defend, indemnify and hold harmless the Grantor from any loss, damage, injuries or other casualty to the person or property or anyone arising out of or resulting from the Grantee's exercise of its rights hereunder in the Easement Area or performance of its obligations in the Easement Area.

4. Runs wth the Land. This Easement Deed and the rights and privileges granted hereby are perpetual and shall run with the land.

5. Binding Nature. The easements, covenants and conditions herein shall be binding and/or to the benefit of the parties hereto, their agents, successors, assigns, customers, tenants, patrons, invitees and licensees.

6. Consideration. The consideration for this conveyance is less than $100.00.

7. Multiple Counterpart Originals. This Easement Deed may be executed in multiple counterpart originals.

[Page ends here, signature page(s) to follow]

IN WITNESS WHEREOF, the parties have executed this Easement Deed this ____ day of _____, 2010.

**GRANTOR**:

CITY OF MANCHESTER

_____
Witness

By: _____
Theodore Gatsas, Mayor

**GRANTEE**:

RIVER'S EDGE MANCHESTER, LLC

_____
Witness

By: _____
Dick Anagnost, Manager

STATE OF NEW HAMPSHIRE
COUNTY OF HILLSBOROUGH

The foregoing instrument was acknowledged before me this _____ day of _____, 2010 by Theodore Gatsas, the Mayor of the City of Manchester, a New Hampshire Municipal corporation.

_____
Notary Public / Justice of the Peace

(Seal, if any)

My Commission Expires:_____

STATE OF NEW HAMPSHIRE
COUNTY OF HILLSBOROUGH

This instrument was acknowledged before me on this ___ day of _____, 2010 by Dick Anagnost as Manager of River's Edge Manchester, LLC.

_____
Notary Public/ Justice of the Peace

(Seal, if any)

My Commission Expires:_____

EXHIBIT A

Easement Area

Collectively, two areas more particularly bounded and described as follows:

Tract #1

Beginning at an iron pin set in the northeast corner of the Grantee's land, said point being the intersection of Grantor's land with Grantee's land, thence turning and running:

South 5°55'07" West, a distance of 99.30 feet, more or less, to a point; thence

South 84°04'53" East, along a parcel of land now or formerly known as Jefferson Street, a distance of 12.00 feet, more or less, to a point; thence

North 5°55'07" East, a distance of 95.48 feet, more or less, to a point; thence

North 47°12'41" West, a distance of 8.65 feet, more or less, to a point; thence

South 80°49'24" West, a distance of 5.26 feet, more or less, to the point of beginning.

Tract #2

Beginning at an iron pin set in the northeast corner of the Grantee's land, said point being the intersection of Grantor's land with Grantee's land, thence turning and running:

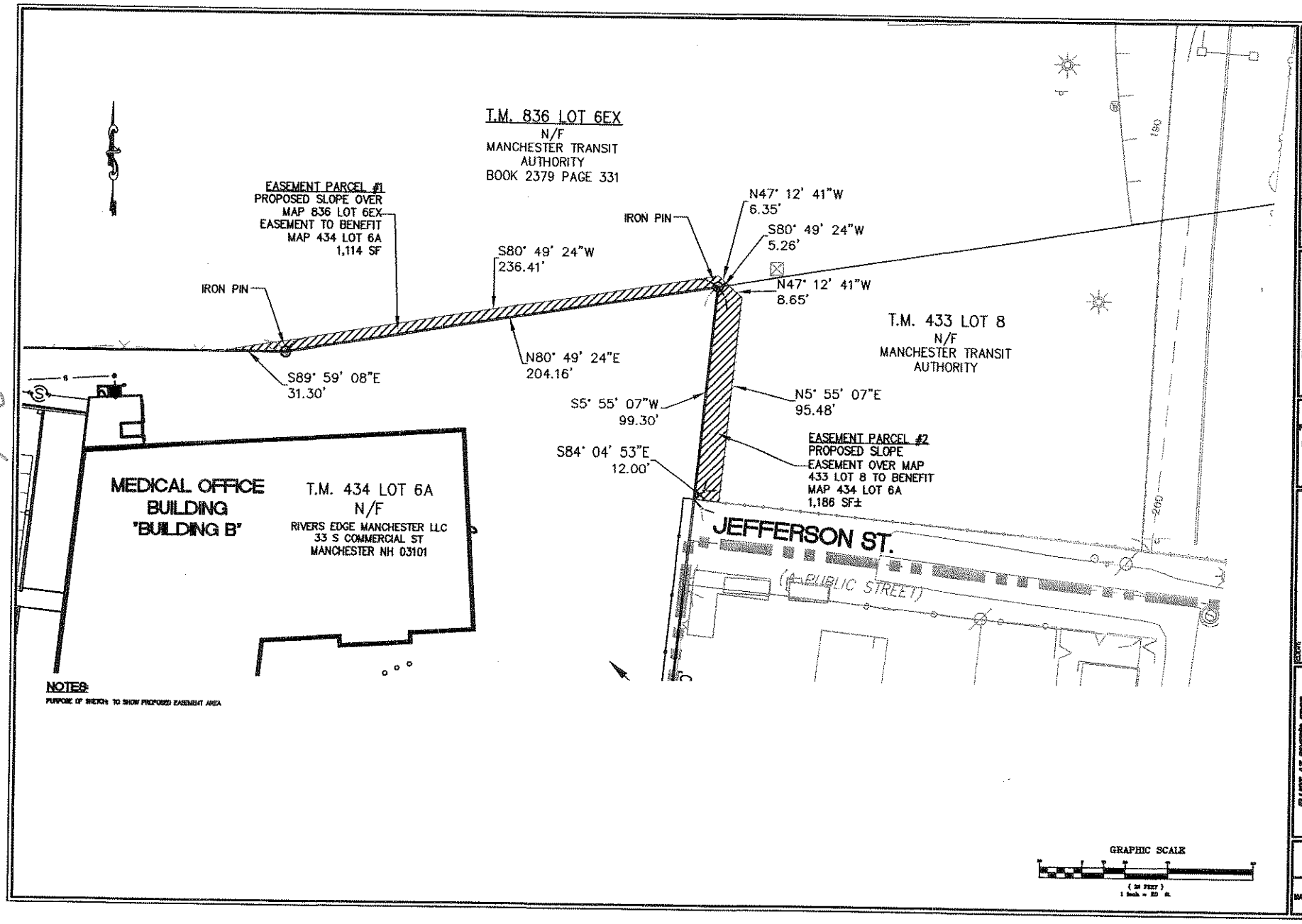
North 80°49'24" East, a distance of 5.26 feet, more or less, to a point; thence

North 47°12'41" West, a distance of 6.35 feet, more or less, to a point; thence

South 80°49'24" West, a distance of 236.41 feet, more or less, to a point; thence

South 89°59'08" East, a distance of 31.30 feet, more or less, to an iron pin; thence

North 80°49'24" East, a distance of 204.16 feet, more or less to the point of beginning.




| NO. | DATE | REVISION |
|---|---|---|
| | | |

DRAWN: BAP | DESIGNED: | CHECKED: | APPROVED:

CLD CONSULTING ENGINEERS INC.

PLANS UNDER DESIGN DEVELOPMENT. ISSUED FOR INTERIM REVIEW ONLY. NOT FOR CONSTRUCTION

RIVER'S EDGE MANCHESTER, LLC
33 S. COMMERCIAL STREET
MANCHESTER, NH 03101

ELLIOT AT RIVER'S EDGE
LOT 8A M.O.B.
175 QUEEN CITY AVENUE
MANCHESTER, NH

EASEMENT SKETCH

SCALE: 1"=40' | JOB NO. 88-0404

DATE: MARCH 2010 | DWG. C3

3-6

*Kevin A. Sheppard, P.E.*
*Public Works Director*

*Timothy J. Clougherty*
*Deputy Public Works Director*

*Commission*
*William F. Houghton Jr.*
*Robert R. Rivard*
*Joan Flurey*
*Henry R. Bourgeois*
*Raymond Hebert*

# CITY OF MANCHESTER
*Highway Department*

RECEIVED
MAR 30 2010
CITY CLERK'S OFFICE

March 29, 2010

Honorable Board of Mayor and Aldermen
C/O Mr. Matthew Normand
CITY CLERKS OFFICE
One City Hall Plaza
Manchester, New Hampshire 03103

In board of Mayor and Aldermen
Date: 4|20|10 On Motion of Ald. O'Neil
Second by Ald. Lopez
Voted to refer to the Committee on Lands and Buildings.
City Clerk

Re: **Petition to Change Street Name**
**Betty Drive to Betty Lane**

Gentlemen:

It has come to our attention that the street signs of Betty Drive were incorrectly installed as Betty Lane, therefore, the Highway Department changed the signs to Betty Drive. After doing so, we received complaints from some of the residents that they have been using Betty Lane as their street name. After further investigation, we have confirmed that all nine of the residents have been using Betty Lane (some for as long as thirty years). **The Manchester Highway Department hereby requests on behalf of the homeowners to change the official street name from Betty Drive to Betty Lane.**

A list of the residents and a locus map of the area is attached for your use. If you have any questions or comments or if I can be of further assistance, please do not hesitate to call.

Very truly yours,

Bruce A. Thomas
Engineering Manager

c/Kevin A. Sheppard, P.E.
Timothy J. Clougherty
Alderman Joyce Craig
Alderman Dan O'Neil
Alderman Michael Lopez

227 Maple Street • Manchester, New Hampshire 03103 • (603) 624-6444 • FAX: (603) 624-6487
E-mail: hiway@manchesternh.gov • Website: www.manchesternh.gov

## BETTY DRIVE HOMEOWNERS

CHAMPAGNE, ROBERT J
1 BETTY DR
MANCHESTER NH 03104

MURPHY, EDWARD L
2 BETTY DR
MANCHESTER NH 03104
668-2464

LABRECQUE, ALAIN C
3 BETTY DR
MANCHESTER NH 03104-2839
669-7459

HATHORN, ELLERY F
4 BETTY DR
MANCHESTER NH 03104-2838
622-9030

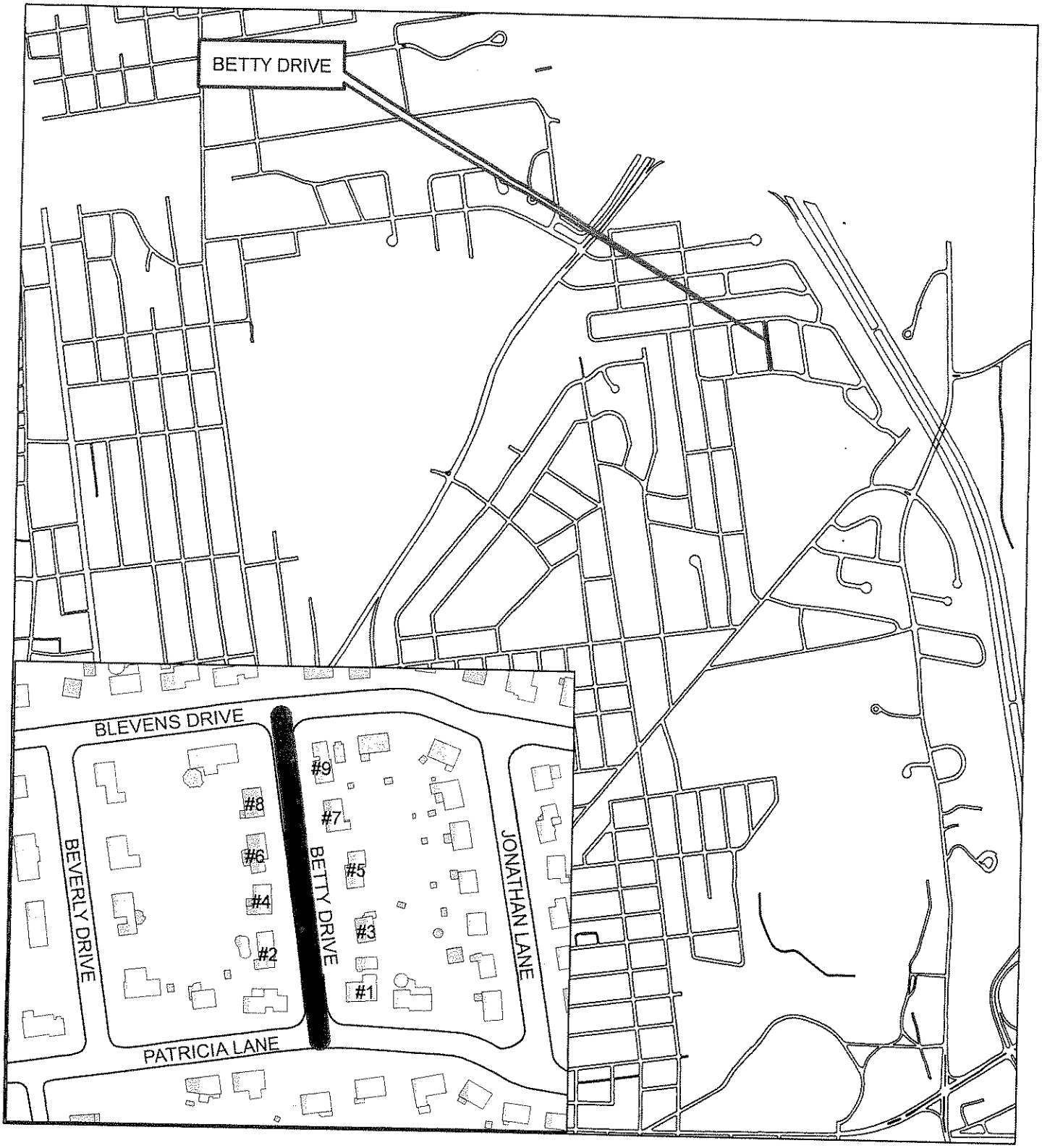
CARON, NORMAND M
5 BETTY DR
MANCHESTER NH 03104-2839
622-4595

SMITH, BREWSTER L
6 BETTY DR
MANCHESTER NH 03104-2838

SANCHEZ, HECTOR
7 BETTY DR
MANCHESTER NH 03104
669-3272

GILMAN, WILLIAM S
8 BETTY DR
MANCHESTER NH 03104-2838
624-7447

ZELASNY, FREDERICK M
9 BETTY DR
MANCHESTER NH 03104
668-7670




**BETTY DRIVE NAME CHANGE**
**TO BETTY LANE**

CITY OF MANCHESTER
DEPARTMENT OF HIGHWAYS **LOCUS MAP**

N
W E
S

4-3

*Matthew Normand*
*City Clerk*

*Kathleen Gardner*
*Deputy City Clerk*

# CITY OF MANCHESTER
*Office of the City Clerk*

## MEMORANDUM

TO: Board of Mayor and Aldermen

FROM: Matthew Normand
City Clerk

DATE: May 12, 2010

RE: Northwest Business Park at Hackett Hill

The Mayor has asked that each of you receive a copy of the attached proposal for development of the Northwest Business Park at Hackett Hill in advance of the Committee on Lands & Buildings meeting scheduled for next Monday, May 17, 2010.

5-1

One City Hall Plaza • Manchester, New Hampshire 03101 • (603) 624-6455 • FAX: (603) 624-6481
E-mail: CityClerk@manchesternh.gov • Website: www.manchesternh.gov

# CITY OF MANCHESTER
## Economic Development Office

May 10, 2010

RECEIVED
MAY 10 2010
CITY CLERK'S OFFICE

Ed Osborne, Chairman
Committee on Lands & Buildings
One City Hall Plaza
Manchester, NH 03101

RE: Northwest Business Park at Hackett Hill

Dear Chairman Osborne and Members of the Committee:

After a considerable period of discussion and review, I am pleased to bring forward a proposal from the Danais Realty Group for the acquisition and development of the Northwest Business Park at Hackett Hill. In essence, the Danais Group would acquire all 12 lots in Phase One for $2.8 million. As a part of the purchase price, they will build a new Fire Station for the City on Hackett Hill Road and then pay to the City the difference between the actual cost of the station and $2.8 million. To facilitate the development, two lots on Hackett Hill Road, including the existing Fire Station lot, will need to be rezoned from Research Park (RP) to B-1. Certain changes to the uses permitted in the RP zone will be required as well. When completed, the proposed development plan would result in the development of up to 1.2 million square feet of office, manufacturing, warehousing and distribution space.

Attached are a draft Purchase & Sale agreement, proposed zoning changes and a plan of the overall site for review and consideration. The Danais Group will also be available for a presentation to the Committee at the next available meeting. If you have any questions or need additional information, please feel free to contact me at your convenience.

Sincerely,

Jay Minkarah, Director
Manchester Economic Development Office

cc: Hon. Ted Gatsas, Mayor

5-2

One City Hall Plaza, Manchester, NH 03101 Ph: 603.624.6505 Fax: 603.624.6308

# PURCHASE AND SALE AGREEMENT

**THIS PURCHASE AND SALE AGREEMENT** is made this _____ day of _____, 2010 ("Effective Date"), by and between The Manchester Housing & Redevelopment Corporation ("MHRC"), a New Hampshire not for profit corporation, and The City of Manchester Fire Department ("MFD") (MHRC and MFD shall hereinafter be collectively referred to as the "Seller"), and Danais Realty Group, Inc. or its assigns as provided in Section 17 hereof, a New Hampshire corporation (hereinafter referred to as the "Buyer".) Seller and Buyer are sometimes referred to herein as the "parties".

## WITNESSETH

That for and in consideration of the mutual covenants and agreements herein contained, Seller and Buyer agree as follows:

1. Purchase and Sale. The Seller shall sell, and the Buyer shall purchase upon all terms and conditions set forth herein, that certain parcel of improved real estate identified as Tax Map 766, Lot 14D (existing fire house lot) and those certain parcels of unimproved real estate identified as Lots 1-10 and 12-13 as shown on a plan titled "Subdivision Play – 1 prepared by Oest Associates, Inc." and recorded as Plan No. 36507 in the Hillsborough County Registry of Deeds, together with all rights in all roads as shown on said Plan, and all approvals, permits, plans and designs (the "Property"). See also Exhibit A.

2. Purchase Price. The Purchase Price shall be Two Million Eight Hundred Thousand Dollars ($2,800,000.00), as adjusted pursuant to Section 3 below (the "Purchase Price").

3. Payment of Purchase Price. The Purchase Price shall be paid by Buyer constructing a new fire station to be located on Lot 11 as shown on a Plan No. 36507, owned by the Seller. An affiliate of Buyer, Danais Construction, LLC, shall serve as General Contractor for the construction of the new fire station. The fire station shall be similar to the Seller's existing fire station located on East Industrial Park Drive in Manchester, New Hampshire. The Seller shall cooperate with the Buyer to secure all designs and plans associated with the East Industrial Park Drive station to be used in conjunction with the construction of the new fire station. The cost to build the new fire station shall not exceed Two Million Eight Hundred Thousand Dollars ($2,800,000.00) ("Cap"). In the event, due to Seller's deviation from the East Industrial Park Drive design or plans, the cost exceeds the Cap, the Seller will reimburse the Buyer for all costs beyond the Cap. In the event the new fire station can be constructed for less than Two Million Eight Hundred Thousand Dollars ($2,800,000.00), then the Buyer shall pay to Seller the difference between the Purchase Price and the total final cost of construction within sixty (60) days following delivery of the completed fire station. The construction shall be deemed for the benefit of the Seller and as such all benefits that run to the Seller (i.e. waiver of permit fees) will apply to the construction of the new fire station.

5-3

4. Deed/Conveyance. Seller shall convey insurable title by statutory warranty deed (the "Deed"), subject to all encumbrances, restrictive covenants and other matters of record not discharged, terminated or otherwise released as of the Closing Date.

5. Lease. From the Closing Date through that date that is thirty (30) days after the new fire station is constructed and delivered to Seller by Buyer, Seller shall remain in possession of Tax Map 766, Lot 14D, for use as a fire station under a lease from Buyer for One Dollar ($1.00). Seller shall remain responsible for all real estate taxes, utilities, and water and sewer changes assessed against Map 766, Lot 14D, from the Closing Date through termination of this Lease and the Seller shall indemnify and hold Buyer harmless from any and all claims asserted against Buyer as owner of Map 766, Lot14D, including all of Buyer's attorney fees and costs, until such time as the Seller delivers full and complete possession of Map 766, Lot 14D..

6. Contingencies. This Agreement is subject to the Buyer having the following contingencies satisfied in order to proceed with the Closing.

6.1. Seller's Cooperation. Within forty eight (48) hours following the Effective Date, the Seller shall (a) deliver to Buyer copies of, or permit Buyer, or Buyer's agents, full access to, all reports, studies, plans, designs, maps, or other information in the Seller's possession or under its control relating to the Property; (b) provide a complete contact list to Buyer of all City representatives with knowledge of the Property as well as all contractors and vendors that the City has engaged with respect to the Property; (c) provide authorization to allow the Buyer, or Buyer's agents, to speak freely with all such identified representatives, vendors and contractors; and (d) deliver to Buyer keys to all locks located on the Property, specifically those locks associated with the gates on the Property.

6.2. Inspections.

(a) Beginning on the Effective Date and continuing until 5:00 p.m. on that date which is sixty (60) days from the Effective Date, Buyer shall have an "analysis" period. ("Due Diligence Period"). During the Due Diligence Period, Buyer shall have full, complete and unfettered access to the Property for purposes of conducting such tests and inspections, as Buyer deems necessary, at Buyer's sole cost and expense, as well as to review all documentation provided by Seller and speak with all representatives, vendors and contractors pursuant to Section 6.1.

(b) Buyer agrees to indemnify and hold Seller harmless from and against any and all loss, cost, damage, injury or expense arising out of or in any way related to the acts or omissions of Buyer, its agents, employees and consultants in connection with any such access, tests and/or inspections (specifically excluding any loss or diminution in value arising from any condition discovered by Buyer), and such obligation shall survive the Closing or the termination of this Agreement. Buyer shall assure that its agents and consultants have in place comprehensive liability

insurance from an insurer authorized to do business in the State of New Hampshire which is reasonably acceptable to Seller protecting Seller from claims for bodily injury or death. Buyer shall promptly repair all damage to the Property arising from any such access, inspections or tests and shall restore the Property to reasonably the same condition existing immediately prior to such access, inspections and tests, provided the parties agree and acknowledge that Buyer may need to access certain areas to conduct such tests and that such access may include the removal of trees, which the buyer shall not be obligated to restore. In the event Buyer discovers any matter during the course of its investigations and tests which Buyer believes may be reportable to governmental authorities or others under applicable law, Buyer acknowledges and agrees that it shall not undertake any such reporting, but shall notify Seller immediately of any such discovery. Seller assumes the obligation, if any, to report any matter as to which it receives such notice from Buyer, to the extent reportable under applicable law. The indemnification, repair and restoration obligations under this Section 6.2 shall survive the termination of this Agreement.

(c) In the event Buyer notifies Seller prior to the expiration of the Due Diligence Period that it elects to terminate this Agreement, this Agreement shall immediately be deemed to have been terminated, in which event upon satisfaction of the Termination Deliveries (hereinafter defined) the rights and obligations of the parties hereto shall cease and the parties shall be without further recourse or remedy hereunder. Failure to provide such notice to the Seller within the time specified above shall be deemed an election by Buyer to waive its right to terminate the Agreement pursuant to this Section 6.2.

(d) In the event that Buyer elects to terminate this Agreement as provided in this Section 6.2, or if this Agreement otherwise terminates as provided for hereunder for reasons other than a Seller default, then Buyer shall promptly deliver to Seller (i) copies of all written inspection reports, environmental reports, plans, surveys, title commitments or other similar materials prepared by third parties for Buyer relating to investigation of the Property (the "Materials") and (ii) a transfer to Seller of title thereto and all Buyer's interest in the Materials (the "Termination Deliveries"). Seller acknowledges that any Materials delivered by Buyer to Seller shall be informational only, without warranty or representation as to truth or accuracy.

6.3. Financing. Buyer shall have sixty (60) days from the Effective Date to secure whatever financing Buyer desires. In the event that Buyer delivers written notice to Seller of Buyer's inability to secure said financing commitment within the time period specified above, then upon delivery to Seller of the Termination Deliveries, neither party shall have any further rights against the other hereunder. Failure to provide such written notice or written evidence to the Seller within the time specified above shall be deemed an election by Buyer to waive its right to terminate the Agreement pursuant to this Section 6.3.

6.4. Zoning. Buyer's obligations hereunder shall be subject to final, non-appealable modifications, adjustments or changes to be made to the zoning currently in place with respect to the Property, as more fully set forth on Schedule 6.4. The Seller shall work cooperatively with the Buyer to achieve these zoning adjustments as expeditiously as possible.

7. Damage or Destruction: Condemnation.

7.1. The risk of loss, damage or destruction to the Property by fire or other casualty or the taking of all or part of the Property by condemnation or eminent domain or by an agreement in lieu thereof until the Closing is assumed by Seller. Seller shall maintain insurance in amounts and with deductibles that are currently in place as identified on Schedule 7.1.

7.2. In the event of partial damage or destruction of the Property, Buyer may (unless such damage has been repaired by Seller in a good and workmanlike manner prior to Closing) accept title to the Property in its destroyed or damaged condition, or Buyer may elect to terminate this Agreement. If Buyer elects to purchase, then Buyer shall pay the full Purchase Price without reduction, and Seller shall pay over or assign to Buyer (with the written consent of the insurance company to any assignment of proceeds not yet paid to Seller) all rights to any proceeds of insurance payable with respect to such destruction or damage (less amounts reasonably expended by Seller in repairing the damage prior to the Closing Date) and Buyer shall have a credit against the Purchase Price in the amount of any deductible, and any amount paid to Seller by the insurer less amounts used by Seller to repair the damage. If Buyer elects to terminate this Agreement, Buyer shall provide written notice thereof to Seller together with the Termination Deliveries and the parties shall be without further recourse or remedy hereunder.

7.3 If prior to the Closing Date, all or part of the Property is taken by condemnation, eminent domain or by agreement in lieu thereof, or any proceeding to acquire, take or condemn all or part of the Property is threatened or commenced, Seller shall notify Buyer of same promptly after Seller becomes aware thereof. Buyer at its election may, within ten (10) days after receipt of such notice, terminate this Agreement by written notice to Seller and delivery of the Termination Deliveries, whereupon the parties shall be without further recourse or remedy hereunder. In the event this Agreement is not so terminated, then the sale of the Property shall be consummated as herein provided, the entire Purchase Price shall be paid to Seller prior to such condemnation, and Buyer shall be entitled to all awards payable by reason of such taking.

7.4. Seller shall notify Buyer of any damage or destruction to the Property promptly after Seller becomes aware of same.

8. Title. If Buyer desires to examine the title to the Property, it shall pay the cost thereof, and shall have thirty (30) days from the Effective Date to provide written notice ("Buyer's Title Notice") to Seller of Buyer's disapproval of any title exceptions. Seller, by written notice to Buyer given within five (5) business days of receipt of Buyer's Title Notice, shall notify Buyer of any title objections which Seller agrees to satisfy or cure. If Seller does not agree to cure or satisfy all such matters identified in Buyer's Title Notice, Buyer may terminate this Agreement by written notice to Seller given within ten (10) business days of Seller's receipt of Buyer's Title Notice or otherwise be deemed to have waived any title matter Seller has not agreed to cure or satisfy. If Seller does not respond to Buyer's Title Notice as provided above, Seller shall be deemed not to have agreed to satisfy or cure the title matters set forth therein. If Seller is unwilling to cure or satisfy all such matters identified in Buyer's Title Notice and Buyer refuses to waive such matters, either party may terminate this Agreement by written notice to the other given within five (5) business days of receipt of Buyer's Title Notice. In the event this Agreement is terminated under this Section 8, all obligations, liabilities and rights of the parties under this Agreement shall terminate upon satisfaction of the Termination Deliveries. If Seller has elected to cure or to satisfy any title matter, such matter shall be cured or satisfied by Seller at or prior to the Closing, or as necessary, the Closing may be extended, at the request of the Seller and agreement of the Buyer so as to allow the Seller to address the outstanding title issues.

9. Possession and Condition of the Property. Full possession of the Property, free and clear of all tenants, occupants and personal property not specifically included in the Agreement, is to be delivered to the Buyer on or before the Closing Date, in the same condition in which it is on the date hereof, reasonable wear and tear and damage from casualty and condemnation excepted. The Buyer shall have the right to inspect the Property for compliance with this Section prior to delivery of the deed and upon reasonable notice to Seller within twenty four hours prior to the Closing Date.

10. Brokers. Buyer and Seller each hereby acknowledge, represent, and warrant to the other that neither has engaged a broker associated with this transaction and that each of them shall indemnify and hold the other harmless from and against any claims for commissions, finder's fees or otherwise, including all reasonable attorneys' fees and costs associated in addressing any such claim.

11. Representation and Warranties.

11.1. Representations of the Seller. The Seller hereby represents and warrants to, and covenants and agrees with, the Buyer, as of the Effective Date and as of the Closing Date, that:

(a) Authority. Seller, MHRC, has been duly organized and is validly existing and in good standing as a non-profit corporation under the laws of the State of New Hampshire. Seller, MFD, has been duly organized and is validly existing and in good standing as a _____ under the laws of the State of New Hampshire. Seller has full power to execute, deliver and carryout the terms and provisions of this

Agreement and has taken all necessary action to authorize the execution, delivery and performance of this Agreement. This Agreement constitutes the legal, valid and binding obligation of Seller enforceable in accordance with its terms. No order, permission, consent, approval, license, authorization, registration or validation of, or filing with, or exemption by, any governmental agency, court, commission, board or public authority is required to authorize, or is required in connection with, the execution, delivery and performance of this Agreement by Seller or the taking by Seller of any action contemplated by this Agreement.

(b) No Conflict. The execution and delivery of, and consummation of the transactions contemplated by this Agreement are not prohibited by, and will not conflict with, constitute grounds for termination of, or result in the breach of any of the agreements or instruments to which Seller is now a party or by which it or the Property is bound, or any order, rule or regulation of any court or other governmental agency or official.

(c) Ownership of Property. Seller is the legal fee simple titleholder of the Property and has good, marketable and insurable (at normal rates) title thereto. Seller, at its sole cost and expense, has obtained all required consents, releases and permissions and will have complied with all applicable statutes, laws, ordinances and regulations of every kind and nature, to the extent necessary and/or required, in order to convey to Buyer title to the Property.

(d) Rights in Others. No person or other entity has any right or option to acquire, lease or occupy all or any portion of the Property, except as set forth in Section 5.

(e) Leases. There are no leases, subleases, licenses or other rental agreements or occupancy agreements (written or verbal) in force or effect which grant any possessory interest in or to any space situated on or in the Property or that otherwise give rights with regard to use of the Property, except as set forth in Section 5.

(f) Other Covenants, Restrictions and Encumbrances. There are no restrictive covenants, assessments, pending assessments, "no protest" agreements, developer extension agreements, notices of lis pendens, notices of lease, notices of contract, notices of sale or option agreements, attachments, mortgages or similar covenants, encumbrances or restrictions affecting or encumbering the Property

(g) Service Contracts. There are no service, maintenance, supply or management contracts affecting the Property.

(h) Compliance with Law. Neither Seller nor the Property is in violation of any zoning, building, health, traffic, environmental, flood control, or other applicable laws, regulations, ordinances and rulings of any local, state and federal authorities or any other governmental entity having jurisdiction over the Property.

(i) No Violation Notice. Seller has not received notice: (1) from any federal, state, county or municipal authority alleging any fire, health, safety, building, pollution, environmental, zoning or other violation of law in respect of the Property or any part thereof; (2) concerning the possible or anticipated condemnation of any part of the Property, or the widening, change of grade or limitation on use of streets abutting the same or concerning any special taxes or assessments levied or to be levied against the Property or any part thereof; (3) from any insurance company or bonding company of any defects or inadequacies in the Property or any part thereof, which would adversely affect the insurability of the same or cause the imposition of extraordinary premiums or charges therefor or of any termination or threatened termination of any policy of insurance or bond; and (4) from the grantor or holder of any easement or license with respect to the Property, alleging any default or breach by Seller of the applicable provisions thereof.

(j) Public Improvements. To the best of Seller's knowledge, there are no existing or proposed eminent domain proceedings, which would affect the Property in any way whatsoever. To the best of Seller's knowledge, there are no presently planned public improvements which would result in the creation of a special assessment or similar lien upon the Property.

(k) Assessments. No assessments for public improvements have been made against the Property which are unpaid, including, without limitation, those for construction of sewer or water lines, streets, sidewalks or curbs nor, to the best of Seller's knowledge, are any such assessments pending or threatened.

(l) Utilities. Neither Seller nor any of Seller's agents have entered into any agreements in connection with any utilities for the Property, other than as may already exist of record. Neither Seller, nor to the best of Seller's knowledge, any prior owner of the Property has received notice of any fact or condition existing would or could result in the termination or reduction of the current access from the Property to existing roads and highways, or to sewer or other utility services available to the Property.

(m) Hazardous Substances. Except as set forth on Schedule 11.1(m) attached hereto, Seller (1) has never generated, stored or disposed of any Hazardous Material (as defined below) on the Property, (2) has no knowledge of the generation, storage or disposal of any Hazardous Material on the Property by any other person or entity, and (3) has not received notice from any governmental authority, and has no knowledge, regarding the presence or alleged presence of any Hazardous Material on the Property. Except as set forth on Schedule 11.1(m), Seller has no knowledge of the existence of, and has not obtained or had performed on its behalf, any hazardous waste or environmental report, geotechnic study, soil report or other engineering report or study with respect to the Property. Except as set forth on Schedule 11.1(m), to the best of Seller's knowledge, there is not now, nor has there ever been, any underground storage tank located on or under the Property. Except as set forth on Schedule 11.1(m), neither Seller nor, to the best of Seller's knowledge, any other

owner of the Property has filed any notice under any federal or state law indicating past or present treatment, storage, release or disposal of any Hazardous Material on the Property. Except as set forth on Schedule 11.1(m), neither Seller nor, to the best of Seller's knowledge, any other owner of the Property, has received any notice to the effect that it may be liable as a result of a release or threatened release of a Hazardous Material from, the Property and neither Seller nor, to the best of Seller's knowledge, any other owner of the Property has material contingent liability in connection with any such release or threatened release. Except as set forth on Schedule 11.1(m), to the best of Seller's knowledge, there have been no past, and there are no present, pending or threatened actions or proceedings by any governmental agency or any other entity regarding public health risks with respect to the environmental condition of the Property, or the disposal or presence of Hazardous Material or regarding any Environmental Law. Except as set forth on Schedule 11.1(m), there is no lien, encumbrance or preferential arrangement of any kind in favor of any governmental entity for: (1) any liability under any Environmental Laws, or (2) damages arising from, or costs incurred by such governmental entity in response to, a release or threatened release of a Hazardous Material from the Property. The term "Environmental Laws" means all federal, state or local laws, ordinances, requirements and regulations (including consent decrees and administrative orders) relating to health, safety, wetlands, industrial hygiene, waste disposal, or the protection of the environment, including, without limitation: the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, the federal Superfund Amendments and Reauthorization Act of 1986, the federal Resource Conservation and Recovery Act of 1976, the federal Clean Air Act, the federal Water Pollution Control Act and the federal Clean Water Act of 1977, the federal Insecticide, Fungicide and Rodenticide Act, the federal Pesticide Act of 1978, the federal Toxic Substances Control Act, the federal Safe Drinking Water Act, the federal Hazardous Materials Transportation Act and all amendments thereto and regulations adopted and publications promulgated pursuant thereto. The term "Hazardous Material" includes, without limitation, oil and petroleum products, asbestos, asbestos-containing materials, polychlorinated biphenyls, radon, urea formaldehyde, radioactive materials, pesticides and all other materials classified or regulated as hazardous or toxic under any Environmental Law.

(n) Litigation. There is no pending or, to Seller's knowledge, threatened action, litigation or governmental proceeding affecting or relating to Seller or the Property that could result in any encumbrance to the Property, affect the validity or enforceability of this Agreement or any other instrument or document to be delivered by Seller in connection with the transactions contemplated hereby or the performance of Seller under this Agreement or under any of such other instruments or documents, or the ability of Buyer to acquire, own and develop the Property for the Project, and Seller is not aware of any basis for any such action, litigation or governmental proceeding.

(o) To the best of Seller's knowledge, there are no threatened, pending or proposed (1) proceedings to condemn, or to purchase in lieu thereof, all or any part of the Property, (2) reassessments or special assessments or penalties or interest with respect to the Property or any other assessments applicable to the Property, (3) proceedings before any court or administrative agency, the adverse resolution of which would have an adverse effect on the value or operations of the Property, or (4) any other impediments that could significantly interfere with the Buyer's use or disposition of the Property or the value or operations of the Property.

(p) Full Disclosure. None of the representations or warranties in this Agreement by Seller, nor any descriptive information concerning the Property set forth in this Agreement, nor any document, statement, certificate, schedule or other information furnished or to be furnished to Buyer by Seller on its behalf in connection with this Agreement, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements of fact contained therein not misleading.

(q) Maintenance of Property. Seller shall maintain the Property through the time of closing in the same condition or repair that exists on the date of this Agreement, reasonable wear and tear accepted.

It shall be a condition of Buyer's and Seller's obligation to close under this Agreement that the foregoing representations made by the Seller were materially true when made and remain materially true as of the Closing Date. Said representations shall survive acceptance of the Deed by the Buyer at Closing.

11.2. The Buyer hereby represents and warrants to, and covenants and agrees with, the Seller, as of the Effective Date and as of the Closing Date, that:

(a) Organization. The Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of New Hampshire and has full corporate power and authority to own its properties and to conduct the business in which is it now engaged.

(b) Authority. The execution and delivery by the Buyer of this Agreement and any other documents, agreements, instruments or certificates delivered to Seller by the Buyer in connection with this Agreement (collectively, the "Buyer Transaction Documents"), the performance by the Buyer of its covenants and agreements under the Buyer Transaction Documents, and the consummation by the Buyer of the transactions contemplated by the Buyer Transaction Documents have been duly authorized by all necessary limited liability company action. The Buyer Transaction Documents constitute valid and legally binding obligations of the Buyer, enforceable against the Buyer in accordance with their respective terms.

(c) No Legal Bar; Conflicts. Neither the execution and delivery of the Buyer Transaction Documents, nor the performance or consummation of the transactions contemplated thereby: (1) violates any provision of the Certificate of Formation or Operating Agreement of the Buyer; (2) violates any statute, ordinance, regulations, order, judgment or decree of any court or governmental agency or board; or (3) (i) conflicts with; (ii) or will result in any breach of any of the terms of; (iii) or will constitute a default under; (iv) or result in the termination of; (v) or the creation of any lien pursuant to the terms of: any contract, agreement, lien, permit, authorization, order, writ, judgment, injunction, decree, determination or arbitration award to which the Buyer is a party or by which the Buyer or any of its assets is bound. No consents, approvals or authorizations of, or filings with, any governmental authority or any other person or entity are required to be obtained by the Buyer in connection with the execution and delivery of the Buyer Transaction Documents, or the performance of the consummation of the transactions contemplated hereby.

(d) Litigation; Disputes. There are no claims, disputes, actions, suits, investigations or proceedings pending or, to the Buyer's knowledge, threatened against or prohibiting the purchase of the Property hereunder, or the execution or delivery of, or the performance of the transactions contemplated by, the Buyer's Transactional Documents, and no such claim dispute, action, suit, proceeding or investigation has been pending or, to the Buyer's knowledge, threatened during the five year period preceding the date of this Agreement, and, to the Buyer's knowledge, there is no basis for any such claim, dispute, action, suit, investigation or proceeding. The Buyer has no actual knowledge of any default under any such action, suit or proceeding. The Buyer is not in default in respect of any judgment, order, writ, injunction or decree of any court or of any federal, state, municipal or other government department, commissions, bureau, agency or instrumentality or any arbitrator.

It shall be a condition of Buyer's and Seller's obligation to close under this Agreement that the foregoing representations made by the Buyer were true when made and remain true as of the Closing Date. Said representations shall survive acceptance of the Deed by the Buyer at Closing.

12. Statutory Notification as to Map 766, Lot 14D.

12.1. Notification Regarding Radon Gas and Lead Paint: In compliance with the requirements of RSA 477:4-a, the following information is provided by Seller to Buyer:

(i) Radon Gas: Radon gas, the product of decay of radioactive materials in rock may be found in some areas of New Hampshire. This gas may pass into a structure through the ground or through water from a deep well. Testing can establish its presence and equipment is available to remove it from the area or water.

(ii) Lead Paint Before 1977: Paint containing lead may have been used in structures. The presence of flaking lead paint can present a serious health hazard, especially to young children and pregnant women. Tests are available to determine whether lead is present.

12.2. Notification Regarding Private Sewage Disposal System: In compliance with RSA 477:4-c, the following information is provided by Seller to Buyer:

(i) Seller to provide whatever information it has available to it regarding the private sewage disposal system, if any, located on the Property, including the size of the tank, type of system, its location, malfunction, the age of the system, the date it was most recently serviced, and the name of the contractor who services the systems.

13. Apportionment and Adjustment. As this is City owned property for which the Seller is exempt from special assessments, taxes, water and sewage bills, there shall be no prorations necessary at Closing. Provided however, Seller shall be responsible for and shall hold Buyer harmless for all amounts incurred prior to the Closing Date, and Buyer shall be responsible for and hold Seller harmless for all amounts incurred after the Closing Date. Further, the Buyer shall be responsible for only fifty percent (50%) of all real estate transfer taxes as Seller is exempt from real estate transfer taxes and Seller hereby indemnifies and agrees to hold Buyer harmless from and against any claims asserted against Buyer or the Property in the nature of Seller's fifty percent (50%) of all real estate transfer taxes, including Buyer's reasonable attorneys' fees and costs. Buyer shall be solely responsible for all costs associated with the title examination and title insurance.

14. Closing. The Closing shall take place within fifteen days following full and complete satisfaction or waiver of all Contingencies (the "Closing Date"), or such other time as mutually agreed upon between the parties. The Closing shall occur at the Offices of Craven Law Firm, 740 Chestnut Street, Manchester, New Hampshire 03104 or such other location as is mutually convenient to the parties. Notwithstanding the foregoing or any other language contained in this Agreement to the contrary, the Seller shall have the right to extend the Closing Date for a period of not more than sixty (60) days as reasonably necessary to complete this transaction.

15. Default.

15.1. If despite Seller's reasonable efforts, Seller fails to perform all of its obligations hereunder and satisfy all conditions of Closing to be satisfied by Seller on or before the Closing Date, Buyer's sole and exclusive remedy shall be the right to exercise any one of the following remedies:

(a) Buyer shall have the right to terminate this Agreement by notice to Seller, in which event all obligations of the parties under this Agreement shall terminate; or

(b) Buyer may seek specific performance of Seller's obligations hereunder.

15.2. In the event of a default by Buyer hereunder, Seller may terminate the Agreement, requiring Buyer to deliver all Termination Deliverables and the parties shall be without further recourse or remedy hereunder.

16. Notice and Other Communications. All notices under this Agreement shall be in writing and shall be delivered personally or shall be sent by: (i) hand, (ii) recognized overnight mail service (e.g., Federal Express, Tiger or DHL), (iii) facsimile, or (iv) prepaid registered or certified mail, return receipt requested, addressed as follows:

If to Seller:

The City of Manchester
City Hall Plaza
Manchester, NH 03101
Attn:
(603) (fax)

With a copy to:

If to Buyer:

Danais Realty Group, Inc.
740 Chestnut Street
Manchester, NH 03104
Attn: Richard N. Danais
(603) 626-0046 (fax)

With a copy to:

Craven Law Firm
740 Chestnut Street
Manchester, NH 03104
Attn: Jason M. Craven, Esquire
(603) 626-0046 (fax)

17. Assignment. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Notwithstanding the foregoing, Buyer shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Seller, except that Buyer may assign its interests under this Agreement to an entity in which Richard N. Danais is an owner or manager.

18. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of New Hampshire, without reference to conflict of laws principles.

19. Forum Selection Clause. Any dispute between the parties must be brought and litigated in the New Hampshire Superior Court located in Hillsborough County (the location of the Property). The Parties agree that the Hillsborough County Superior Court will be the exclusive venue for litigation between the Parties, and all Parties consent to that court's exercise of jurisdiction over such an action, including subject matter and personal jurisdiction. The

Parties hereby waive all objections to venue in Hillsborough County, including forum non conveniens, AND HEREBY WAIVE TRIAL BY JURY.

20. Amendment of Agreement. This Agreement shall not be deemed or construed to be modified, amended, superseded, canceled, or waived in whole or in part, except by written amendment, signed by the Seller and the Buyer which specifically states that such modification, amendment, cancellation or waiver is made pursuant to this Section.

21. Severability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted, except in cases where such unenforceable provision is a basic prerequisite for any party or both parties to enter into this Agreement, in which event the parties will negotiate in good faith a substitute provisions consistent with the intent of the unenforceable provision.

22. Attorney's Fees. In the event that either party materially breaches this Agreement or any of the obligations or undertakings that form a part of it, the breaching party shall be obligated to reimburse the non-breaching party for its reasonable attorney's fees and costs incurred as a result of such breach, regardless of whether suit is initiated.

23. Entire Agreement. This Agreement constitutes the entire agreement between the parties. This Agreement supersedes all proposals, oral or written and all negotiations, conversations, or discussions heretofore held between the parties related to this Agreement. The parties hereto acknowledge that they have not been induced to enter into the Agreement by any representations or statements, oral or written, not expressly contained herein.

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

25. Time of the Essence. Time is of the essence in this Agreement and each and every term and condition hereof. If any date for performance of any action or matter set forth in this Agreement falls on a weekend or national holiday, such date shall automatically be deemed by the parties to be required to be taken or performed on the next succeeding business day.

26. Recording. It is agreed that this Agreement shall not be filed for recording with any governmental authority or registry of deeds. If for any reason Buyer files or records a copy of this Agreement, Seller may elect to terminate this Agreement by written notice to Buyer, and in such event, Seller shall be entitled to the Deposit and upon receipt of such Deposit neither party shall thereafter have any further recourse one to the other hereunder, except for the Surviving Obligations.

**IN WITNESS WHEREOF,** the parties have caused this Agreement to be executed the day and year first above written.

SELLER:

Manchester Housing & Redevelopment Corporation

By: _____
Name:
Title:
Duly Authorized
SELLER

Manchester Fire Department

By: _____
Name:
Title:
Duly Authorized

BUYER

Danais Realty Group, Inc.

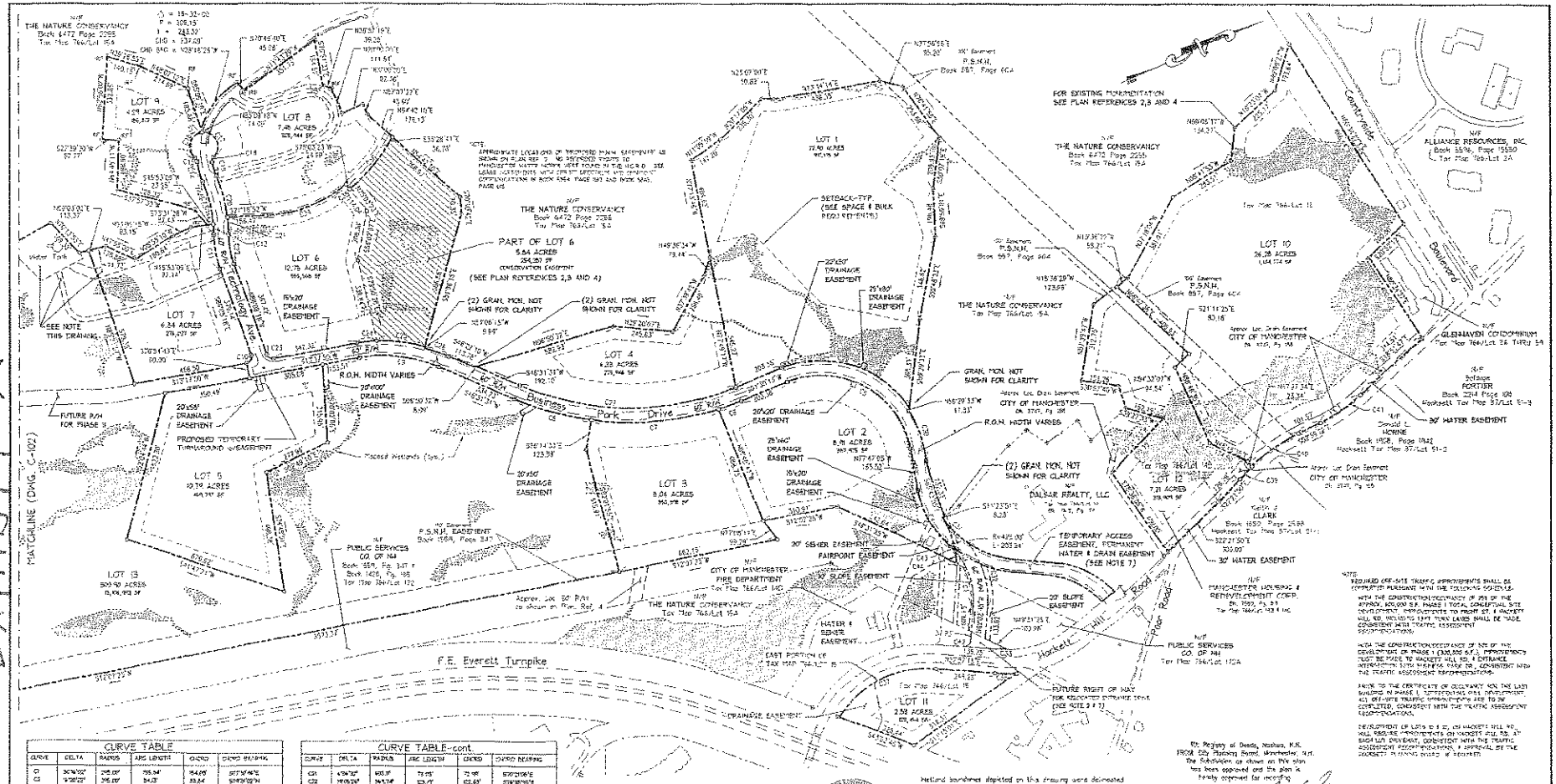
By: _____
Richard N. Danais, President
Duly Authorized

**EXHIBIT A**

**PLAN NO. 36507**

EXHIBIT A

81-5




| CURVE TABLE | | | | | |
|---|---|---|---|---|---|
| CURVE | DELTA | RADIUS | ARC LENGTH | CHORD | CHORD BEARING |
| C1 | 36°36'02" | 285.00' | 185.34' | 182.09' | S77°36'46"E |
| C2 | 9°38'02" | 285.00' | 34.33' | 33.84' | S39°05'03"E |
| C3 | 84°40'57" | 425.00' | 275.98' | 251.78' | N54°17'03"W |
| C4 | 100°42'49" | 325.00' | 458.71' | 401.97' | S61°53'24"W |
| C5 | 6°44'46" | 425.00' | 50.05' | 50.02' | N32°22'34"E |
| C6 | 24°50'00" | 425.00' | 184.24' | 182.77' | S38°21'53"E |
| C7 | 32°36'00" | 275.00' | 156.46' | 154.38' | S39°46'43"W |
| C8 | 33°00'00" | 275.00' | 158.37' | 156.19' | S39°46'43"W |
| C9 | 11°24'00" | 25.00' | 4.97' | 4.96' | N34°27'43"W |
| C10 | 11°24'00" | 25.00' | 4.97' | 4.96' | N34°27'43"W |
| C11 | 90°00'00" | 25.00' | 39.27' | 35.36' | N32°46'43"W |
| C12 | 90°00'00" | 25.00' | 39.27' | 35.36' | N57°13'17"E |
| C13 | 90°00'00" | 25.00' | 39.27' | 35.36' | S32°46'43"E |
| C14 | 90°00'00" | 25.00' | 39.27' | 35.36' | S57°13'17"W |
| C15 | 11°24'00" | 25.00' | 4.97' | 4.96' | S34°27'43"E |
| C16 | 11°24'00" | 25.00' | 4.97' | 4.96' | S34°27'43"E |
| C17 | 14°22'31" | 57.00' | 14.29' | 14.25' | N47°47'47"E |
| C18 | 54°52'47" | 25.00' | 23.94' | 23.04' | S49°47'47"E |
| C19 | 17°54'57" | 25.00' | 7.81' | 7.78' | N62°47'47"E |
| C20 | 17°54'57" | 25.00' | 7.81' | 7.78' | S62°47'47"E |

| CURVE TABLE-cont. | | | | | |
|---|---|---|---|---|---|
| CURVE | DELTA | RADIUS | ARC LENGTH | CHORD | CHORD BEARING |
| C21 | 4°34'28" | 950.00' | 75.93' | 75.91' | S70°03'06"E |
| C22 | 18°06'28" | 346.00' | 109.37' | 108.89' | S79°38'07"E |
| C23 | 50°23'54" | 25.00' | 21.98' | 21.28' | N63°54'42"E |
| C24 | 17°47'33" | 100.00' | 31.04' | 30.91' | N73°08'17"E |
| C25 | 67°54'00" | 100.00' | 118.51' | 111.72' | N42°46'53"E |
| C26 | 67°54'00" | 100.00' | 118.51' | 111.72' | N42°46'53"E |
| C27 | 69°09'00" | 100.00' | 120.70' | 113.50' | N43°06'53"E |
| C28 | 79°27'00" | 100.00' | 138.73' | 127.91' | N39°46'53"E |
| C29 | 74°54'00" | 100.00' | 130.77' | 121.74' | N37°46'53"E |
| C30 | 74°54'00" | 100.00' | 130.77' | 121.74' | N37°46'53"E |
| C31 | 37°57'00" | 274.00' | 181.43' | 178.14' | N32°25'53"E |
| C32 | 37°57'00" | 274.00' | 181.43' | 178.14' | N32°25'53"E |
| C33 | 45°54'15" | 356.00' | 285.23' | 277.67' | N49°49'54"E |
| C34 | 45°54'15" | 356.00' | 285.23' | 277.67' | N49°49'54"E |
| C35 | 10°00'00" | 411.00' | 71.73' | 71.63' | N32°22'53"E |
| C36 | 10°00'00" | 411.00' | 71.73' | 71.63' | N32°22'53"E |
| C37 | 10°00'00" | 350.00' | 61.09' | 61.00' | N32°22'53"E |
| C38 | 10°00'00" | 350.00' | 61.09' | 61.00' | N32°22'53"E |
| C39 | 10°00'00" | 350.00' | 61.09' | 61.00' | N32°22'53"E |
| C40 | 10°00'00" | 350.00' | 61.09' | 61.00' | N32°22'53"E |
| C41 | 10°00'00" | 350.00' | 61.09' | 61.00' | N32°22'53"E |
| C42 | 10°00'00" | 350.00' | 61.09' | 61.00' | N32°22'53"E |
| C43 | 10°00'00" | 350.00' | 61.09' | 61.00' | N32°22'53"E |
| C44 | 10°00'00" | 350.00' | 61.09' | 61.00' | N32°22'53"E |
| C45 | 5°57'24" | 550.00' | 57.17' | 57.14' | N37°23'53"E |
| C46 | 5°57'24" | 550.00' | 57.17' | 57.14' | N37°23'53"E |
| C47 | 90°00'00" | 25.00' | 39.27' | 35.36' | N32°46'43"W |
| C48 | 90°00'00" | 25.00' | 39.27' | 35.36' | N57°13'17"E |
| C49 | 90°00'00" | 25.00' | 39.27' | 35.36' | S32°46'43"E |
| C50 | 90°00'00" | 25.00' | 39.27' | 35.36' | S57°13'17"W |
| C51 | 6°53'24" | 550.00' | 66.13' | 66.09' | S34°23'53"W |
| C52 | 6°53'24" | 550.00' | 66.13' | 66.09' | S34°23'53"W |
| C53 | 6°53'24" | 550.00' | 66.13' | 66.09' | S34°23'53"W |
| C54 | 6°53'24" | 550.00' | 66.13' | 66.09' | S34°23'53"W |

GRAPHIC SCALE

1 IN. = 200 FT.

## Legend

- PROPERTY LINE
- RIGHT OF WAY
- EASEMENT
- BUILDING SETBACK
- EDGE OF PAVEMENT
- WT WORK TAKEMENT
- IRON ROD FOUND
- EXISTING IRON ROD OR MON. (LOCATION BASED ON PLAN REF. 1-5)
- IRON ROD TO BE SET (SEE NOTE 13)
- 4"x4" GRANITE MONUMENT TO BE SET (SEE NOTE 13)

Wetland boundaries depicted on this drawing were delineated during October of 2005, by John St. John, N.H. Certified Wetland Scientist #221, in accordance with WT 301.01 of the New Hampshire Code of Administrative Rules.

JOHN ST. JOHN NH CERTIFIED WETLAND SCIENTIST 221

I HEREBY CERTIFY THAT ALL PERIMETER BOUNDARY INFORMATION SHOWN HEREON WAS DEVELOPED SUBSTANTIALLY FROM THE REFERENCE PLANS CITED AND A PARCEL FIELD SURVEY BY OEST ASSOC., INC. PERFORMED IN MARCH 2005 AND HAS A MAXIMUM ERROR OF CLOSURE OF 1 IN 10,000 ON PROPERTY LINES NORTH AND SOUTHERLY THE SUBJECT PROPERTY.

DATE: _____ DANNY R. BOLENDER LLS 887

NOTE: REQUIRED OFF-SITE TRAFFIC IMPROVEMENTS SHALL BE COMPLETED PURSUANT WITH THE FOLLOWING SCHEDULE:

WITH THE CONSTRUCTION/OCCUPANCY OF 75% OF THE APPROX. 600,000 S.F. PHASE I TOTAL CONCEPTUAL SITE DEVELOPMENT, IMPROVEMENTS TO FRONT ST. & HACKETT HILL RD. INTERSECTION WITH TURN LANES SHALL BE MADE CONSISTENT WITH TRAFFIC ASSESSMENT RECOMMENDATIONS.

WITH THE CONSTRUCTION/OCCUPANCY OF 50% OF THE DEVELOPMENT OF PHASE I (300,000 S.F.) IMPROVEMENTS MUST BE MADE TO HACKETT HILL RD. & ENTRANCE INTERSECTION WITH MANCHESTER PARK DR., CONSISTENT WITH THE TRAFFIC ASSESSMENT RECOMMENDATIONS.

PRIOR TO THE CERTIFICATE OF OCCUPANCY FOR THE LAST BUILDING IN PHASE I, REMAINING OFF-SITE DEVELOPMENT ALL OFF-SITE TRAFFIC IMPROVEMENTS ARE TO BE COMPLETED, CONSISTENT WITH THE TRAFFIC ASSESSMENT RECOMMENDATIONS.

REALIGNMENT OF LOTS 8 & 10, ON HACKETT HILL RD. WILL REQUIRE IMPROVEMENTS ON HACKETT HILL RD. AT EACH LOT DRIVEWAY, CONSISTENT WITH THE TRAFFIC ASSESSMENT RECOMMENDATIONS, & APPROVAL BY THE HACKETT PLANNING BOARD IF REQUIRED.

Per Registry of Deeds, Nashua, N.H.
FROM City Planning Board, Manchester, N.H.
The Subdivision as shown on this plan has been approved and this plan is hereby approved for recording

Date 08-02-2010 Signed _____

NOTE: SEE DWG. C-102 FOR GENERAL NOTES & PLAN REFERENCES.

| | | | | | |
|---|---|---|---|---|---|
| 7 | Rev. Note 7 & 13, & Access Easements | JKM | APL | NCB | 1-22-09 |
| REV. | DESCRIPTION | DR BY | CKD BY | APPR BY | DATE |

Manchester Housing & Redevelopment Corp.
198 Chestnut Street, Manchester, New Hampshire 03101-2608

NORTHWEST BUSINESS PARK
Hackett Hill Road Manchester, New Hampshire

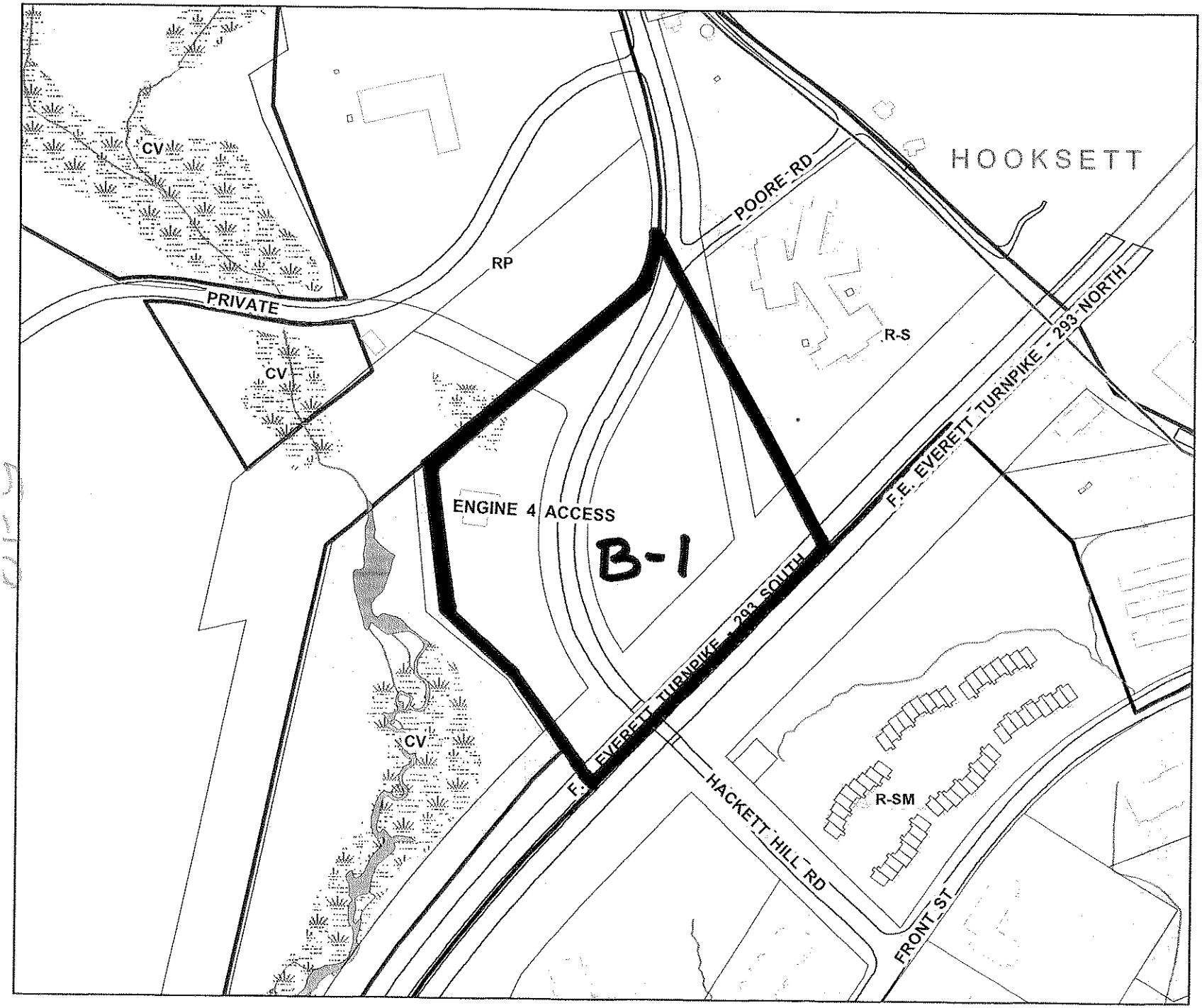
SUBDIVISION PLAT - 1
Tax Map 766 Lots 14E, 14C & 15

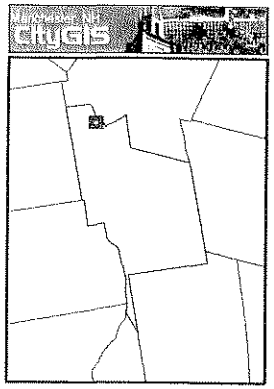
OEST Associates, Inc.
ENGINEERS Architects Surveyors Environmental Consultants
243 Commercial Street Portland, ME 04101-2512
Tel. (207) 761-2110 Fax. (207) 761-2349
Web: www.oest.com Email: mail@oest.com

| | | |
|---|---|---|
| SCALE: 1" = 200' | PROJECT NO. 478.01.03 | DRAWING NO. C-101 |
| DATE: Jan. 2009 | | |
| DES. BY: Tom Alexander | SHEET 1 OF 13 | |
| DRN. BY: N. Archer | | |
| CHK. BY: T. Fairbrother | | |

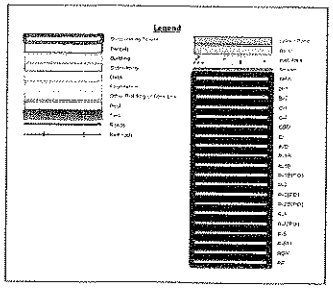
81-5

#36507 #73 Chm 169




Area Map Showing Extent Of Map At Left




City of Manchester, New Hampshire - CityGIS Map Print

N W E S

0 90 180 360 Feet

*DISCLAIMER*

The information appearing on this map is for the convenience of the user and is not an official public record of the City of Manchester, NH (the "City"). This map is not survey-quality. All boundaries, easements, areas, measurements, rights-of-way, etc. appearing on this map should only be considered approximations, and as such have no official or legal value. The City makes no warranties, expressed or implied, concerning the accuracy, completeness, reliability, or suitability of this information for any particular use. The City assumes no liability whatsoever associated with the use or misuse of this information. The official public records from which this information was compiled are kept in the offices of various City, County, and State government agencies and departments, and are available for inspection and copying during normal business hours. By using this map, you agree to these terms and conditions.

## Schedule 6.4

## Required Adjustments to RP Zone

4.01 A. Base Districts

EXISTING:

15. *Research Park District (RP).* The purpose of the Research Park District is to set aside and retain contiguous tracts of land capable of supporting large scale integrated development of professional offices, educational and research and development functions in a planned park or campus-like setting in well-designed high quality buildings which are compatible with their natural surroundings, incorporating sufficient buffers to insulate surrounding residential areas from adverse impacts.

CHANGE TO:

15. *Research Park District (RP).* The purpose of the Research Park District is to set aside and retain contiguous tracts of land capable of supporting large scale integrated development of professional offices, educational and research and development functions, in addition to commercial and light industrial uses associated with the production of goods, materials and knowledge. Retail service businesses may be permitted to the extent that they service the workforce and surrounding areas. It is expected that parcels in the RP zone would be developed in a planned park or campus-like setting in well-designed high quality buildings which are compatible with their natural surroundings, incorporating sufficient buffers to insulate surrounding residential areas from adverse impacts.

Section 5.10 Table of Principal Uses

| Use | Existing | Change to |
|---|---|---|
| Other manufacturing, fabrication, and assembly facilities | P | No change |
| Materials Research and testing | P | No change |
| Wholesale bakery or food processing | CU | P |
| Printing and Publishing | P | No change |
| R&D | P | No change |
| Small scale assembly, fabrication, and craftsmen businesses | -- | P |

| Use | Existing | Change to |
|---|---|---|
| Warehousing or wholesale storage and distribution | -- | P |
| Truck or rail terminal | -- | CU |
| Primary manufacturing facilities | -- | CU |
| Telecommunication Towers | -- | P |
| Telecommunication Antennas | P | No change |
| Radio/TV stations, offices, studios | P | No change |
| Telephone, telecommunication and cable service operations | CU | P |
| Essential Public Services | CU | P |
| Convenience retail up to 8000 sq.ft. | -- | No change |
| Convenience Retail more than 8000 sq.ft. | -- | No change |
| Limited retail, restaurant, hotel services zone | CU | No change |
| Restaurant up to 5000 sq.ft. w/o drive up | -- | No change |
| Restaurant more than 5000 sq.ft w/o drive up | -- | No change |
| Restaurant up to 5000 sq.ft. w/ drive up | -- | No change |
| Restaurant more than 5000 sq.ft w/ drive up | -- | No change |
| All drive through establishments | -- | No change |
| Banking, financial, real estate and ins. Offices | CU | No change |
| Other business and professional Offices | CU | P |
| Offices of health care practitioners and Outpatient health care | CU | P |
| Rehabilitation centers | -- | P |
| Health Care offices | CU | P |
| Medical and Dental Labs | P | No change |
| Medical R&D | CU | P |

| Use | Existing | Change To |
|---|---|---|
| Hotels and motels and extended stay facilities | -- | CU |
| Conference, Trade or Convention Center | CU | No change |
| Indoor health & fitness center | P | No change |
| Domestic Laundry | -- | P |
| Photo studio | -- | P |
| Photo labs, mailing services, copy centers and sign shops | CU | P |
| Industrial laundry, dyers | -- | P |
| Large appliance repair | -- | P |
| Equipment Rental | -- | CU |
| Business Equipment Repair | -- | P |
| Commercial Child Day Care | P | No change |
| Adult Day Care | -- | CU |
| Municipal Facilities | P | No change |

Section 5.11 Table of Accessory Uses

| Use | Existing | Change to |
|---|---|---|
| Accessory buildings and appurtenant structures | CU | P |
| Accessory Outside Storage | -- | P |
| Accessory office and warehousing for manufacturers use | P | No change |
| Dwelling Unit for caretaker | CU | P |
| Cafeteria, recreation and fitness facilities for employees | P | No change |
| Child Care primarily serving employees | P | No change |

1/19/10 Tabled

RECEIVED
DEC 02 2009
CITY CLERK'S OFFICE

GoodmanNetworks
Network Knowledge... Delivered.

December 1, 2009

The Honorable Mayor Frank C. Guinta
**City of Manchester**
One City Hall Plaza
Manchester, NH 03101

Re: Thomas Donnelly Field
Clearwire NH-MAN 5127 B
975 Beech Street
Manchester, NH 03103

Dear Mayor Guinta:

Goodman Networks, Inc., has been retained to perform site acquisition, planning and permitting functions for the development of Clearwire wireless telecommunications antenna sites in the Manchester, NH, area. Your City's property has been identified as a candidate for a wireless facility.

As a result of the initial inspections and testing by the Clearwire radio-engineering department, it has been determined that your site is feasible for network development. The following are the basic business points of a proposed lease transaction:

**Space:** A 40′ x 40′ area located in the area adjacent to the the baseball fields. The antennas will be mounted on a 150′ monopole/field light structure approximately as shown on the attached exhibit, together with the associated lines and cables connecting the equipment with the antennae arrays.

**Equipment:** Clearwire proposed 9 antennas (three per sector). All installations will comply with the design guidelines set forth by the city in which the property is located. Additionally two radio equipment cabinets approximately 3′ wide by 3′ deep by 5′ high will be placed in the equipment leased area. All installations are certified by a structural engineer and an architect. Also, the utilities serving the equipment location shall be separately metered, and the costs (installation and or extension from the street ROW to the leased area and the monthly operation) of said utilities shall be borne solely by

| | |
|---|---|
| | Clearwire. |
| **Lease Term:** | A five (5) year primary term, with four (4) options to extend the lease of five (5) years each. |
| **Rent:** | Clearwire proposes a monthly rental of One Thousand Four Hundred Dollars ($1,400.00). |
| **Periodic Rent Escalations:** | The rental shall be escalated by Ten percent (10%) each option period |
| **Maintenance, Taxes & Utilities:** | All paid by Clearwire. |
| **Access:** | 7/24/365 access is required by the Clearwire® maintenance department with notice. Clearwire agrees to reimburse your organization for actual security costs incurred in connection with after-hour, emergency maintenance events. |
| **Insurance:** | Clearwire will provide a $2,000,000 liability policy and will name the landlord as an additional insured party. |

All costs of constructing the facility, permitting and applications fees will be processed by Goodman Networks, Inc., and will be paid for by Clearwire As landlord all that is required of you is a signed and notarized letter authorizing Goodman Networks, Inc., to act on your behalf in making the necessary applications. Prior to the processing of any permit the landlord will be presented with a set of plans for approval.

The above is intended only to be a basic overview of the lease terms and process. The engineers at Clearwire have designed numerous installations nationwide and are able to accommodate almost any situation. Please review the attached plans and call me with any questions, comments or requests for additional information.

Thank you for your consideration. Again, should you have any questions or require further information, please don't hesitate to call. Please contact me at your earliest convenience. I can be reached at (310) 259-4285.

Sincerely,

Jack M. Baringer
Site Acquisition Manager

CC: NH-MAN 5127 B file

APPROX. TRUE NORTH

## SITE PLAN

SCALE: NTS

1 / LE-1

APPROVALS:

LANDLORD:

FIELD CONST. MGR:

RF ENGINEER:

SITE ACQUISITION AGENT:

SHEET 1 OF 3

AERIAL SPECTRUM INCORPORATED

LAKESIDE OFFICE PARK
599 NORTH AVE., SUITE 8
WAKEFIELD, MA 01880
tel. (781) 295 0818
fax (781) 295 0825
e-mail: blocke@aerialspectrum.com

clearw're®

4400 CARILLON POINT
KIRKLAND, WA 98033

SITE TYPE:
RAW LAND

PROJECT INFORMATION:

SITE #: NH-MAN5127-B

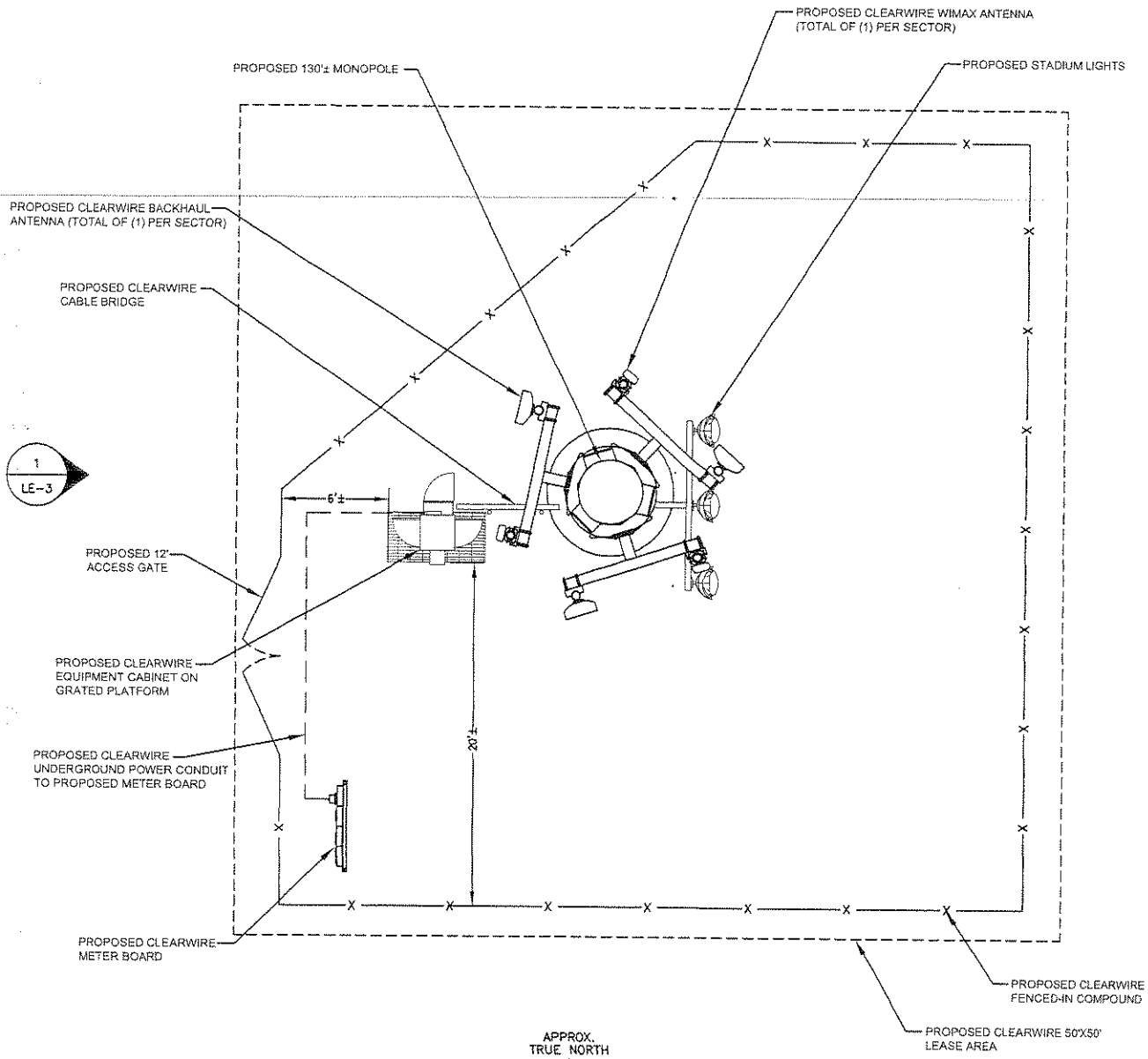
SITE NAME: THOMAS DONNELLY FIELD

SITE ADDRESS: 975 BEECH STREET
MANCHESTER, NH

REVISIONS:

| REV.# | DATE | DESCRIPTION |
|---|---|---|
| A | 11/30/09 | ISSUED FOR REVIEW |

DRAWN BY: KAP




## COMPOUND PLAN

1 / LE-2

SCALE: 1"=10'-0"

APPROX. TRUE NORTH

5 0 2.5 5 10 20

APPROVALS:

LANDLORD:

FIELD CONST. MGR:

RF ENGINEER:

SITE ACQUISITION AGENT:

SHEET 2 OF 3

AERIAL SPECTRUM INCORPORATED

LAKESIDE OFFICE PARK
599 NORTH AVE., SUITE 8
WAKEFIELD, MA 01880
tel. (781) 295 0818
fax (781) 295 0825
e-mail: blocke@aerialspectrum.com

clearwire®

4400 CARILLON POINT
KIRKLAND, WA 98033

SITE TYPE:
RAW LAND

PROJECT INFORMATION:

SITE #: NH-MAN5127-B

SITE NAME: THOMAS DONNELLY FIELD

SITE ADDRESS: 975 BEECH STREET MANCHESTER, NH

REVISIONS:

| REV.# | DATE | DESCRIPTION |
|---|---|---|
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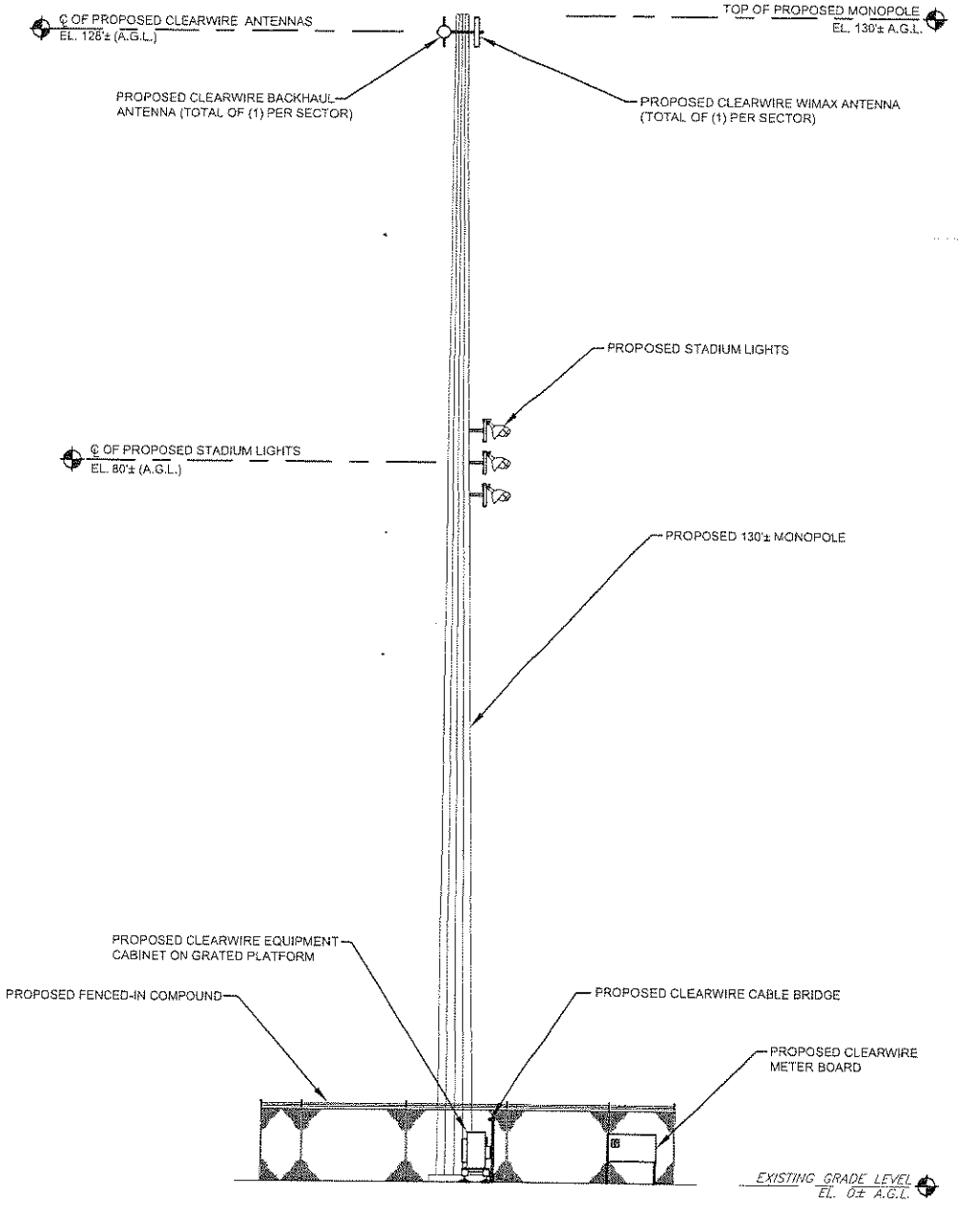
| A | 11/30/09 | ISSUED FOR REVIEW |

DRAWN BY: KAP




## ELEVATION

SCALE: 1"=20'-0"

1 / LE-3

10 0 5 10 20 40

APPROVALS:

LANDLORD:

FIELD CONST. MGR:

RF ENGINEER:

SITE ACQUISITION AGENT:

SHEET 3 OF 3

AERIAL SPECTRUM INCORPORATED
LAKESIDE OFFICE PARK
599 NORTH AVE., SUITE 8
WAKEFIELD, MA 01880
tel. (781) 295 0818
fax (781) 295 0825
e-mail: blocke@aerialspectrum.com

clearw'r e®

4400 CARILLON POINT
KIRKLAND, WA 98033

SITE TYPE:
RAW LAND

PROJECT INFORMATION:

SITE #: NH-MAN5127-B

SITE NAME: THOMAS DONNELLY FIELD

SITE ADDRESS: 975 BEECH STREET MANCHESTER, NH

REVISIONS:

| REV.# | DATE | DESCRIPTION |
|---|---|---|
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| | | |
| | | |
| A | 11/30/09 | ISSUED FOR REVIEW |

DRAWN BY: KAP

Tabled 1/19/10

GoodmanNetworks

Network Knowledge... Delivered.

January 17, 2010

The Honorable Mayor Ted Gatsas
**City of Manchester**
One City Hall Plaza
Manchester, NH 03101

Re: Rock Rimon Park
Clearwire NH-MAN 5143 B
299 Moore Street
Manchester, NH 03103

Dear Mayor Gatsas:

Goodman Networks, Inc., has been retained to perform site acquisition, planning and permitting functions for the development of Clearwire wireless telecommunications antenna sites in the Manchester, NH, area. Your City's property has been identified as a candidate for a wireless facility.

As a result of the initial inspections and testing by the Clearwire radio-engineering department, it has been determined that your site is feasible for network development. The following are the basic business points of a proposed lease transaction:

**Space:** A 40′ x 40′ area located in the area adjacent to the wooded area by the baseball fields. The antennas will be mounted on a 150′ monopole structure approximately as shown on the attached exhibit, together with the associated lines and cables connecting the equipment with the antennae arrays.

**Equipment:** Clearwire proposed 9 antennas (three per sector). All installations will comply with the design guidelines set forth by the city in which the property is located. Additionally two radio equipment cabinets approximately 3′ wide by 3′ deep by 5′ high will be placed in the equipment leased area. All installations are certified by a structural engineer and an architect. Also, the utilities serving the equipment location shall be separately metered, and the costs (installation and or extension from the street ROW to the leased area and the monthly operation) of said utilities shall be borne solely by Clearwire.

| | |
|---|---|
| **Lease Term:** | A five (5) year primary term, with four (4) options to extend the lease of five (5) years each. |
| **Rent:** | Clearwire proposes a monthly rental of One Thousand Four Hundred Dollars ($1,400.00). |
| **Periodic Rent Escalations:** | The rental shall be escalated by Ten percent (10%) each option period |
| **Maintenance, Taxes & Utilities:** | All paid by Clearwire. |
| **Access:** | 7/24/365 access is required by the Clearwire® maintenance department with notice. Clearwire agrees to reimburse your organization for actual security costs incurred in connection with after-hour, emergency maintenance events. |
| **Insurance:** | Clearwire will provide a $2,000,000 liability policy and will name the landlord as an additional insured party. |

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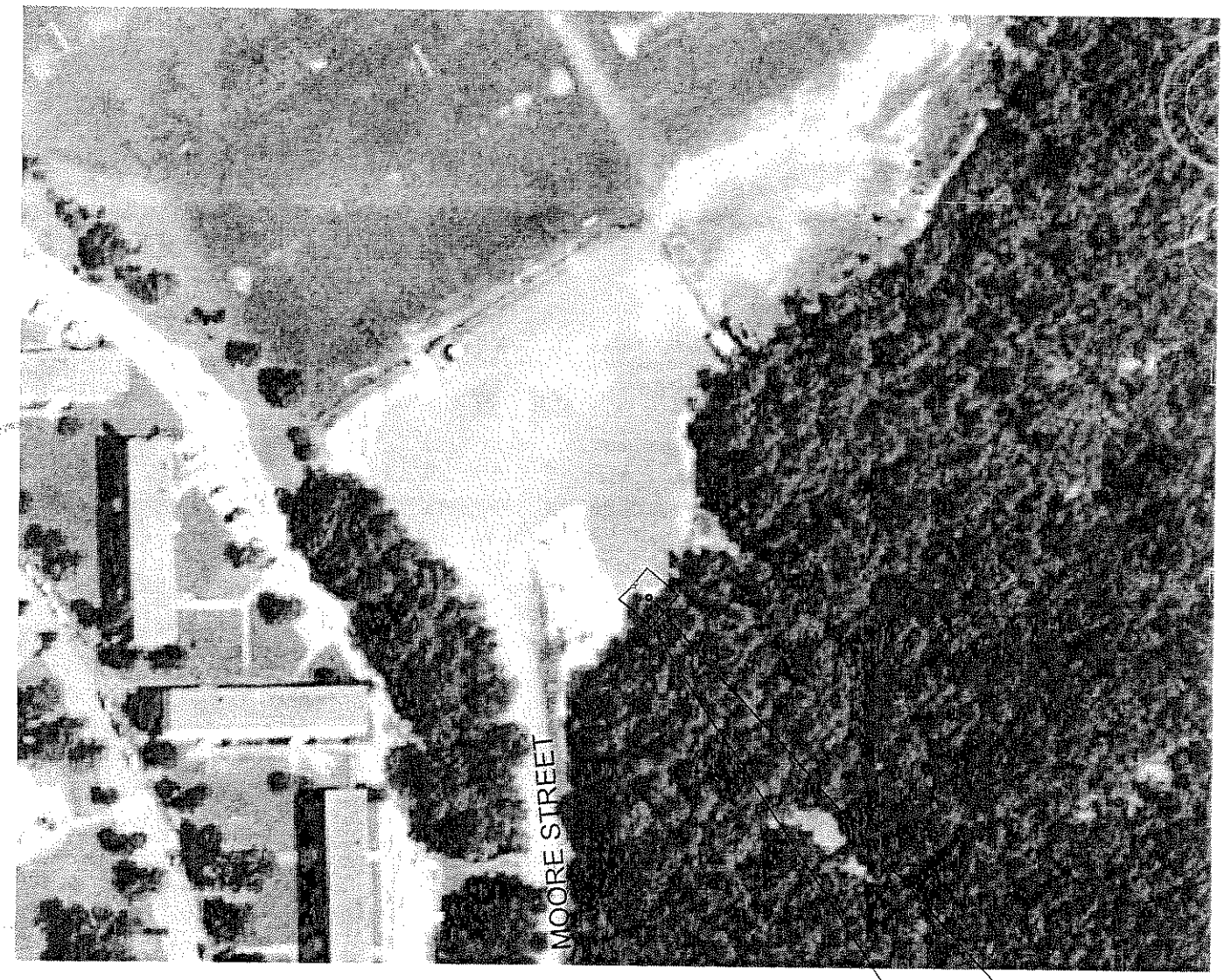
Thank you for your consideration. Again, should you have any questions or require further information, please don't hesitate to call. Please contact me at your earliest convenience. I can be reached at (310) 259-4285.

Sincerely,

Jack M. Baringer
Site Acquisition Manager

CC: NH-MAN 5143 B file




APPROVALS:

LANDLORD:

FIELD CONST. MGR:

RF ENGINEER:

SITE ACQUISITION AGENT:

**SITE PLAN** (1 / LE-1)
SCALE: NTS

APPROX. TRUE NORTH

SHEET 1 OF 3

AERIAL SPECTRUM INCORPORATED
LAKESIDE OFFICE PARK
599 NORTH AVE., SUITE 8
WAKEFIELD, MA 01880
tel. (781) 295 0818
fax (781) 295 0825
e-mail: blocke@aerialspectrum.com

clearw're®
4400 CARILLON POINT
KIRKLAND, WA 98033

SITE TYPE:
RAW LAND

PROJECT INFORMATION:

SITE #: NH-MAN5143A
SITE NAME: ROCK RIMMON PARK
SITE ADDRESS: 299 MOORE STREET
MANCHESTER, NH

REVISIONS:

| REV.# | DATE | DESCRIPTION |
|---|---|---|
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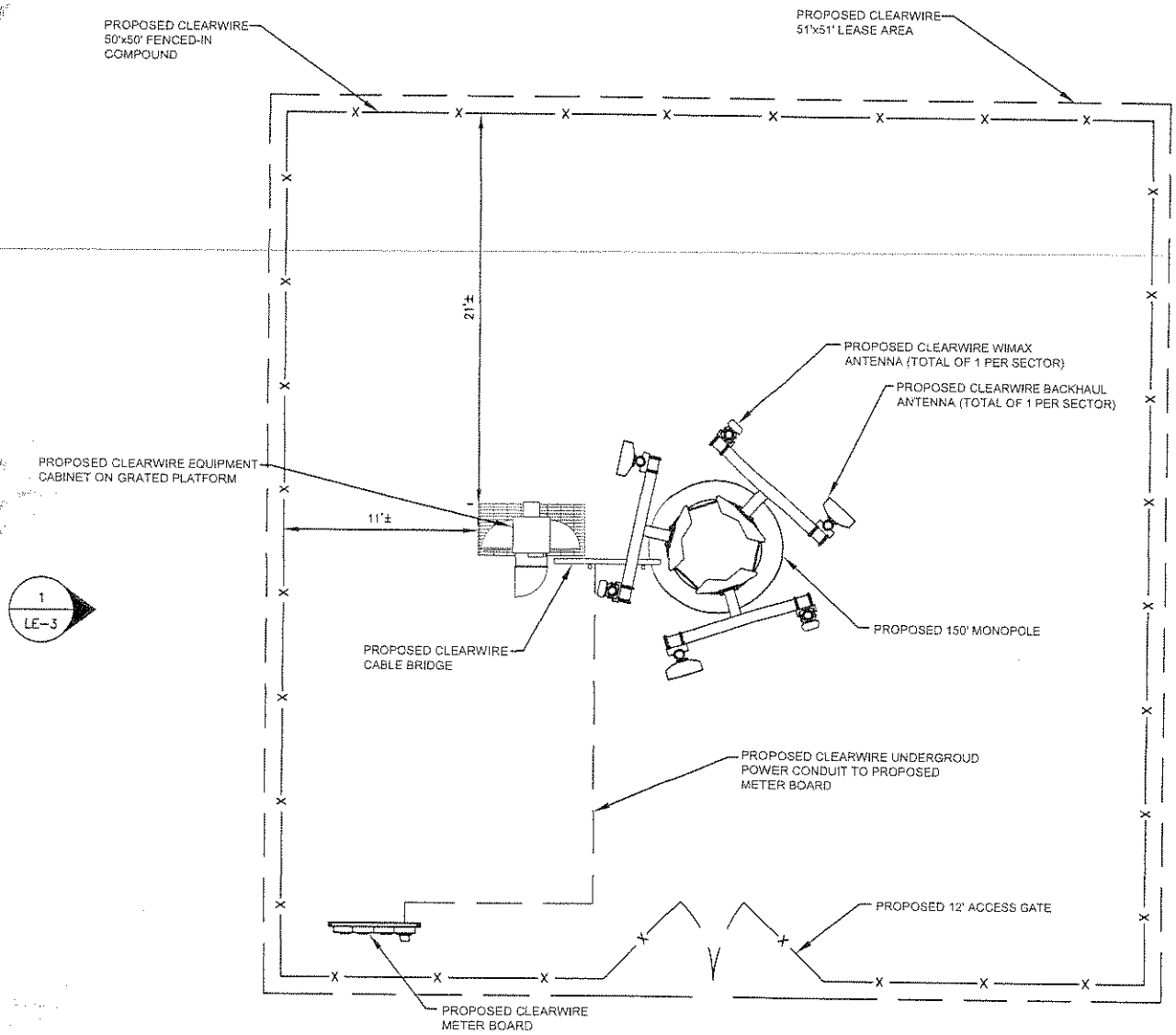


## COMPOUND PLAN

1 / LE-2

SCALE: 1"=10'-0"

APPROX. TRUE NORTH

5 0 2.5 5 10 20

APPROVALS:

LANDLORD:

FIELD CONST. MGR:

RF ENGINEER:

SITE ACQUISITION AGENT:

SHEET 2 OF 3

AERIAL SPECTRUM INCORPORATED
LAKESIDE OFFICE PARK
599 NORTH AVE., SUITE 6
WAKEFIELD, MA 01880
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e-mail: blocke@aerialspectrum.com

clearw're®

4400 CARILLON POINT
KIRKLAND, WA 98033

SITE TYPE:
RAW LAND

PROJECT INFORMATION:

SITE #: NH-MAN5143A

SITE NAME: ROCK RIMMON PARK

SITE ADDRESS: 299 MOORE STREET
MANCHESTER, NH

REVISIONS:

| REV.# | DATE | DESCRIPTION |
|---|---|---|
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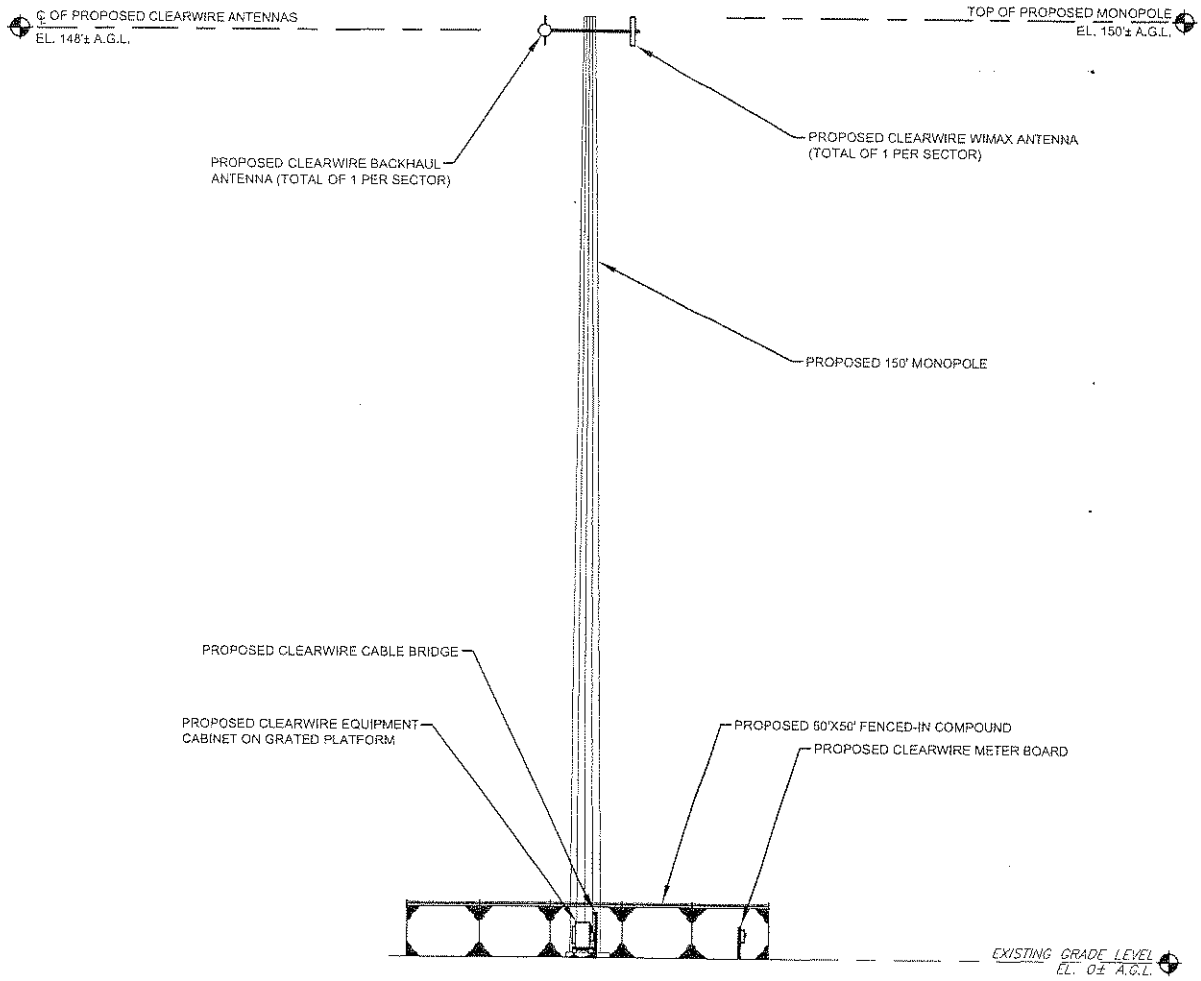
1-9




**ELEVATION**
SCALE: 1"=30'-0"

1
LE-3

15 0 7.5 15 30 60

APPROVALS:

LANDLORD:

FIELD CONST. MGR:

RF ENGINEER:

SITE ACQUISITION AGENT:

SHEET 3 OF 3

AERIAL SPECTRUM INCORPORATED
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e-mail: blocke@aerialspectrum.com

clearwire®
4400 CARILLON POINT
KIRKLAND, WA 98033

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RAW LAND

PROJECT INFORMATION:

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MANCHESTER, NH

REVISIONS:

| REV.# | DATE | DESCRIPTION |
|---|---|---|
| | | |
| | | |
| | | |
| 0 | 8/19/09 | FINAL |

DRAWN BY: STB

6-10

GoodmanNetworks

Network Knowledge... Delivered.

January 17, 2010

The Honorable Mayor Ted Gatsas
**City of Manchester**
One City Hall Plaza
Manchester, NH 03101

Re: Manchester Memorial High School
Clearwire NH-MAN 5126 A
1 Crusader Way
Manchester, NH 03103

Dear Mayor Gatsas:

Goodman Networks, Inc., has been retained to perform site acquisition, planning and permitting functions for the development of Clearwire wireless telecommunications antenna sites in the Manchester, NH, area. Your City's property has been identified as a candidate for a wireless facility.

As a result of the initial inspections and testing by the Clearwire radio-engineering department, it has been determined that your site is feasible for network development. The following are the basic business points of a proposed lease transaction:

**Space:** A 20′ x 20′ area located in an area adjacent to the school parking lot. The antennas will be mounted within a proposed 150′ stealth flagpole structure approximately as shown on the attached exhibit, together with the associated lines and cables connecting the equipment with the antennae arrays.

**Equipment:** Clearwire proposed 9 antennas (three per sector). All installations will comply with the design guidelines set forth by the city in which the property is located. Additionally two radio equipment cabinets approximately 3′ wide by 3′ deep by 5′ high will be placed in the equipment leased area. All installations are certified by a structural engineer and an architect. Also, the utilities serving the equipment location shall be separately metered, and the costs (installation and or extension from the street ROW to the leased area and the monthly operation) of said utilities shall be borne solely by

6-11

| | |
|---|---|
| | Clearwire. |
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| **Maintenance, Taxes & Utilities:** | All paid by Clearwire. |
| **Access:** | 7/24/365 access is required by the Clearwire® maintenance department with notice. Clearwire agrees to reimburse your organization for actual security costs incurred in connection with after-hour, emergency maintenance events. |
| **Insurance:** | Clearwire will provide a $2,000,000 liability policy and will name the landlord as an additional insured party. |

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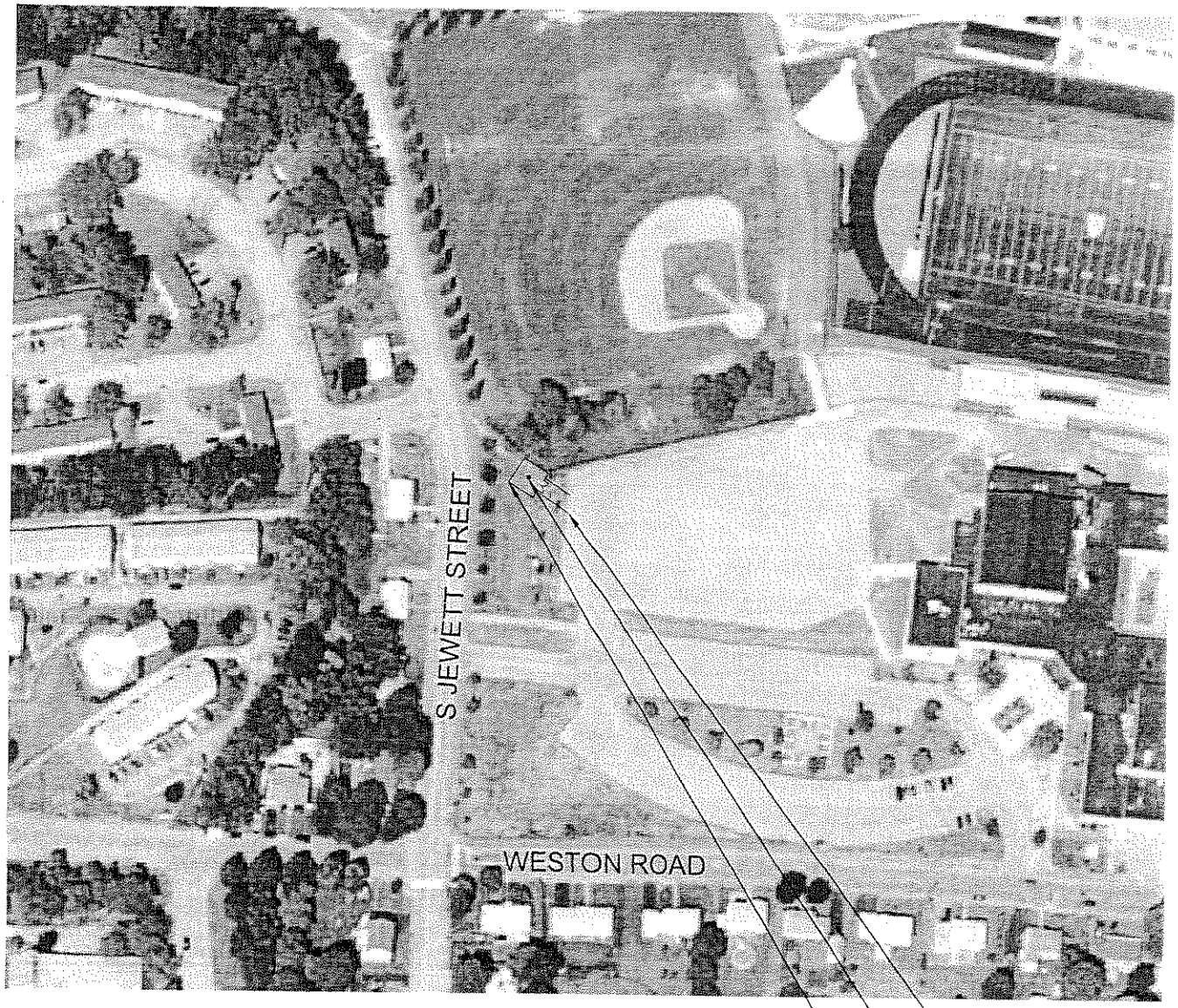
Thank you for your consideration. Again, should you have any questions or require further information, please don't hesitate to call. Please contact me at your earliest convenience. I can be reached at (310) 259-4285.

Sincerely,

Jack M. Baringer
Site Acquisition Manager

CC: NH-MAN 5126 A file




APPROVALS:

LANDLORD:

FIELD CONST. MGR:

RF ENGINEER:

SITE ACQUISITION AGENT:

**SITE PLAN** (1 / LE-1)
SCALE: NTS

APPROX. TRUE NORTH

NOTE: EXISTING TREES TO BE RELOCATED AS NECESSARY

SHEET 1 OF 3

AERIAL SPECTRUM INCORPORATED
LAKESIDE OFFICE PARK
599 NORTH AVE., SUITE 8
WAKEFIELD, MA 01880
tel. (781) 295 0818
fax (781) 295 0825
e-mail: blocke@aerialspectrum.com

clearw•re®
4400 CARILLON POINT
KIRKLAND, WA 98033

SITE TYPE:
RAW LAND

PROJECT INFORMATION:

SITE #: NH-MAN5126A

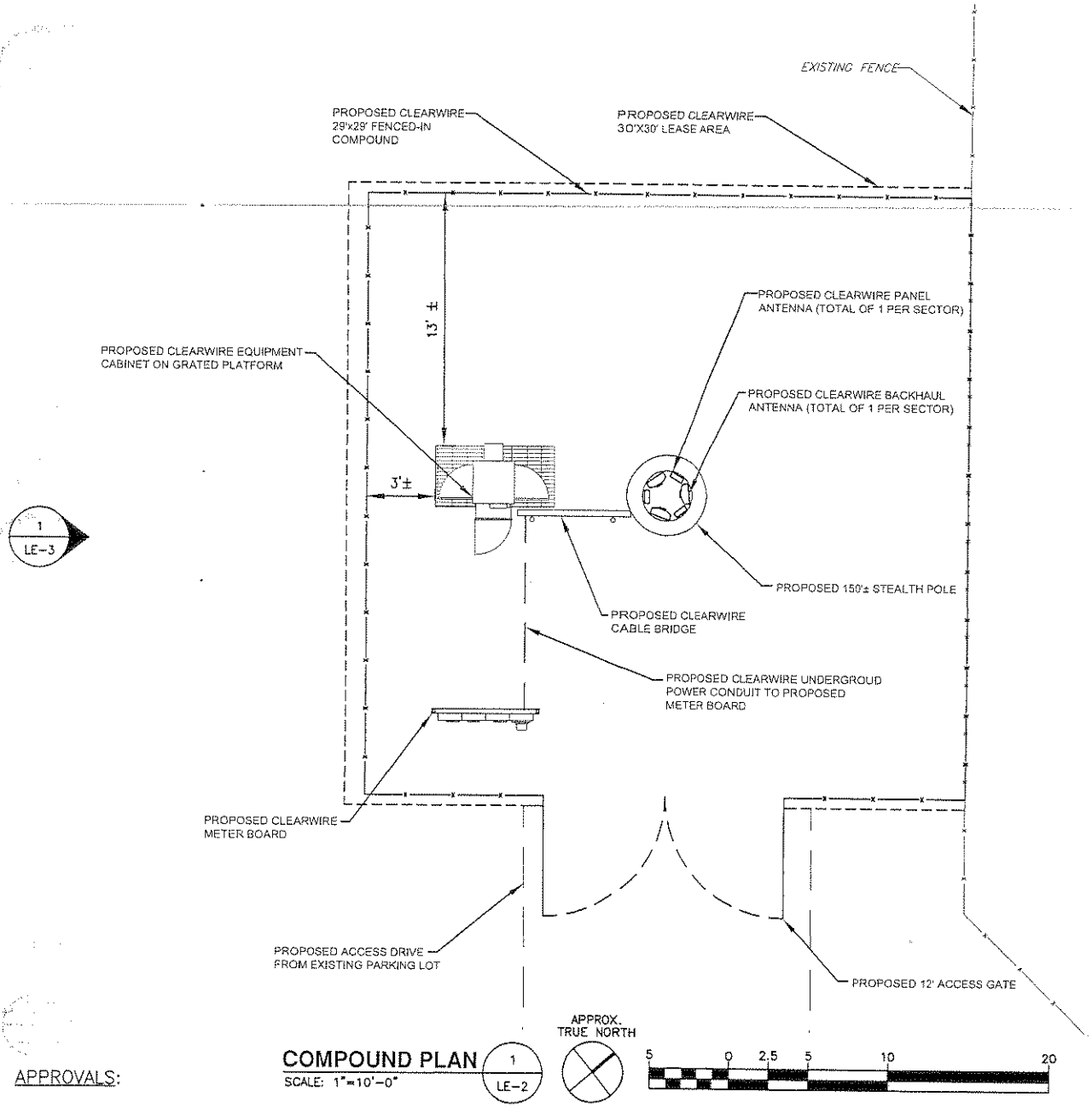
SITE NAME: MANCHESTER HIGH SCHOOL

SITE ADDRESS: 1 CRUSADER WAY
MANCHEASTER, NH 03101

REVISIONS:

| REV.# | DATE | DESCRIPTION |
|---|---|---|
| 0 | 8/31/09 | FINAL |

DRAWN BY: KAP




## COMPOUND PLAN

1 / LE-2

SCALE: 1"=10'-0"

APPROVALS:

LANDLORD:

FIELD CONST. MGR:

RF ENGINEER:

SITE ACQUISITION AGENT:

SHEET 2 OF 3

AERIAL SPECTRUM INCORPORATED
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599 NORTH AVE., SUITE 8
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clearwire®

4400 CARILLON POINT
KIRKLAND, WA 98033

SITE TYPE:
RAW LAND

PROJECT INFORMATION:

SITE #: NH-MAN5126A

SITE NAME: MANCHESTER HIGH SCHOOL

SITE ADDRESS: 1 CRUSADER WAY
MANCHEASTER, NH 03101

REVISIONS:

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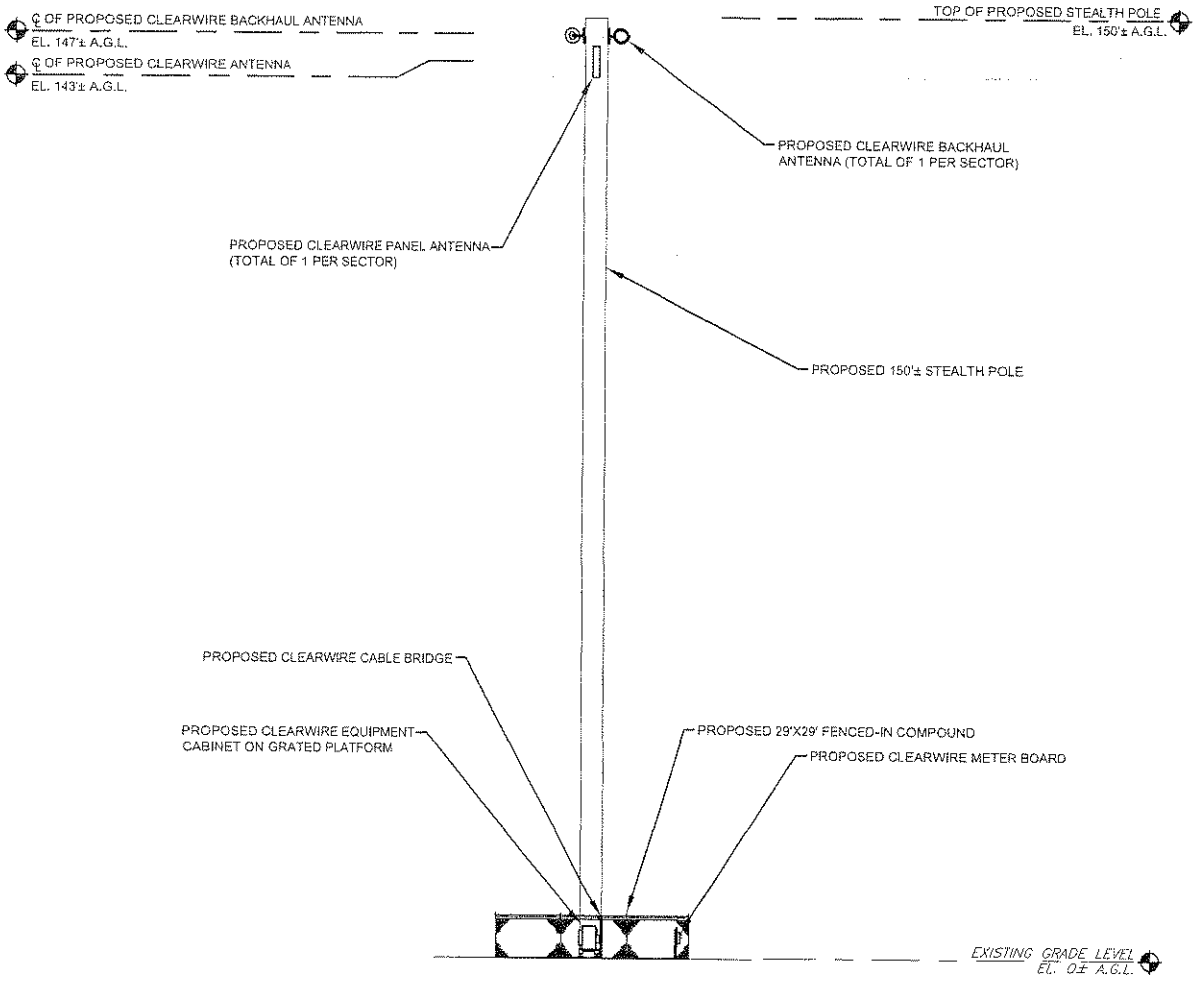


## ELEVATION

SCALE: 1"=30'-0"

1 / LE-3

15 0 7.5 15 30 60

APPROVALS:

LANDLORD:

FIELD CONST. MGR:

RF ENGINEER:

SITE ACQUISITION AGENT:

SHEET 3 OF 3

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MANCHEASTER, NH 03101

REVISIONS:

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|---|---|---|
| 0 | 8/31/09 | FINAL |

DRAWN BY: KAP

GoodmanNetworks

Network Knowledge... Delivered.

January 17, 2010

The Honorable Mayor Ted Gatsas
**City of Manchester**
One City Hall Plaza
Manchester, NH 03101

Re: Tower Hill Water Reservoir
Clearwire NH-MAN 5134 A
10 Tower Hill Drive
Manchester, NH 03103

Dear Mayor Gatsas:

Goodman Networks, Inc., has been retained to perform site acquisition, planning and permitting functions for the development of Clearwire wireless telecommunications antenna sites in the Manchester, NH, area. Your City's property has been identified as a candidate for a wireless facility.

As a result of the initial inspections and testing by the Clearwire radio-engineering department, it has been determined that your site is feasible for network development. The following are the basic business points of a proposed lease transaction:

**Space:** A 7′ x 7′ area located in the current tower compound adjacent to the City reservoir. The antennas will be mounted at the 100′ level on an existing lattice tower approximately as shown on the attached exhibit, together with the associated lines and cables connecting the equipment with the antennae arrays.

**Equipment:** Clearwire proposed 9 antennas (three per sector). All installations will comply with the design guidelines set forth by the city in which the property is located. Additionally two radio equipment cabinets approximately 3′ wide by 3′ deep by 5′ high will be placed in the equipment leased area. All installations are certified by a structural engineer and an architect. Also, the utilities serving the equipment location shall be separately metered, and the costs (installation and or extension from the street ROW to the leased area and the monthly operation) of said utilities shall be borne solely by

| | |
|---|---|
| | Clearwire. |
| **Lease Term:** | A five (5) year primary term, with four (4) options to extend the lease of five (5) years each. |
| **Rent:** | Clearwire proposes a monthly rental of One Thousand Six Hundred Dollars ($1,600.00). |
| **Periodic Rent Escalations:** | The rental shall be escalated by Ten percent (10%) each option period |
| **Maintenance, Taxes & Utilities:** | All paid by Clearwire. |
| **Access:** | 7/24/365 access is required by the Clearwire® maintenance department with notice. Clearwire agrees to reimburse your organization for actual security costs incurred in connection with after-hour, emergency maintenance events. |
| **Insurance:** | Clearwire will provide a $2,000,000 liability policy and will name the landlord as an additional insured party. |

All costs of constructing the facility, permitting and applications fees will be processed by Goodman Networks, Inc., and will be paid for by Clearwire As landlord all that is required of you is a signed and notarized letter authorizing Goodman Networks, Inc., to act on your behalf in making the necessary applications. Prior to the processing of any permit the landlord will be presented with a set of plans for approval.

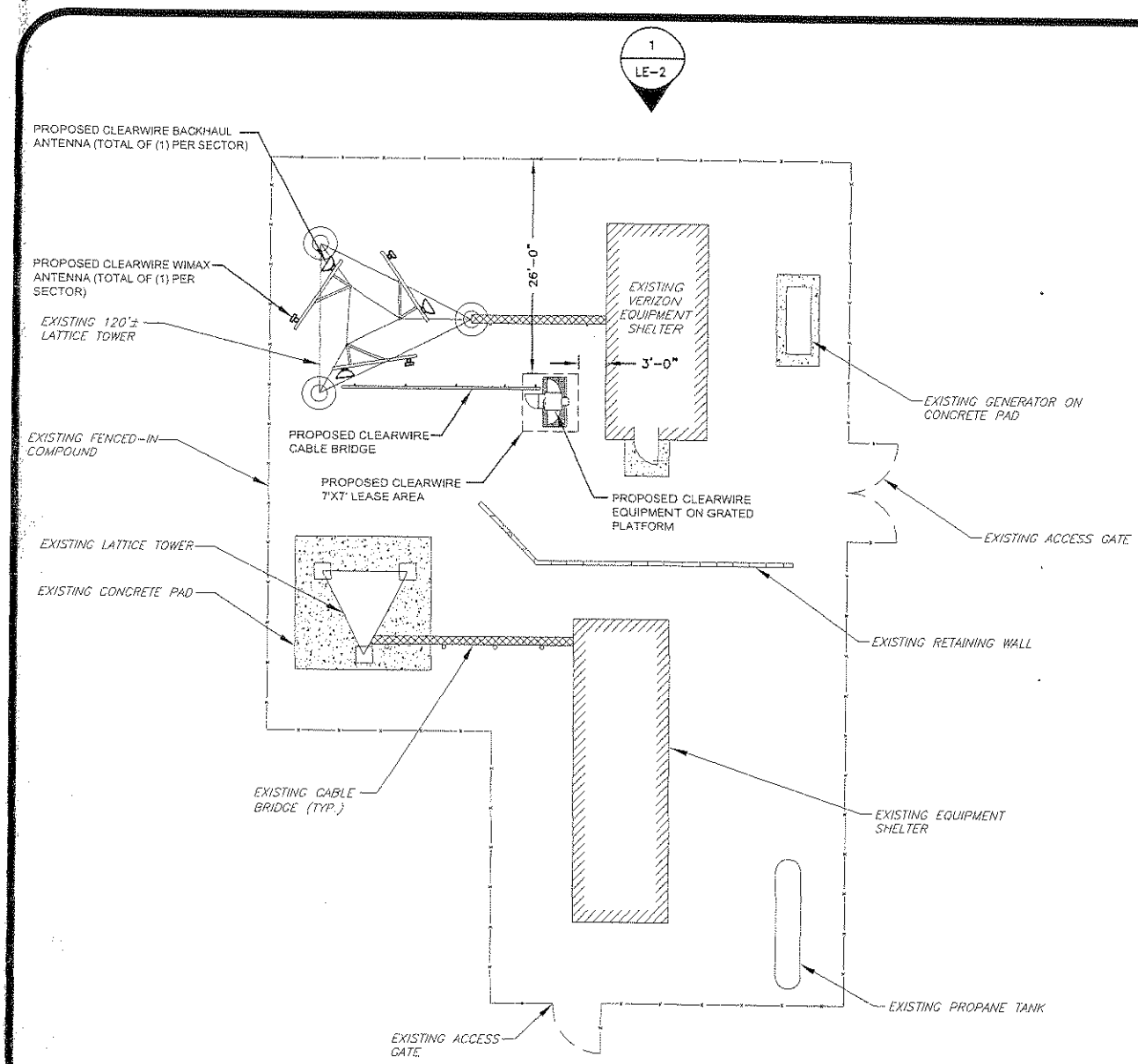
The above is intended only to be a basic overview of the lease terms and process. The engineers at Clearwire have designed numerous installations nationwide and are able to accommodate almost any situation. Please review the attached plans and call me with any questions, comments or requests for additional information.

Thank you for your consideration. Again, should you have any questions or require further information, please don't hesitate to call. Please contact me at your earliest convenience. I can be reached at (310) 259-4285.

Sincerely,

Jack M. Baringer
Site Acquisition Manager

CC: NH-MAN 5134 A file




## COMPOUND PLAN

SCALE: 1"=20'-0"

1
LE-1

APPROX. TRUE NORTH

10 0 5 10 20 40

APPROVALS:

LANDLORD:

FIELD CONST. MGR:

RF ENGINEER:

SITE ACQUISITION AGENT:

SHEET 1 OF 2

AERIAL SPECTRUM INCORPORATED
LAKESIDE OFFICE PARK
599 NORTH AVE., SUITE 8
WAKEFIELD, MA 01880
tel. (781) 295 0818
fax (781) 295 0825
e-mail: biocke@aerialspectrum.com

clearwire®
4400 CARILLON POINT
KIRKLAND, WA 98033

SITE TYPE:
CO-LOCATION

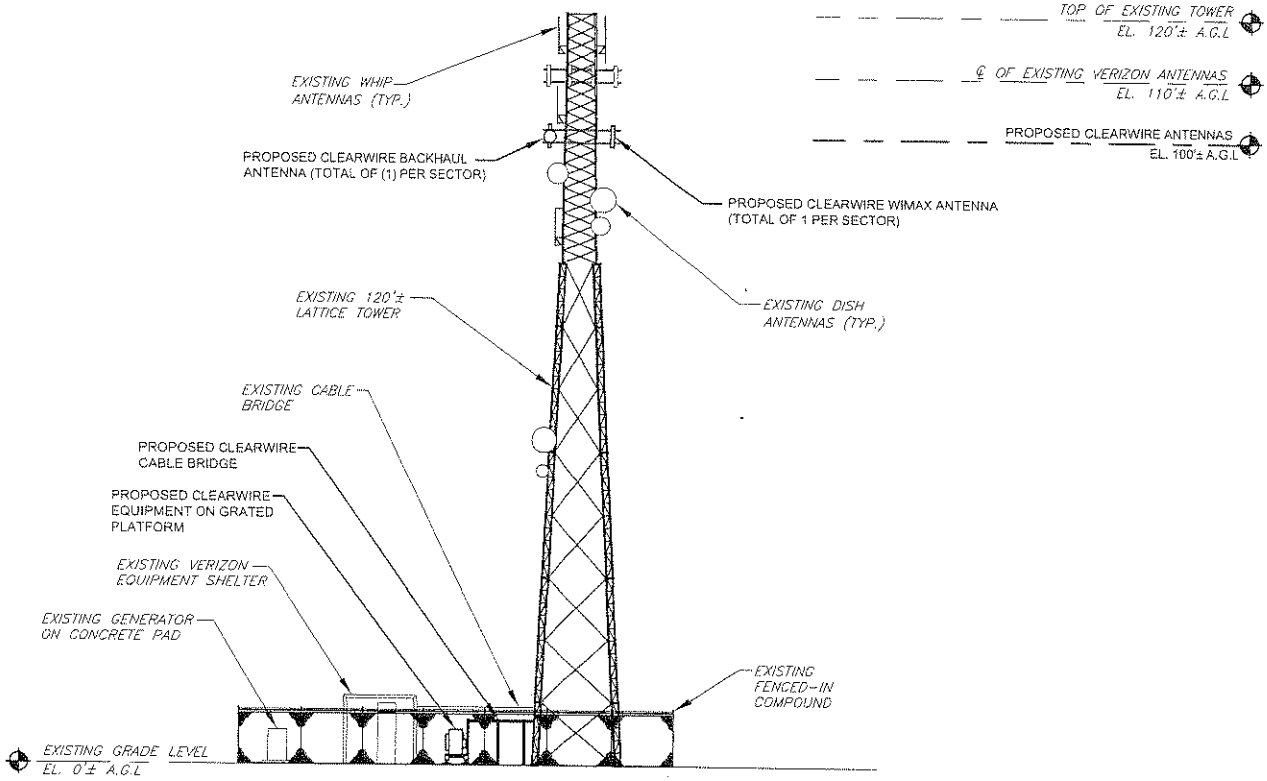
PROJECT INFORMATION:

SITE #: NH-MAN5134A
SITE NAME: MANCHESTER WATER RESERVOIR
SITE ADDRESS: TOWER HILL ROAD MANCHESTER, NH

REVISIONS:

| REV.# | DATE | DESCRIPTION |
|---|---|---|
| 0 | 8/31/09 | FINAL |

DRAWN BY: DJW




## ELEVATION

SCALE: 1"=30'-0"

1 / LE-2

15 0 7.5 15 30 60

APPROVALS:

LANDLORD:

FIELD CONST. MGR:

RF ENGINEER:

SITE ACQUISITION AGENT:

SHEET 2 OF 2

AERIAL SPECTRUM INCORPORATED
LAKESIDE OFFICE PARK
599 NORTH AVE., SUITE 8
WAKEFIELD, MA 01880
tel. (781) 295 0818
fax (781) 295 0825
e-mail: blocke@aerialspectrum.com

clearw're®

4400 CARILLON POINT
KIRKLAND, WA 98033

SITE TYPE:
CO-LOCATION

PROJECT INFORMATION:

SITE #: NH-MAN5134A

SITE NAME: MANCHESTER WATER RESERVOIR

SITE ADDRESS: TOWER HILL ROAD
MANCHESTER, NH

REVISIONS:

| REV.# | DATE | DESCRIPTION |
|---|---|---|
| 0 | 8/31/09 | FINAL |

DRAWN BY: DJW

6-19

9/1/09 Tabled
1/19/10 Retabled

# CITY OF MANCHESTER
## PLANNING AND COMMUNITY DEVELOPMENT

Leon L. LaFreniere, AICP
Director

Planning and Land Use Management
Building Regulations
Community Improvement Program
Zoning Board of Adjustment

Pamela H. Goucher, AICP
Deputy Director - Planning & Zoning

Matthew M. Sink
Deputy Director - Building Regulations

April 9, 2010

RECEIVED
APR 19 2010
CITY CLERK'S OFFICE

Committee on Lands and Buildings
Honorable Board of Mayor and Aldermen
City Hall - One City Hall Plaza
Manchester, N.H. 03101

RE: *Request to Acquire City Owned Land on Island Pond Road (Tax Map 611, Lot 4-A)*

Dear Committee Members:

*To date:* Two direct property owners to a small (5,684 s.f.) City-owned, tax-deeded, parcel known as TM611, Lot 4-A, situated near the east end of Island Pond Road near Lake Shore Drive, have previously petitioned the City to acquire that lot. In response, the Planning & Community Development Department submitted a report to the Committee, pursuant to Section 34.20, which recommended that Lot 4-A be offered for sale to the highest bidder among the two interested abutting property owners (see attached).

When it last met to consider the issues in this case, the Committee agreed with this recommendation but tabled the matter to allow the Planning & Community Development Department and the Office of the City Solicitor to jointly develop a specific strategy on how the disposition of the city-owned property could be carried out in accordance with the applicable state law and local surplus city property ordinance.

After discussing the matter, the Planning & Community Development Department and the Office of the City Solicitor recommends that, to dispose of city-owned Lot 4-A in the agreed manner, the Committee needs to:

(1) Find city-owned TM 611, Lot 4-A "surplus" to City needs;

(2) Find that "justice will prevail" if Lot 4-A is acquired by either of the two petitioners because they are the only direct abutters to the city-owned parcel and that, by acquiring Lot 4-A and merging it with their own, either of the abutter petitioners would significantly lessen, if not resolve, the current non-conforming nature of their side yard building setback or lot frontage distances;

(3) Direct the Office of Tax Collector to solicit from the two abutter petitioners a "highest offer" sealed bid which will be subject to review and approval of the Committee and the Board of Mayor and Aldermen;

(4) Condition any sale of city-owned Lot 4-A to one of the two abutter petitioners upon their merger of Lot 4-A with their abutting parcel; and

(5) Ensure that the Board of Mayor and Aldermen pass an ordinance that authorizes the disposition of the city-owned tax deeded property at TM 611, Lot 4-A, in the manner suggested herein.

If you have any questions, I will be available at your next committee meeting.

Sincerely,

David Beauchesne

David Beauchesne, Senior Planner

7-1

One City Hall Plaza, Manchester, New Hampshire 03101
Phone: (603) 624-6450 or (603) 624-6475 Fax: (603) 624-6529 or (603) 624-6324
E-Mail: pcd@manchesternh.gov
www.manchesternh.gov

# CITY OF MANCHESTER
## PLANNING AND COMMUNITY DEVELOPMENT

Planning and Land Use Management
Building Regulations
Community Improvement Program
Zoning Board of Adjustment

Leon L. LaFreniere, AICP
Director

Pamela H. Goucher, AICP
Deputy Director - Planning & Zoning

Matthew M. Sink
Deputy Director - Building Regulations


September 18, 2009

Committee on Lands and Buildings
Honorable Board of Mayor and Aldermen
City Hall - One City Hall Plaza
Manchester, N.H. 03101

RE: *Request to Acquire City Owned Land on Island Pond Road (Tax Map 611, Lot 4-A)*

Dear Committee Members:

This is to provide a report pursuant to Section 23½ pertaining to the above-referenced parcel.

The City has received a letter from Steven Barriere, owner of an undeveloped 0.9 acre parcel of land on Island Pond Road known as TM 611, Lot 4, indicating his interest in acquiring an abutting 0.13 acre city-owned parcel known as Lot 4-A which contains no current building. The City acquired Lot 4-A by tax deed in 1993 and a review of records indicates that the old District No. 6 school house was located on this parcel at some point prior to 1925.

Both of these parcels are situated in the R-1A zoning district which requires a minimum lot size of 12,500 s.f. and a minimum lot frontage of 75 feet for a single family dwelling. Mr. Barriere's Lot 4 was created prior to the City's current minimum lot size and frontage requirements were enacted and is likely an existing non-conforming lot of record which may be developed for single family housing at its present size and frontage.

Upon inquiry, we have discovered that the only other direct abutter to city-owned Lot 4-A is Thomas Hurley, owner of Lot 4-B. Due to the narrow nature of his Lot 4-B and the proximity of his house to the city-owned parcel, Mr. Hurley has also indicted an interested in the parcel.

*Surplus Determination:* Based upon our review of the site, which included consultation with applicable city agencies, I do not believe that there are any City needs for Lot 4-A. As such, I would recommend that the property be determined "surplus" and disposed of in a manner consistent with Section 23½ of the City Ordinances.

*Manner of Disposition:* Because it is directly abutted by only two privately owned parcels, I recommend that city owned Lot 4-A be offered for sale to the highest bidder among its two abutters. If the Committee deems this an appropriate direction, I would further suggest that a merger of Lot 4-A with the parcel of its new owner be a required condition of sale.

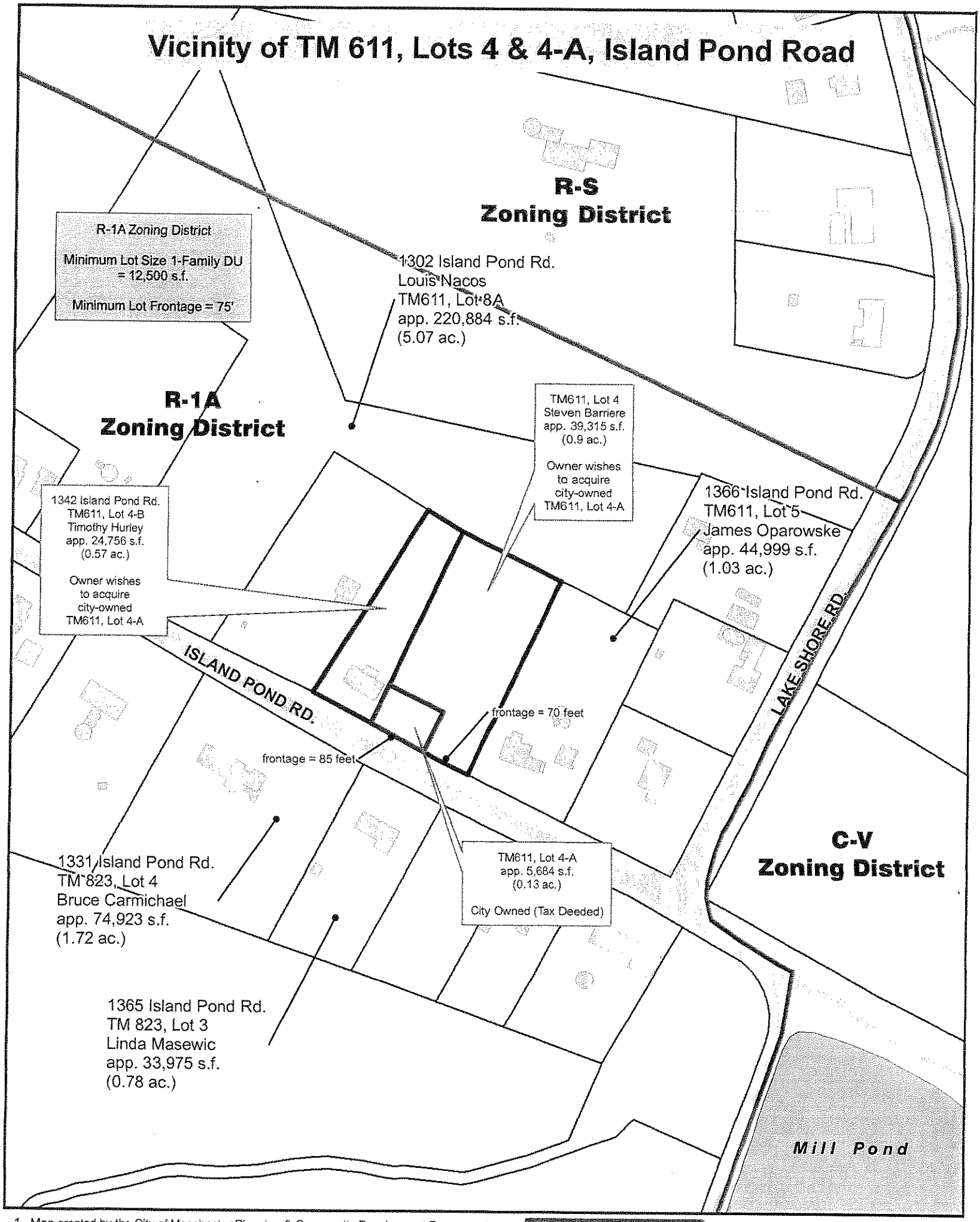
If you have any questions, I will be available at your next committee meeting.

Sincerely,

Leon LaFreniere,
Director of Planning & Community Development

7-2

# Vicinity of TM 611, Lots 4 & 4-A, Island Pond Road




1. Map created by the City of Manchester Planning & Community Development Department (D. Beauchesne) on August 24, 2009.
2. Aerial photo taken in April, 2003.

Zoning District Boundary

0 50 100 150 200 Feet

7-2

# CITY OF MANCHESTER
## Board of Assessors

One City Hall Plaza, West Wing
Manchester, New Hampshire 03101
Tel: (603) 624-6520 – Fax: (603) 628-6288
Email: assessors@ci.manchester.nh.us
Web: www.ManchesterNH.Gov

David M. Cornell, Chairman
Michael W. Hurley

Christine Hanagan
Assistant to Assessors


RECEIVED
FEB 08 2010
CITY CLERK'S OFFICE

To: Committee on Lands and Buildings
From: Board of Assessors
Date: February 8, 2010
Re: Map 611 Lot 4A
Request to Purchase Property

The Assessors have completed an analysis of the estimated market value of the above-referenced property. The following is a summary of important facts and the value estimate:

| | |
|---|---|
| Property Location | Island Pond Road |
| Assessors Map/Lot | Map 611 Lot 4A |
| Property Owner | City of Manchester Tax Collector |
| Deed Book/Page | 5445/0444 |
| Date Acquired | June 21, 1993 |
| Improved/Vacant | Vacant |
| Total Land Area | 5,685 square feet |
| Current Zoning | R-1A |
| Overlay District | N/A |
| Easements/Restrictions | None known |
| Indicated Range of Value | $13,000-$15,000 |
| Comments | Due to the size of the lot, the property has limited utility. Therefore, the highest and best use of the lot is determined to be a merger with an abutting property. |

Sincerely,

David M. Cornell

Michael W. Hurley

7-4

tabled 9/1/09

RECEIVED
AUG 04 2009
CITY CLERK'S OFFICE

June 30, 2009

Honorable Mayor Guinta,

I would like to express my interest in a small plot of land; the lot number is 611-4A Island Pond Road. My interest in acquiring this small piece of land would increase the piece I currently own to 1 acre and give me more road frontage. I need to know how I go about obtaining this plot of land and your assistance in the matter would be greatly appreciated.

Respectfully Yours,

Steve Barriere

Cc: Felix Catudal

7-5

*Matthew Normand*
*City Clerk*

# CITY OF MANCHESTER
*Office of the City Clerk*

## MEMORANDUM

To: Board of Assessors

From: Heather Freeman
Vital & Legislative Records Supervisor

Date: August 5, 2009

Re: Island Pond Road plot number 611-4A

The letter attached was received by the City Clerk's Office on August 4, 2009 and is being forwarded on behalf of the Committee on Lands and Buildings for an appraisal.

Enclosure

7-6

One City Hall Plaza • Manchester, New Hampshire 03101 • (603) 624-6455 • FAX: (603) 624-6481
E-mail: CityClerk@manchesternh.gov • Website: www.manchesternh.gov

*Matthew Normand*
*City Clerk*

# CITY OF MANCHESTER
*Office of the City Clerk*

## MEMORANDUM

To: Leon LaFreniere
Director of Planning & Community Development

From: Heather Freeman
Vital & Legislative Records Supervisor

Date: August 5, 2009

Re: Island Pond Road plot number 611-4A

The letter attached was received by the City Clerk's Office on August 4, 2009 and is being forwarded on behalf of the Committee on Lands and Buildings for study and recommendation.

Enclosure

pc: Joan Porter, Tax Collector

7-7

One City Hall Plaza • Manchester, New Hampshire 03101 • (603) 624-6455 • FAX: (603) 624-6481
E-mail: CityClerk@manchesternh.gov • Website: www.manchesternh.gov

*Joan A. Porter*
*Tax Collector*

RECEIVED
AUG 17 2009
CITY CLERK'S OFFICE

*Patricia M. Harte*
*Deputy Tax Collector*

*Jacqueline G. Lutkevich*
*Second Deputy Tax Collector*

# CITY OF MANCHESTER
## *TAX COLLECTOR*

## Memorandum

**DATE:** August 12, 2009

**TO:** Land & Building Committee

**FROM:** Joan A. Porter, Tax Collector

**RE:** **Map 0611 Lot 0004-A**

As requested, the following contains information regarding the Tax-Deeded property located at: **L Island Pond Rd**

| | |
|---|---|
| Prior Owners: | Thomas C. McCarthy, Trustee |
| Map/Lot: | 0611/0004-A |
| Lien Date: | 05/10/1991 |
| Deed Date: | 06/21/1993 |
| Recorded Date: | 06/22/1993 |
| Book/Page: | Book 5445 Page 0444 |
| Back Taxes | $926.52 (**not including interest and costs**) |

I do not have any objections to the disposition of this property.

The Notice to Former Owner to Repurchase (RSA 80:89) does not apply in this case as it was tax deeded prior to the effective date of the Statue (see attached).

7-8

1 City Hall Plaza West • Manchester, New Hampshire 03101 • (603) 624-6575 • FAX: (603) 628-6162E-mail: taxcollector@ManchesterNH.gov • Website: www.manchesternh.gov

331442 93 JUN 22 AM 11:51

KNOW ALL MEN BY THESE PRESENTS:

That I, Felix A. Catudal, Collector of Taxes for the City of Manchester, in the County of Hillsborough and State of New Hampshire, for the year 1993, by the authority in me vested by the laws of the State, and in consideration of one hundred three dollars and 46/100

to me paid by the City of Manchester, do hereby sell and convey to the City of Manchester, a certain tract or parcel of land situated in Manchester aforesaid, and described by the Assessors as follows:

L Island Pond Rd
Map# 611 Lot# 4-A

Formerly taxed under the name of McCarthy Trustee Thomas C

This deed is the result of the tax lien execution held at the Tax Collector's Office in the City of Manchester, New Hampshire, on the tenth day of May, 1991.

To have and to hold the said Premises, with the appurtenances, to the said City of Manchester, forever. And I do hereby covenant with said City of Manchester, that in making this conveyance, I have in all things complied with the law, and that I have a good right, so far as the right may depend upon the regularity of my own proceedings, to sell and convey the same in manner aforesaid.

In Witness Whereof, I have hereunto set my hand and seal, the twenty-first day of June, in the year of our Lord one thousand nine hundred and ninety-three.

Signed, Sealed and Delivered in the presence of:

Constance A. Marion

Felix A. Catudal
Tax Collector

STATE OF NEW HAMPSHIRE, HILLSBOROUGH, SS. June 21, 1993

Personally appearing, Felix A. Catudal, Collector of Taxes above named, and acknowledged the foregoing instrument to be his voluntary act and deed. Before me

[illegible]
Justice of the Peace
Notary Public

[illegible] M. THURSTON, Notary Public
My Commission Expires September 18, 1995

BK5445PG0444

7-9

# CITY OF MANCHESTER
## PLANNING AND COMMUNITY DEVELOPMENT

Planning and Land Use Management
Building Regulations
Community Improvement Program
Zoning Board of Adjustment

Leon L. LaFreniere, AICP
Director

Pamela H. Goucher, AICP
Deputy Director - Planning & Zoning

Matthew M. Sink
Deputy Director - Building Regulations


August 29, 2009

Committee on Lands and Buildings
City Hall
One City Hall Plaza
Manchester, NH 03101

re: *Request by abutter to acquire city-owned TM 611, Lot 4-A on Island Pond Road*

Honorable Committee Members:

In preparation for its required response to the Committee, the Planning & Community Development Department is carrying out necessary research concerning a recently received request by Steven Barriere to acquire city property on Island Pond Road in the vicinity of Lake Shore Drive. Mr. Barriere is the owner of an undeveloped 0.9 acre parcel known as TM 611, Lot 4, and the city-owned property he is seeking to acquire is a small, abutting, 0.13 acre parcel known as TM 611, Lot 4-A, which the City acquired via tax deed from a different entity in 1993 (see attached map).

The Planning Department is currently in the process of developing its response to the Committee concerning this request and, toward this end, is awaiting feedback from some other city agencies, as well as from another abutter to the city property in question. We will submit our report to the Committee as soon as we have considered this information.

If you have any questions, our staff will be available at your meeting.

Sincerely,

Leon LaFreniere, AICP
Director of Planning and Community Development Department

7-10


One City Hall Plaza, Manchester, New Hampshire 03101
Phone: (603) 624-6450 or (603) 624-6475 Fax: (603) 624-6529 or (603) 624-6324
E-Mail: pcd@manchesternh.gov
www.manchesternh.gov

# CITY OF MANCHESTER
## PLANNING AND COMMUNITY DEVELOPMENT

Planning and Land Use Management
Building Regulations
Community Improvement Program
Zoning Board of Adjustment

Leon L. LaFreniere, AICP
Director

Pamela H. Goucher, AICP
Deputy Director - Planning & Zoning

Matthew M. Sink
Deputy Director - Building Regulations


September 18, 2009

RECEIVED
SEP 18 2009
CITY CLERK'S OFFICE

Committee on Lands and Buildings
Honorable Board of Mayor and Aldermen
City Hall - One City Hall Plaza
Manchester, N.H. 03101

RE: *Request to Acquire City Owned Land on Island Pond Road (Tax Map 611, Lot 4-A)*

Dear Committee Members:

This is to provide a report pursuant to Section 23½ pertaining to the above-referenced parcel.

The City has received a letter from Steven Barriere, owner of an undeveloped 0.9 acre parcel of land on Island Pond Road known as TM 611, Lot 4, indicating his interest in acquiring an abutting 0.13 acre city-owned parcel known as Lot 4-A which contains no current building. The City acquired Lot 4-A by tax deed in 1993 and a review of records indicates that the old District No. 6 school house was located on this parcel at some point prior to 1925.

Both of these parcels are situated in the R-1A zoning district which requires a minimum lot size of 12,500 s.f. and a minimum lot frontage of 75 feet for a single family dwelling. Mr. Barriere's Lot 4 was created prior to the City's current minimum lot size and frontage requirements were enacted and is likely an existing non-conforming lot of record which may be developed for single family housing at its present size and frontage.

Upon inquiry, we have discovered that the only other direct abutter to city-owned Lot 4-A is Thomas Hurley, owner of Lot 4-B. Due to the narrow nature of his Lot 4-B and the proximity of his house to the city-owned parcel, Mr. Hurley has also indicted an interested in the parcel.

*Surplus Determination:* Based upon our review of the site, which included consultation with applicable city agencies, I do not believe that there are any City needs for Lot 4-A. As such, I would recommend that the property be determined "surplus" and disposed of in a manner consistent with Section 23½ of the City Ordinances.

*Manner of Disposition:* Because it is directly abutted by only two privately owned parcels, I recommend that city owned Lot 4-A be offered for sale to the highest bidder among its two abutters. If the Committee deems this an appropriate direction, I would further suggest that a merger of Lot 4-A with the parcel of its new owner be a required condition of sale.

If you have any questions, I will be available at your next committee meeting.

Sincerely,

Leon LaFreniere,
Director of Planning & Community Development

7-11


One City Hall Plaza, Manchester, New Hampshire 03101
Phone: (603) 624-6450 or (603) 624-6475 Fax: (603) 624-6529 or (603) 624-6324
E-Mail: pcd@manchesternh.gov
www.manchesternh.gov

8/4/08 Tabled

# To the Board of Mayor and Aldermen of the City of Manchester:

The Committee on Community Improvement respectfully advises, after due and careful consideration, that it has requested staff to prepare documents to provide that the City agree to extend the term on the 2nd mortgage relating to Lowell Terrace Associates property located at the northwest corner of Lowell and Chestnut Streets to coincide with the expiration of the existing first mortgage in 2013.

*(Unanimous vote)*

Respectfully submitted,

Clerk of Committee

IN BOARD OF MAYOR & ALDERMEN

DATE: May 15, 2007

ON MOTION OF ALD. Forest

SECONDED BY ALD. Shea

VOTED TO table.

CITY CLERK

IN BOARD OF MAYOR & ALDERMEN

DATE: April 1, 2008

ON MOTION OF ALD. Gatsas

SECONDED BY ALD. M Roy

VOTED TO Remove from table and refer to Lands & Buildings

CITY CLERK

8-21-06 Tabled
10-23-06 Remained Tabled

**City of Manchester**
**Department of Finance**

One City Hall Plaza
Manchester, New Hampshire 03101
Phone: (603) 624-6460
Fax: (603) 624-6549

August 9, 2006

Alderman Michael Garrity
C/O Mr. Leo Bernier
City Clerk
One City Hall Plaza
Manchester, NH 03101

Dear Alderman Garrity,

Attached is a copy of correspondence from Lowell Terrace Associates proposing a mortgage/debt consolidation for the property on the northwest corner of Lowell and Chestnut Streets. This is the item that I spoke to you about last week. With your permission, I would like to have the item discussed at the next CIP Committee meeting.

The proposal from the partnership has already been reviewed by the City Solicitor, Economic Development Director, and the Mayor's Office. Please feel free to contact me with any questions.

Sincerely,

Kevin A. Clougherty
Finance Officer

C: Thomas Clark
Paul Borek
Randy Sherman
Mayor Frank Guinta
Ken Edwards, MHRA
Peter Morgan, Property Services
Tom Musgrave, William Steele Associates

RECEIVED
AUG 9 2006
CITY CLERK'S OFFICE

8-2

WILLIAM STEELE & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
40 STARK STREET
MANCHESTER, NEW HAMPSHIRE 03101
OFFICE 603-622-8881
FAX 603-647-4520

JUN - 7 2006

June 6, 2006

Mr. Kevin Clougherty, Finance Director
City of Manchester
One City Hall Plaza East
Manchester, NH 03101

RE: Lowell Terrace Associates

Dear Kevin:

Thank you for arranging the meeting on May 4, 2006. The meeting and subsequent telephone call the week of the 22nd was helpful. I believe we have reached some meaningful preliminary agreements concerning the terms of the original Promissory Note (Note) and subsequent amendment and modifications that will allow us to resolve the remaining issues to our mutual satisfaction.

Based on our discussions, it is my understanding that Lowell Terrace Associates (LTA) and the Manchester Housing Authority (City) agree on the following.

First, the $1,250,000 portion of the Note is not due at this time. LTA and the City agree that the 1994 Promissory Note Amendment and subsequent modifications have extended the due date of the $1,250,000 portion of the Note to July 1, 2013. The principal balance outstanding on this portion of the loan was $559,811 as of December 31, 2005. Based on continuing monthly payments of $6,885.71, this portion of the loan will be paid in full on July 1, 2013.

Second, the $250,000 portion of the Note is due. As you know, this $250,000 portion of the original loan has all of the characteristics of a fifty percent (50%) equity interest in the partnership. These characteristics will be described in more detail in the paragraphs that follow. The City has asked LTA to make a proposal concerning the amount of the pay off.

LTA is prepared to make the City an offer to settle the $250,000 portion of the original loan and, once the City has reviewed and accepted the proposal, LTA will immediately seek replacement financing to pay off the City.

The original Note terms relating to the $250,000 portion of the loan have all of the characteristics of a 50% equity interest in the partnership. Section 4 of the Note contains these provisions.

Section 4.a) of the Note describes LTA's obligation to pay interest to the City equal to 50% of the project's cash flow. In this regard, whenever LTA has made cash distributions of accumulated cash flow to its partners, a corresponding and equal cash payment has been made to the City. In connection with its settlement proposal, LTA is prepared to pay to the City 50% of the cash in its accounts, excluding cash held by LTA representing tenant deposits.

Section 4.b) of the Note describes LTA's obligation on the twentieth anniversary date of the loan. There has been some disagreement and or misunderstanding concerning this particular provision of the loan. The City, as I understand it, feels that it would be inappropriate to reduce its entitlement under Section 4.b) of the Note by the balance outstanding on the $1,250,000 portion of the loan. LTA maintains that the balance outstanding on the $1,250,000 portion of the loan must be must be taken into account when calculating the City's entitlement. If the outstanding balance on the $1,250,000 portion of the loan were not taken into account, the City would receive a payment exceeding the value of its 50% equity interest in the project.

Neither party expected an outstanding balance on the $1,250,000 portion of the loan when the balloon payment due date provision for the $250,000 portion of the loan was drafted in 1984. However, due to economic circumstances beyond the control of LTA and the City, the project was not able to service its debt and fell behind on its property taxes. Rather than assert its rights as a lien holder entitled to the delinquent property taxes, or assert its rights as the holder of the Note (which was headed into default), the City agreed to certain modifications of the Note in lieu of initiating action to take possession of the partnership's property. I submit to you that the City's actions were well reasoned and were motivated, in principal part, by the desire to protect its right to repayment of the entire outstanding balance of the loan (a balance exceeding $1,217,000 at the time). It is not inconceivable that the City could have lost hundreds of thousands of dollars had it chosen to take possession of the property in 1994. Instead, the City acted in a manner that was both prudent and in its best interests as a lender and owner of 50% of the partnership equity. The City's actions also allowed the partners of LTA an opportunity to salvage their own 50% equity interest.

In LTA's opinion, the City's balloon payment entitlement on the $250,000 portion of the original Note must take into account the balance outstanding on the $1,250,000 portion of the Note. If the City's entitlement were calculated in any other manner, it would contradict the business deal between LTA and the City wherein the City was awarded a 50% equity interest in the project for its $250,000 loan.

LTA's proposal to pay off the $250,000 portion of the loan has been determined by treating the City as a 50% equity owner in the partnership. More specifically, the attached calculations estimate the City's balloon payment entitlement under Section 4.b) of the Note by projecting the net cash proceeds available to the partnership assuming a hypothetical sale of the property on August 1, 2006, followed by a distribution of the partnership's net assets in liquidation of the partnership.

The following assumptions are integral parts of the attached calculations.

1. The market value of the property is equal to its assessed value of $1,255,800.

2. The outstanding principal balance on the $1,250,000 portion of the loan is $515,536 on August 1, 2006.

3. A 4% commission would be paid to a third-party broker to facilitate the sale.

4. A New Hampshire real estate transfer tax equal to .75% of the market value would be payable.

5. A New Hampshire Business Profits Tax equal to 8.5% of the gain recognized on sale would be payable.

6. There will be approximately $150,000 of cash or marketable securities in the partnership's accounts on August 1, 2006.

Based upon the assumptions listed above, LTA estimates the City's entitlement on the $250,000 portion of the original loan to be $367,065.

After you have had an opportunity to review this proposal and discuss it with other interested parties, please call me and let me know how you would like to proceed.

Very truly yours,

WILLIAM STEELE & ASSOCIATES, P.C.

Tom Musgrave

Thomas W. Musgrave, CPA

Enclosure

cc: Richard W. Hale w/enclosure
Peter A. Morgan w/enclosure

LOWELL TERRACE ASSOCIATES
HYPOTHETICAL SALE AND LIQUIDATION ANALYSIS
AS OF AUGUST 1, 2006

## PROJECTED CASH AVAILABLE UPON LIQUIDATION

| | |
|---|---|
| Estimated Cash and Value of Marketable Securities | 150,000 |
| Net Sale Proceeds - See Below | 1,196,150 |
| Estimated Cash Balance and Marketable Securities Value | 1,346,150 |
| Projected NH Business Profits Tax | (96,484) |
| Payoff Balance on $1,250,000 Portion of Loan | (515,536) |
| Net Cash Available for Distribution | 734,129 |
| City's Equity Interest | 50.0% |
| **City's Equity Entitlement** | **367,065** |

## HYPOTHETICAL SALE OF PROPERTY

| | | |
|---|---|---|
| Gross Sale Proceeds | 1,255,800 | Based on Assessed Value |
| Third-Party Commission @ 4% | (50,232) | |
| Real Estate Transfer Tax | (9,419) | .75% x 1,255,800 |
| **Net Sale Proceeds** | **1,196,150** | |
| Adjusted Tax Basis of Property | (61,040) | |
| Projected Gain on Sale of Property | 1,135,110 | |
| NH Business Profits Tax Rate | 8.5% | |
| Projected NH Business Profits Tax | 96,484 | |

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May 3, 2007

Mr. Randy Sherman
Assistant Finance Director
Finance Department
One City Hall Plaza East
Manchester, NH 03101

**Re: Lowell Terrace Associates**

Dear Randy:

It was good to meet with you and the other key City department heads on Monday, April 30th in preparation of the Community Improvement Plan (CIP) Committee meeting scheduled for May 8th. I have again reviewed Tom Musgrave's letter of June 6, 2006, which outlines the history of this project and our proposal last summer.

We now have two (2) major concerns:

1. The treatment of the existing balance of the City's 1st mortgage in determining the equity in the project.
2. The current market value of the building. We are contesting the 2006 revaluation.

We were and are partners in saving a significant building in Manchester. We have worked closely together for over twenty-three (23) years in restoring and subsequently operating the property through good times and bad. We need to look at the deal itself and move forward to clarify the standing and term of the 2nd mortgage piece of our arrangement. There are only two (2) issues.

I look forward to meeting with the Committee on May 8th.

Sincerely yours,

Peter A. Morgan

Peter A. Morgan
Managing Partner
Lowell Terrace Associates

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MAY - 4 2007
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## Suggested Ways Forward

1. City agrees to extend term on 2nd mortgage to July 1, 2013, concurrent with the extension of the existing 1st mortgage.

2. City demands payment of the 2nd mortgage valued at one-half (1/2) the fair market value of the building without consideration that the 1st mortgage is still in place. (Current balance of 1st mortgage as of April 30, 2007 is $470,367.12.)

    a. The loan will fall into default as the Lowell Terrace partners do not concur on the method of valuing the 2nd mortgage.
    b. The default provisions in the original note clearly provide the method of valuing the 2nd mortgage in the event of a default. The remaining balance of the 1st mortgage is deducted from the fair market value to establish the value to be paid to retire the 2nd mortgage.

3. City agrees that the existing balance of the 1st mortgage affects the current value of the 2nd mortgage.

    a. We jointly agree to establish the current fair market value of the property.
    b. The Lowell Terrace partners will proceed to arrange 3rd party financing and within ninety (90) days of 3.a. will pay off the 2nd mortgage.

**City of Manchester**
**Department of Finance**

One City Hall Plaza
Manchester, New Hampshire 03101
(603) 624-6460
(603) 624-6549 Fax

# MEMORANDUM

**Date:** May 30, 2007

**To:** Board of Mayor and Aldermen

**From:** William Sanders

**RE:** **Lowell Terrace Requests**

Attached in response to questions and requests at the May 15 BMA meeting are the following documents related to the Lowell Terrace project.

1. The audited partnership financial statements for the years ended June 30, 2006 and June 30, 2005.
2. A four page schedule detailing from inception payments on the $1,250,000 first mortgage.
3. A summary of interest payments received on the $250,000 second mortgage.
4. A current amortization schedule through July 2013 for the first mortgage.
5. A copy of Randy Sherman's draft letter of September 18, 2001 regarding Lowell Terrace. This draft letter was referenced at the May 15, 2007 BMA meeting.

We have requested a certificate of insurance and expect to have copies available at the meeting.

# LOWELL TERRACE ASSOCIATES

## FINANCIAL STATEMENTS

## FOR THE YEARS ENDED
## DECEMBER 31, 2006 AND 2005

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WILLIAM STEELE & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
40 STARK STREET
MANCHESTER, NEW HAMPSHIRE 03101
OFFICE 603-622-8881
FAX 603-647-4520

To the Partners
Lowell Terrace Associates
Manchester, New Hampshire

We have compiled the accompanying statements of assets, liabilities and capital - income tax basis of Lowell Terrace Associates (a partnership) as of December 31, 2006 and 2005, and the related statements of revenue and expenses, partners' capital and cash flows - income tax basis for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

William Steele & Associates, P.C.

Manchester, New Hampshire
May 18, 2007

# LOWELL TERRACE ASSOCIATES
## STATEMENTS OF ASSETS, LIABILITIES AND PARTNERS' CAPITAL - INCOME TAX BASIS
## DECEMBER 31, 2006 AND 2005

### ASSETS

| | 2006 | 2005 |
|---|---|---|
| CURRENT ASSETS | | |
| Cash | $ 108,715 | $ 116,665 |
| Cash - security deposits | 14,029 | 16,791 |
| Due from Metropolis | 3,302 | - |
| TOTAL CURRENT ASSETS | 126,046 | 133,456 |
| PROPERTY AND EQUIPMENT | | |
| Land | 50,000 | 50,000 |
| Building and improvements | 1,782,305 | 1,776,108 |
| Furniture and fixtures | 21,429 | 21,429 |
| | 1,853,734 | 1,847,537 |
| Less: accumulated depreciation | (1,790,565) | (1,786,497) |
| NET PROPERTY AND EQUIPMENT | 63,169 | 61,040 |
| TOTAL ASSETS | $ 189,215 | $ 194,496 |

### LIABILITIES AND PARTNERS' CAPITAL

| | | |
|---|---|---|
| CURRENT LIABILITIES | | |
| Security deposits payable | $ 14,209 | $ 16,971 |
| Current portion of notes payable | 318,777 | 316,747 |
| TOTAL CURRENT LIABILITIES | 332,986 | 333,718 |
| LONG-TERM LIABILITIES | | |
| Notes payable, net of current portion | 602,764 | 671,541 |
| TOTAL LIABILITIES | 935,750 | 1,005,259 |
| PARTNERS' CAPITAL (DEFICIT) | (746,535) | (810,763) |
| TOTAL LIABILITIES AND PARTNERS' CAPITAL | $ 189,215 | $ 194,496 |

See Accountants' Compilation Report and Notes to Financial Statements

# LOWELL TERRACE ASSOCIATES
## STATEMENTS OF REVENUE AND EXPENSES - INCOME TAX BASIS
## FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005

| | 2006 | 2005 |
|---|---|---|
| REVENUE | | |
| Rental income | $ 267,603 | $ 274,258 |
| Other income | 2,231 | 2,174 |
| TOTAL REVENUE | 269,834 | 276,432 |
| OPERATING EXPENSES | | |
| Real estate taxes | 38,300 | 35,614 |
| Gas | 34,893 | 25,623 |
| Repairs and maintenance | 22,640 | 13,073 |
| Management fees | 20,604 | 18,449 |
| Interest | 15,882 | 29,852 |
| Electricity | 12,116 | 10,046 |
| Insurance | 10,038 | 9,540 |
| Water and sewer | 9,303 | 11,758 |
| Accounting fees | 9,261 | 3,075 |
| Janitorial service | 6,351 | 8,861 |
| Exterminator | 4,305 | 2,600 |
| Depreciation | 4,068 | 4,058 |
| Supplies | 3,883 | 3,171 |
| Fire alarm | 2,680 | 2,659 |
| Waste disposal | 2,160 | 2,160 |
| Filing fee | 1,315 | - |
| Bank charges | 1,279 | 1,480 |
| General partner fees | 1,200 | 1,200 |
| Legal fees | 1,156 | - |
| Appliances | 898 | - |
| Central business district tax | 828 | 804 |
| Rental equipment | 571 | - |
| Grounds maintenance | 475 | 1,620 |
| Advertising | 461 | 752 |
| Telephone | 375 | 317 |
| Entertainment | 240 | 67 |
| Rental incentive plan fee | 100 | - |
| Foreign tax expense | 38 | 13 |
| Amortization | - | 2,250 |
| TOTAL OPERATING EXPENSES | $ 205,420 | $ 189,042 |

See Accountants' Compilation Report and Notes to Financial Statements

# LOWELL TERRACE ASSOCIATES
## STATEMENTS OF REVENUE AND EXPENSES - INCOME TAX BASIS
## FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005

| | 2006 | 2005 |
|---|---|---|
| INCOME FROM OPERATIONS | 64,414 | 87,390 |
| INTEREST AND DIVIDEND INCOME | 2,266 | 2,842 |
| GAIN ON SALE OF SECURITIES | 2,640 | - |
| INCOME BEFORE STATE TAXES | 69,320 | 90,232 |
| STATE TAXES PAID | (5,092) | (11,298) |
| NET INCOME | $ 64,228 | $ 78,934 |

See Accountants' Compilation Report and Notes to Financial Statements



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# LOWELL TERRACE ASSOCIATES
## STATEMENTS OF CHANGES IN PARTNERS' CAPITAL (DEFICIENCY) - INCOME TAX BASIS
## FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005

| | |
|---|---|
| BALANCE, December 31, 2004 | $ (847,697) |
| Net Income | 78,934 |
| Cash Distributions to Partners | (42,000) |
| BALANCE, December 31, 2005 | (810,763) |
| Net Income | 64,228 |
| Cash Distributions to Partners | - |
| BALANCE, December 31, 2006 | $ (746,535) |

See Accountants' Compilation Report and Notes to Financial Statements

# LOWELL TERRACE ASSOCIATES
## STATEMENTS OF CASH FLOWS - INCOME TAX BASIS
## FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005

| | 2006 | 2005 |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net Income | $ 64,228 | $ 78,934 |
| Adjustments to reconcile net income to net cash from operations: | | |
| Depreciation | 4,068 | 4,058 |
| Amortization | - | 2,250 |
| Increase (decrease) in assets and liabilities: | | |
| Security deposits payable | (2,762) | (1,850) |
| Due from Metropolis | (3,302) | - |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 62,232 | 83,392 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Purchase of new equipment and improvements | (6,197) | (1,118) |
| Principal payments on notes payable | (66,747) | (64,777) |
| Cash distributions to partners | - | (42,000) |
| NET CASH USED BY FINANCING ACTIVITIES | (72,944) | (107,895) |
| NET DECREASE IN CASH | (10,712) | (24,503) |
| CASH, BEGINNING OF YEAR | 133,456 | 157,959 |
| CASH, END OF YEAR | $ 122,744 | $ 133,456 |

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

| | 2006 | 2005 |
|---|---|---|
| Cash paid during the year for: | | |
| Interest | $ 15,882 | $ 29,852 |
| State Taxes, net of refunds | $ 5,092 | $ 11,298 |

See Accountants' Compilation Report and Notes to Financial Statements



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# LOWELL TERRACE ASSOCIATES
# NOTES TO FINANCIAL STATEMENTS
# FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005

## NOTE 1. THE PARTNERSHIP

Lowell Terrace Associates is a New Hampshire general partnership formed on September 1, 1984 for the purpose of managing and investing in real estate for its own purposes or on behalf of others. During 1986, the Partnership, through a related party (See Note 5), completed the construction of a 63-unit low-income housing project in Manchester, New Hampshire. Occupancy in units of the project includes leases whose rent levels conform to the Section 8 Existing Program offered by the United States Department of Housing and Urban Development. This project is presently the Partnership's only investment.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Presentation

The Partnership's policy is to prepare its financial statements on the accounting basis used for income tax purposes, generally on the basis of cash receipts and disbursements. On such basis, the financial statements do not include rents accrued or uncollected, or accounts payable for services billed but unpaid and other accrued liabilities. These policies differ from generally accepted accounting principles whereby income and the related assets are recognized when earned and certain expenses are recognized when the related obligations are incurred.

### Depreciation

Depreciation is computed using straight-line and accelerated methods over lives ranging from five to twenty-eight years.

### Deferred Costs

Financing fees have been amortized over the term (20 years) of the underlying indebtedness to which it relates.

### Income Taxes

Lowell Terrace Associates is treated as a Partnership for federal income tax purposes and does not incur federal income taxes. Instead, the Partnership's profits and losses are reported in the individual partners' tax return. The Partnership is liable for state income taxes and state business taxes. When state taxes are paid by the Partnership, such taxes are reflected in the partners' distributive share of income or loss.

### Concentration of Credit Risk

The Partnership occasionally maintains deposits in excess of Federally insured limits. Statements of Financial Accounting Standards No. 105 identifies these items as a concentration of credit risk requiring disclosure regardless of the degree of risk. The risk is managed by maintaining all deposits in high quality financial institutions.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

### Reclassifications

Certain amounts in the December 31, 2005 financial statements have been reclassified to conform to the December 31, 2006 presentation.

## NOTE 3. NOTES PAYABLE

Notes payable at December 31, 2006 and 2005 consist of the following:

| | 2006 | 2005 |
|---|---|---|
| $1,500,000 Promissory Note dated December 1984, (as amended and modified) with the following terms and conditions: | | |
| $1,250,000 of the Promissory Note bears interest at 3%; payable in monthly installments of $6,886; matures July 2013. The note is secured by a first mortgage on the project and the personal guarantees of the partners. | $ 493,064 | $ 559,811 |
| $250,000 of the Promissory Note requires annual interest payments commencing in 1987 equal to 50% of the net cash flows of the project, as defined; a balloon payment of principal and interest is due under the terms of the original note 20 years after completion of construction equal to one-half (1/2) of the fair market value of the property at that date. The note is secured by a first mortgage on the project and the personal guarantees of the partners. Interest payments of $12,000 were made in 2005. | 250,000 | 250,000 |
| Note payable to a partner; principal due on demand, interest at 10.5% per annum; collateralized by a mortgage on the project. No payments were made on this note during 2006 and 2005. | 80,000 | 80,000 |

NOTE 3. NOTES PAYABLE (continued)

| | 2006 | 2005 |
|---|---|---|
| Other unsecured notes payable due to affiliated entities and partners of the Partnership, with no repayment terms or rates of interest specified. | $ 98,477 | $ 98,477 |
| | 921,541 | 988,288 |
| Less: current portion due within one year | (318,777) | (316,747) |
| | $ 602,764 | $ 671,541 |

The aggregate amount of future principal payments on partnership debt at December 31, 2006 are as follows:

| Year Ending December 31, | |
|---|---|
| 2007 | $318,777 |
| 2008 | 70,869 |
| 2009 | 73,025 |
| 2010 | 75,246 |
| 2011 | 77,534 |
| 2012 and thereafter | 306,090 |
| Total | $921,541 |

NOTE 4. RELATED PARTY TRANSACTIONS

The Partnership receives property management services (for a management fee determined at 7% of rental income) from a related entity. The Partnership paid $1,200 during 2006 and 2005 to an entity controlled by one of the partners for extraordinary general partner services. In addition, as discussed in Note 3, the Partnership is obligated to the partners and various other related parties in the amount of $178,477 at December 31, 2006 and 2005.

| Lowell Terrace | | |
|---|---|---|
| Payments on $1,250,000 | | |
| First Mortgage | | |
| NUMBER | DATE PAID | AMOUNT PAID |
| 1 | 5/17/89 | 7,829.69 |
| 2 | 6/6/89 | 7,829.69 |
| 3 | 7/17/89 | 7,829.69 |
| 4 | 8/10/89 | 7,829.69 |
| 5 | 9/13/89 | 7,829.69 |
| 6 | 11/22/89 | 7,829.69 |
| 7 | 11/22/89 | 7,829.69 |
| 8 | 12/13/89 | 7,829.69 |
| 9 | 1/17/90 | 7,829.69 |
| 10 | 2/15/90 | 7,829.69 |
| 11 | 3/15/89 | 7,829.69 |
| 12 | 4/18/90 | 7,829.69 |
| 13 | 5/14/90 | 7,829.69 |
| 14 | 6/14/90 | 7,829.69 |
| 15 | 7/17/90 | 7,829.69 |
| 16 | 8/20/90 | 7,829.69 |
| 17 | 9/12/90 | 7,829.69 |
| 18 | 10/26/90 | 7,829.69 |
| 19 | 11/19/90 | 7,829.69 |
| 20 | 12/24/90 | 7,829.69 |
| 21 | 1/15/91 | 7,829.69 |
| 22 | 2/21/91 | 7,829.69 |
| 23 | 3/14/91 | 7,829.69 |
| 24 | 4/15/91 | 7,829.69 |
| 25 | 5/20/91 | 7,829.69 |
| 26 | 6/13/91 | 7,829.69 |
| 27 | 7/30/91 | 7,829.69 |
| 28 | 8/15/91 | 7,829.69 |
| 29 | 9/16/91 | 7,829.69 |
| 30 | 10/21/91 | 7,829.69 |
| 31 | 11/18/91 | 7,829.69 |
| 32 | 12/13/91 | 7,829.69 |
| 33 | 1/15/92 | 7,829.69 |
| 34 | 2/19/92 | 7,829.69 |
| 35 | 3/6/92 | 7,829.69 |
| 36 | 4/16/92 | 7,829.69 |
| 37 | 5/14/92 | 7,829.69 |
| 38 | 6/15/92 | 7,829.69 |
| 39 | 7/31/92 | 7,829.69 |
| 40 | 8/12/92 | 7,829.69 |
| 41 | 8/19/92 | 7,829.69 |
| 42 | 9/22/92 | 7,829.69 |
| 43 | 10/13/92 | 7,829.69 |
| 44 | 11/17/92 | 7,829.69 |
| 45 | 12/11/92 | 7,829.69 |
| 46 | 1/12/93 | 7,829.69 |
| 47 | 2/11/93 | 7,829.69 |
| 48 | 3/11/93 | 7,829.69 |
| 49 | 4/13/93 | 7,829.69 |
| 50 | 5/11/93 | 7,829.69 |

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| | | |
|---|---|---|
| 51 | 6/11/93 | 7,829.69 |
| 52 | 7/14/93 | 7,829.69 |
| 53 | 8/9/93 | 7,829.69 |
| 54 | 9/9/93 | 7,829.69 |
| 55 | 10/14/93 | 7,829.69 |
| 56 | 11/19/93 | 7,829.69 |
| 57 | 12/13/93 | 7,829.69 |
| 58 | 1/6/94 | 7,829.69 |
| 59 | 2/16/94 | 7,829.69 |
| 60 | 3/11/94 | 7,829.69 |
| 61 | 4/13/94 | 7,829.69 |
| 62 | 5/25/94 | 7,829.69 |
| 63 | 6/30/94 | 7,829.69 |
| 64 | 8/15/94 | 7,829.69 |
| 65 | 10/14/94 | 7,829.69 |
| 66 | 10/14/94 | 7,829.69 |
| 67 | 11/28/94 | 7,829.69 |
| 68 | 12/29/94 | 7,829.69 |
| 69 | 1/31/95 | 7,829.69 |
| 70 | 4/10/95 | 2,500.00 |
| 71 | 5/9/95 | 2,500.00 |
| 72 | 6/15/95 | 2,500.00 |
| 73 | 7/15/95 | 2,500.00 |
| 74 | 8/15/95 | 2,500.00 |
| 75 | 9/14/95 | 2,500.00 |
| 76 | 10/20/95 | 2,500.00 |
| 77 | 11/20/95 | 2,500.00 |
| 78 | 12/26/95 | 2,500.00 |
| 79 | 1/19/96 | 2,500.00 |
| 80 | 2/20/96 | 2,500.00 |
| 81 | 3/18/96 | 2,500.00 |
| 82 | 4/18/96 | 2,500.00 |
| 83 | 5/13/96 | 2,500.00 |
| 84 | 6/11/96 | 2,500.00 |
| 85 | 7/12/96 | 2,500.00 |
| 86 | 8/15/96 | 2,500.00 |
| 87 | 9/13/96 | 2,500.00 |
| 88 | 10/96 | 2,500.00 |
| 89 | 11/19/96 | 2,500.00 |
| 90 | 12/10/96 | 2,500.00 |
| 91 | 1/24/97 | 2,500.00 |
| 92 | 3/17/97 | 2,500.00 |
| 93 | 4/15/97 | 2,500.00 |
| 94 | 5/16/97 | 2,500.00 |
| 95 | 06/19/97 | 2,500.00 |
| 96 | 07/21/97 | 2,500.00 |
| 97 | 8/19/97 | 2,500.00 |
| 98 | 09/23/97 | 2,500.00 |
| 99 | 10/16/97 | 2,500.00 |
| 100 | 11/20/97 | 2,500.00 |
| 101 | 12/12/97 | 2,500.00 |
| 102 | 1/26/98 | 2,500.00 |
| 103 | 2/18/98 | 2,500.00 |
| 104 | 3/17/98 | 2,500.00 |
| 105 | 4/16/98 | 2,500.00 |
| 106 | 5/13/98 | 2,500.00 |
| 107 | 6/16/98 | 2,500.00 |
| 108 | 8/7/98 | 6,885.71 |



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| | | |
|---|---|---|
| 109 | 9/3/98 | 6,885.71 |
| 110 | copy of check not made | 6,885.71 |
| 111 | 11/6/98 | 6,885.71 |
| 112 | 12/3/98 | 6,885.71 |
| 113 | 1/5/99 | 6,885.71 |
| 114 | 2/8/99 | 6,885.71 |
| 115 | 3/8/99 | 6,885.71 |
| 116 | 4/08/99 | 6,885.71 |
| 117 | 5/17/99 | 6,885.71 |
| 118 | 6/30/99 | 6,885.71 |
| 119 | 7/6/99 | 6,885.71 |
| 120 | 8/3/99 | 6,885.71 |
| 121 | 9/2/99 | 6,885.71 |
| 122 | 10/5/99 | 6,885.71 |
| 123 | 11/4/99 | 6,885.71 |
| 124 | 12/2/99 | 6,885.71 |
| 125 | 1/6/00 | 6,885.71 |
| 126 | 2/3/0 | 6,885.71 |
| 127 | 3/1/00 | 6,885.71 |
| 128 | 4/6/00 | 6,885.71 |
| 129 | 5/4/00 | 6,885.71 |
| 130 | 6/1/00 | 6,885.71 |
| 131 | 7/6/00 | 6,885.71 |
| 132 | 8/8/00 | 6,885.71 |
| 133 | 9/7/00 | 6,885.71 |
| 134 | 10/5/00 | 6,885.71 |
| 135 | 10/2/00 | 6,885.71 |
| 136 | 12/5/00 | 6,885.71 |
| 137 | 01/05/01 | 6,885.71 |
| 138 | 02/07/01 | 6,885.71 |
| 139 | 03/12/01 | 6,885.71 |
| 140 | 4/6/01 | 6,885.71 |
| 141 | 05/07/01 | 6,885.71 |
| 142 | 06/06/01 | 6,885.71 |
| 143 | 07/10/01 | 6,885.71 |
| 144 | 08/02/01 | 6,885.71 |
| 145 | 09/06/01 | 6,885.71 |
| 146 | 10/04/01 | 6,885.71 |
| 147 | 11/02/01 | 6,885.71 |
| 148 | 12/6/01 | 6,885.71 |
| 149 | 1/3/02 | 6,885.71 |
| 150 | 2/7/02 | 6,885.71 |
| 151 | 3/14/02 | 6,885.71 |
| 152 | 4/4/02 | 6,885.71 |
| 153 | 5/9/02 | 6,885.71 |
| 154 | 6/6/02 | 6,885.71 |
| 155 | 07/02/02 | 6,885.71 |
| 156 | 08/02/02 | 6,885.71 |
| 157 | 9/5/02 | 6,885.71 |
| 158 | 10/03/02 | 6,885.71 |
| 159 | 11/4/02 | 6,885.71 |
| 160 | 12/05/02 | 6,885.71 |
| 161 | 01/02/03 | 6,885.71 |
| 162 | 02/06/03 | 6,885.71 |
| 163 | 3/6/03 | 6,885.71 |
| 164 | 4/10/03 | 6,885.71 |
| 165 | 5/8/03 | 6885.71 |
| 166 | 6/5/03 | 6,885.71 |



8-23

| | | |
|---|---|---|
| 167 | 7/3/03 | 6,885.71 |
| 168 | 08/07/03 | 6,885.71 |
| 169 | 9/7/03 | 6,885.71 |
| 170 | 10/02/03 | 6,885.71 |
| 171 | 11/07/03 | 6,885.71 |
| 172 | 12/5/03 | 6,885.71 |
| 173 | 01/08/04 | 6,885.71 |
| 174 | 2/5/04 | 6,885.71 |
| 175 | 3/4/04 | 6,885.71 |
| 176 | 4/1/04 | 6,885.71 |
| 177 | 5/6/04 | 6,885.71 |
| 178 | 6/3/04 | 6,885.71 |
| 179 | 7/9/04 | 6,885.71 |
| 180 | 8/5/04 | 6,885.71 |
| 181 | 9/2/04 | 6,885.71 |
| 182 | 10/7/04 | 6,885.71 |
| 183 | 11/4/04 | 6,885.71 |
| 184 | 12/2/04 | 6,885.71 |
| 185 | 1/6/05 | 6,885.71 |
| 186 | 2/3/05 | 6,885.71 |
| 187 | 03/05/05 | 6,885.71 |
| 188 | 4/7/05 | 6,885.71 |
| 189 | 5/5/05 | 6,885.71 |
| 190 | 6/2/05 | 6,885.71 |
| 191 | 7/7/05 | 6,885.71 |
| 192 | 8/4/05 | 6,885.71 |
| 193 | 9/1/05 | 6,885.71 |
| 194 | 10/6/05 | 6,885.71 |
| 195 | 11/4/05 | 6,885.71 |
| 196 | 12/2/05 | 6,885.71 |
| 197 | 1/6/06 | 6,885.71 |
| 198 | 2/2/06 | 6,885.71 |
| 199 | 3/3/06 | 6,885.71 |
| 200 | 4/6/06 | 6,885.71 |
| 201 | 5/4/06 | 6,885.71 |
| 202 | 6/1/06 | 6,885.71 |
| 203 | 7/7/06 | 6,885.71 |
| 204 | 8/4/06 | 6,885.71 |
| 205 | 9/7/06 | 6,885.71 |
| 206 | 10/5/06 | 6,885.71 |
| 207 | 11/1/06 | 6,885.71 |
| 208 | 12/8/06 | 6,885.71 |
| 209 | 1/2/07 | 6,885.71 |
| 210 | 2/1/07 | 6,885.71 |
| 211 | 3/9/07 | 6,885.71 |
| 212 | 4/5/07 | 6,885.71 |
| Total | | $1,351,362.45 |
| | | |
| Total Interest | | $571,730.05 |
| Total Principal | | $779,632.40 |
| Total Paid | | $1,351,362.45 |



8-24

Lowell Terrace

Interest Payments on $250,000 Second Mortgage

| Fiscal Year | Amount |
|---|---|
| 2007 | 0 |
| 2006 | 12,000 |
| 2005 | 30,000 |
| 2004 | 25,000 |
| 2003 | 90,000 |
| 2001 | 35,293 |
| Total Received | $192,293 |

Wes
5/30/07

| | | | | | |
|---|---|---|---|---|---|
| | CDBG PROGRAM INCOME | | | Principal Amount | $ 997,087.76 |
| | LOWELL TERRACE | | | Years to Maturity | 15 |
| | | | | # of Payments | 180 |
| | | | | Interest Rate | 3.00% |
| | | | | Pmts per year | 12 |
| | | | | Year of Loan | |
| | | | | Payment | $6,885.71 |

| # | Date | Payment | Interest | Principal | Balance |
|---|---|---|---|---|---|
| | | | | | $ 997,087.76 |
| 1 | Aug-98 | $6,885.71 | $ 2,492.72 | $ 4,392.99 | $ 992,694.77 |
| 2 | Sep-98 | $6,885.71 | $ 2,481.74 | $ 4,403.97 | $ 988,290.81 |
| 3 | Oct-98 | $6,885.71 | $ 2,470.73 | $ 4,414.98 | $ 983,875.83 |
| 4 | Nov-98 | $6,885.71 | $ 2,459.69 | $ 4,426.02 | $ 979,449.81 |
| 5 | Dec-98 | $6,885.71 | $ 2,448.62 | $ 4,437.08 | $ 975,012.73 |
| 6 | Jan-99 | $6,885.71 | $ 2,437.53 | $ 4,448.17 | $ 970,564.56 |
| 7 | Feb-99 | $6,885.71 | $ 2,426.41 | $ 4,459.29 | $ 966,105.27 |
| 8 | Mar-99 | $6,885.71 | $ 2,415.26 | $ 4,470.44 | $ 961,634.82 |
| 9 | Apr-99 | $6,885.71 | $ 2,404.09 | $ 4,481.62 | $ 957,153.21 |
| 10 | May-99 | $6,885.71 | $ 2,392.88 | $ 4,492.82 | $ 952,660.38 |
| 11 | Jun-99 | $6,885.71 | $ 2,381.65 | $ 4,504.05 | $ 948,156.33 |
| 12 | Jul-99 | $6,885.71 | $ 2,370.39 | $ 4,515.31 | $ 943,641.02 |
| 13 | Aug-99 | $6,885.71 | $ 2,359.10 | $ 4,526.60 | $ 939,114.41 |
| 14 | Sep-99 | $6,885.71 | $ 2,347.79 | $ 4,537.92 | $ 934,576.49 |
| 15 | Oct-99 | $6,885.71 | $ 2,336.44 | $ 4,549.26 | $ 930,027.23 |
| 16 | Nov-99 | $6,885.71 | $ 2,325.07 | $ 4,560.64 | $ 925,466.59 |
| 17 | Dec-99 | $6,885.71 | $ 2,313.67 | $ 4,572.04 | $ 920,894.55 |
| 18 | Jan-00 | $6,885.71 | $ 2,302.24 | $ 4,583.47 | $ 916,311.09 |
| 19 | Feb-00 | $6,885.71 | $ 2,290.78 | $ 4,594.93 | $ 911,716.16 |
| 20 | Mar-00 | $6,885.71 | $ 2,279.29 | $ 4,606.41 | $ 907,109.74 |
| 21 | Apr-00 | $6,885.71 | $ 2,267.77 | $ 4,617.93 | $ 902,491.81 |
| 22 | May-00 | $6,885.71 | $ 2,256.23 | $ 4,629.48 | $ 897,862.34 |
| 23 | Jun-00 | $6,885.71 | $ 2,244.66 | $ 4,641.05 | $ 893,221.29 |
| 24 | Jul-00 | $6,885.71 | $ 2,233.05 | $ 4,652.65 | $ 888,568.64 |
| 25 | Aug-00 | $6,885.71 | $ 2,221.42 | $ 4,664.28 | $ 883,904.35 |
| 26 | Sep-00 | $6,885.71 | $ 2,209.76 | $ 4,675.94 | $ 879,228.41 |
| 27 | Oct-00 | $6,885.71 | $ 2,198.07 | $ 4,687.63 | $ 874,540.78 |
| 28 | Nov-00 | $6,885.71 | $ 2,186.35 | $ 4,699.35 | $ 869,841.42 |
| 29 | Dec-00 | $6,885.71 | $ 2,174.60 | $ 4,711.10 | $ 865,130.32 |
| 30 | Jan-01 | $6,885.71 | $ 2,162.83 | $ 4,722.88 | $ 860,407.44 |
| 31 | Feb-01 | $6,885.71 | $ 2,151.02 | $ 4,734.69 | $ 855,672.76 |
| 32 | Mar-01 | $6,885.71 | $ 2,139.18 | $ 4,746.52 | $ 850,926.23 |
| 33 | Apr-01 | $6,885.71 | $ 2,127.32 | $ 4,758.39 | $ 846,167.84 |
| 34 | May-01 | $6,885.71 | $ 2,115.42 | $ 4,770.29 | $ 841,397.56 |
| 35 | Jun-01 | $6,885.71 | $ 2,103.49 | $ 4,782.21 | $ 836,615.35 |
| 36 | Jul-01 | $6,885.71 | $ 2,091.54 | $ 4,794.17 | $ 831,821.18 |
| 37 | Aug-01 | $6,885.71 | $ 2,079.55 | $ 4,806.15 | $ 827,015.03 |
| 38 | Sep-01 | $6,885.71 | $ 2,067.54 | $ 4,818.17 | $ 822,196.86 |
| 39 | Oct-01 | $6,885.71 | $ 2,055.49 | $ 4,830.21 | $ 817,366.65 |
| 40 | Nov-01 | $6,885.71 | $ 2,043.42 | $ 4,842.29 | $ 812,524.36 |
| 41 | Dec-01 | $6,885.71 | $ 2,031.31 | $ 4,854.39 | $ 807,669.97 |
| 42 | Jan-02 | $6,885.71 | $ 2,019.17 | $ 4,866.53 | $ 802,803.44 |
| 43 | Feb-02 | $6,885.71 | $ 2,007.01 | $ 4,878.70 | $ 797,924.74 |
| 44 | Mar-02 | $6,885.71 | $ 1,994.81 | $ 4,890.89 | $ 793,033.85 |

| | | | | | |
|---|---|---|---|---|---|
| | CDBG PROGRAM INCOME | | | Principal Amount | $ 997,087.76 |
| | LOWELL TERRACE | | | Years to Maturity | 15 |
| | | | | # of Payments | 180 |
| | | | | Interest Rate | 3.00% |
| | | | | Pmts per year | 12 |
| | | | | Year of Loan | |
| | | | | Payment | $6,885.71 |

| # | Date | Payment | Interest | Principal | Balance |
|---|---|---|---|---|---|
| 45 | Apr-02 | $6,885.71 | $ 1,982.58 | $ 4,903.12 | $ 788,130.73 |
| 46 | May-02 | $6,885.71 | $ 1,970.33 | $ 4,915.38 | $ 783,215.35 |
| 47 | Jun-02 | $6,885.71 | $ 1,958.04 | $ 4,927.67 | $ 778,287.68 |
| 48 | Jul-02 | $6,885.71 | $ 1,945.72 | $ 4,939.99 | $ 773,347.69 |
| 49 | Aug-02 | $6,885.71 | $ 1,933.37 | $ 4,952.34 | $ 768,395.36 |
| 50 | Sep-02 | $6,885.71 | $ 1,920.99 | $ 4,964.72 | $ 763,430.64 |
| 51 | Oct-02 | $6,885.71 | $ 1,908.58 | $ 4,977.13 | $ 758,453.51 |
| 52 | Nov-02 | $6,885.71 | $ 1,896.13 | $ 4,989.57 | $ 753,463.94 |
| 53 | Dec-02 | $6,885.71 | $ 1,883.66 | $ 5,002.05 | $ 748,461.90 |
| 54 | Jan-03 | $6,885.71 | $ 1,871.15 | $ 5,014.55 | $ 743,447.35 |
| 55 | Feb-03 | $6,885.71 | $ 1,858.62 | $ 5,027.09 | $ 738,420.26 |
| 56 | Mar-03 | $6,885.71 | $ 1,846.05 | $ 5,039.65 | $ 733,380.61 |
| 57 | Apr-03 | $6,885.71 | $ 1,833.45 | $ 5,052.25 | $ 728,328.35 |
| 58 | May-03 | $6,885.71 | $ 1,820.82 | $ 5,064.88 | $ 723,263.47 |
| 59 | Jun-03 | $6,885.71 | $ 1,808.16 | $ 5,077.55 | $ 718,185.92 |
| 60 | Jul-03 | $6,885.71 | $ 1,795.46 | $ 5,090.24 | $ 713,095.68 |
| 61 | Aug-03 | $6,885.71 | $ 1,782.74 | $ 5,102.97 | $ 707,992.72 |
| 62 | Sep-03 | $6,885.71 | $ 1,769.98 | $ 5,115.72 | $ 702,876.99 |
| 63 | Oct-03 | $6,885.71 | $ 1,757.19 | $ 5,128.51 | $ 697,748.48 |
| 64 | Nov-03 | $6,885.71 | $ 1,744.37 | $ 5,141.33 | $ 692,607.15 |
| 65 | Dec-03 | $6,885.71 | $ 1,731.52 | $ 5,154.19 | $ 687,452.96 |
| 66 | Jan-04 | $6,885.71 | $ 1,718.63 | $ 5,167.07 | $ 682,285.89 |
| 67 | Feb-04 | $6,885.71 | $ 1,705.71 | $ 5,179.99 | $ 677,105.90 |
| 68 | Mar-04 | $6,885.71 | $ 1,692.76 | $ 5,192.94 | $ 671,912.96 |
| 69 | Apr-04 | $6,885.71 | $ 1,679.78 | $ 5,205.92 | $ 666,707.03 |
| 70 | May-04 | $6,885.71 | $ 1,666.77 | $ 5,218.94 | $ 661,488.10 |
| 71 | Jun-04 | $6,885.71 | $ 1,653.72 | $ 5,231.98 | $ 656,256.11 |
| 72 | Jul-04 | $6,885.71 | $ 1,640.64 | $ 5,245.06 | $ 651,011.05 |
| 73 | Aug-04 | $6,885.71 | $ 1,627.53 | $ 5,258.18 | $ 645,752.87 |
| 74 | Sep-04 | $6,885.71 | $ 1,614.38 | $ 5,271.32 | $ 640,481.55 |
| 75 | Oct-04 | $6,885.71 | $ 1,601.20 | $ 5,284.50 | $ 635,197.05 |
| 76 | Nov-04 | $6,885.71 | $ 1,587.99 | $ 5,297.71 | $ 629,899.33 |
| 77 | Dec-04 | $6,885.71 | $ 1,574.75 | $ 5,310.96 | $ 624,588.38 |
| 78 | Jan-05 | $6,885.71 | $ 1,561.47 | $ 5,324.23 | $ 619,264.14 |
| 79 | Feb-05 | $6,885.71 | $ 1,548.16 | $ 5,337.54 | $ 613,926.60 |
| 80 | Mar-05 | $6,885.71 | $ 1,534.82 | $ 5,350.89 | $ 608,575.71 |
| 81 | Apr-05 | $6,885.71 | $ 1,521.44 | $ 5,364.27 | $ 603,211.44 |
| 82 | May-05 | $6,885.71 | $ 1,508.03 | $ 5,377.68 | $ 597,833.77 |
| 83 | Jun-05 | $6,885.71 | $ 1,494.58 | $ 5,391.12 | $ 592,442.65 |
| 84 | Jul-05 | $6,885.71 | $ 1,481.11 | $ 5,404.60 | $ 587,038.05 |
| 85 | Aug-05 | $6,885.71 | $ 1,467.60 | $ 5,418.11 | $ 581,619.94 |
| 86 | Sep-05 | $6,885.71 | $ 1,454.05 | $ 5,431.66 | $ 576,188.28 |
| 87 | Oct-05 | $6,885.71 | $ 1,440.47 | $ 5,445.23 | $ 570,743.05 |
| 88 | Nov-05 | $6,885.71 | $ 1,426.86 | $ 5,458.85 | $ 565,284.20 |
| 89 | Dec-05 | $6,885.71 | $ 1,413.21 | $ 5,472.49 | $ 559,811.71 |

| | | | | | |
|---|---|---|---|---|---|
| | CDBG PROGRAM INCOME | | | Principal Amount | $ 997,087.76 |
| | LOWELL TERRACE | | | Years to Maturity | 15 |
| | | | | # of Payments | 180 |
| | | | | Interest Rate | 3.00% |
| | | | | Pmts per year | 12 |
| | | | | Year of Loan | |
| | | | | Payment | $6,885.71 |

| # | Date | Payment | Interest | Principal | Balance |
|---|---|---|---|---|---|
| 90 | Jan-06 | $6,885.71 | $ 1,399.53 | $ 5,486.18 | $ 554,325.53 |
| 91 | Feb-06 | $6,885.71 | $ 1,385.81 | $ 5,499.89 | $ 548,825.64 |
| 92 | Mar-06 | $6,885.71 | $ 1,372.06 | $ 5,513.64 | $ 543,312.00 |
| 93 | Apr-06 | $6,885.71 | $ 1,358.28 | $ 5,527.43 | $ 537,784.57 |
| 94 | May-06 | $6,885.71 | $ 1,344.46 | $ 5,541.24 | $ 532,243.33 |
| 95 | Jun-06 | $6,885.71 | $ 1,330.61 | $ 5,555.10 | $ 526,688.23 |
| 96 | Jul-06 | $6,885.71 | $ 1,316.72 | $ 5,568.98 | $ 521,119.25 |
| 97 | Aug-06 | $6,885.71 | $ 1,302.80 | $ 5,582.91 | $ 515,536.34 |
| 98 | Sep-06 | $6,885.71 | $ 1,288.84 | $ 5,596.86 | $ 509,939.48 |
| 99 | Oct-06 | $6,885.71 | $ 1,274.85 | $ 5,610.86 | $ 504,328.62 |
| 100 | Nov-06 | $6,885.71 | $ 1,260.82 | $ 5,624.88 | $ 498,703.74 |
| 101 | Dec-06 | $6,885.71 | $ 1,246.76 | $ 5,638.95 | $ 493,064.79 |
| 102 | Jan-07 | $6,885.71 | $ 1,232.66 | $ 5,653.04 | $ 487,411.75 |
| 103 | Feb-07 | $6,885.71 | $ 1,218.53 | $ 5,667.18 | $ 481,744.57 |
| 104 | Mar-07 | $6,885.71 | $ 1,204.36 | $ 5,681.34 | $ 476,063.23 |
| 105 | Apr-07 | $6,885.71 | $ 1,190.16 | $ 5,695.55 | $ 470,367.68 |
| 106 | May-07 | $6,885.71 | $ 1,175.92 | $ 5,709.79 | $ 464,657.90 |
| 107 | Jun-07 | $6,885.71 | $ 1,161.64 | $ 5,724.06 | $ 458,933.84 |
| 108 | Jul-07 | $6,885.71 | $ 1,147.33 | $ 5,738.37 | $ 453,195.47 |
| 109 | Aug-07 | $6,885.71 | $ 1,132.99 | $ 5,752.72 | $ 447,442.75 |
| 110 | Sep-07 | $6,885.71 | $ 1,118.61 | $ 5,767.10 | $ 441,675.65 |
| 111 | Oct-07 | $6,885.71 | $ 1,104.19 | $ 5,781.52 | $ 435,894.14 |
| 112 | Nov-07 | $6,885.71 | $ 1,089.74 | $ 5,795.97 | $ 430,098.17 |
| 113 | Dec-07 | $6,885.71 | $ 1,075.25 | $ 5,810.46 | $ 424,287.71 |
| 114 | Jan-08 | $6,885.71 | $ 1,060.72 | $ 5,824.99 | $ 418,462.72 |
| 115 | Feb-08 | $6,885.71 | $ 1,046.16 | $ 5,839.55 | $ 412,623.17 |
| 116 | Mar-08 | $6,885.71 | $ 1,031.56 | $ 5,854.15 | $ 406,769.03 |
| 117 | Apr-08 | $6,885.71 | $ 1,016.92 | $ 5,868.78 | $ 400,900.24 |
| 118 | May-08 | $6,885.71 | $ 1,002.25 | $ 5,883.45 | $ 395,016.79 |
| 119 | Jun-08 | $6,885.71 | $ 987.54 | $ 5,898.16 | $ 389,118.63 |
| 120 | Jul-08 | $6,885.71 | $ 972.80 | $ 5,912.91 | $ 383,205.72 |
| 121 | Aug-08 | $6,885.71 | $ 958.01 | $ 5,927.69 | $ 377,278.03 |
| 122 | Sep-08 | $6,885.71 | $ 943.20 | $ 5,942.51 | $ 371,335.52 |
| 123 | Oct-08 | $6,885.71 | $ 928.34 | $ 5,957.37 | $ 365,378.15 |
| 124 | Nov-08 | $6,885.71 | $ 913.45 | $ 5,972.26 | $ 359,405.89 |
| 125 | Dec-08 | $6,885.71 | $ 898.51 | $ 5,987.19 | $ 353,418.70 |
| 126 | Jan-09 | $6,885.71 | $ 883.55 | $ 6,002.16 | $ 347,416.54 |
| 127 | Feb-09 | $6,885.71 | $ 868.54 | $ 6,017.16 | $ 341,399.38 |
| 128 | Mar-09 | $6,885.71 | $ 853.50 | $ 6,032.21 | $ 335,367.17 |
| 129 | Apr-09 | $6,885.71 | $ 838.42 | $ 6,047.29 | $ 329,319.89 |
| 130 | May-09 | $6,885.71 | $ 823.30 | $ 6,062.41 | $ 323,257.48 |
| 131 | Jun-09 | $6,885.71 | $ 808.14 | $ 6,077.56 | $ 317,179.92 |
| 132 | Jul-09 | $6,885.71 | $ 792.95 | $ 6,092.76 | $ 311,087.16 |
| 133 | Aug-09 | $6,885.71 | $ 777.72 | $ 6,107.99 | $ 304,979.18 |
| 134 | Sep-09 | $6,885.71 | $ 762.45 | $ 6,123.26 | $ 298,855.92 |

| | | | | | |
|---|---|---|---|---|---|
| | CDBG PROGRAM INCOME | | | Principal Amount | $ 997,087.76 |
| | LOWELL TERRACE | | | Years to Maturity | 15 |
| | | | | # of Payments | 180 |
| | | | | Interest Rate | 3.00% |
| | | | | Pmts per year | 12 |
| | | | | Year of Loan | |
| | | | | Payment | $6,885.71 |

| # | Date | Payment | Interest | Principal | Balance |
|---|---|---|---|---|---|
| 135 | Oct-09 | $6,885.71 | $ 747.14 | $ 6,138.57 | $ 292,717.35 |
| 136 | Nov-09 | $6,885.71 | $ 731.79 | $ 6,153.91 | $ 286,563.44 |
| 137 | Dec-09 | $6,885.71 | $ 716.41 | $ 6,169.30 | $ 280,394.15 |
| 138 | Jan-10 | $6,885.71 | $ 700.99 | $ 6,184.72 | $ 274,209.43 |
| 139 | Feb-10 | $6,885.71 | $ 685.52 | $ 6,200.18 | $ 268,009.25 |
| 140 | Mar-10 | $6,885.71 | $ 670.02 | $ 6,215.68 | $ 261,793.56 |
| 141 | Apr-10 | $6,885.71 | $ 654.48 | $ 6,231.22 | $ 255,562.34 |
| 142 | May-10 | $6,885.71 | $ 638.91 | $ 6,246.80 | $ 249,315.54 |
| 143 | Jun-10 | $6,885.71 | $ 623.29 | $ 6,262.42 | $ 243,053.13 |
| 144 | Jul-10 | $6,885.71 | $ 607.63 | $ 6,278.07 | $ 236,775.05 |
| 145 | Aug-10 | $6,885.71 | $ 591.94 | $ 6,293.77 | $ 230,481.29 |
| 146 | Sep-10 | $6,885.71 | $ 576.20 | $ 6,309.50 | $ 224,171.79 |
| 147 | Oct-10 | $6,885.71 | $ 560.43 | $ 6,325.28 | $ 217,846.51 |
| 148 | Nov-10 | $6,885.71 | $ 544.62 | $ 6,341.09 | $ 211,505.42 |
| 149 | Dec-10 | $6,885.71 | $ 528.76 | $ 6,356.94 | $ 205,148.48 |
| 150 | Jan-11 | $6,885.71 | $ 512.87 | $ 6,372.83 | $ 198,775.65 |
| 151 | Feb-11 | $6,885.71 | $ 496.94 | $ 6,388.77 | $ 192,386.88 |
| 152 | Mar-11 | $6,885.71 | $ 480.97 | $ 6,404.74 | $ 185,982.14 |
| 153 | Apr-11 | $6,885.71 | $ 464.96 | $ 6,420.75 | $ 179,561.39 |
| 154 | May-11 | $6,885.71 | $ 448.90 | $ 6,436.80 | $ 173,124.59 |
| 155 | Jun-11 | $6,885.71 | $ 432.81 | $ 6,452.89 | $ 166,671.70 |
| 156 | Jul-11 | $6,885.71 | $ 416.68 | $ 6,469.03 | $ 160,202.67 |
| 157 | Aug-11 | $6,885.71 | $ 400.51 | $ 6,485.20 | $ 153,717.47 |
| 158 | Sep-11 | $6,885.71 | $ 384.29 | $ 6,501.41 | $ 147,216.06 |
| 159 | Oct-11 | $6,885.71 | $ 368.04 | $ 6,517.66 | $ 140,698.40 |
| 160 | Nov-11 | $6,885.71 | $ 351.75 | $ 6,533.96 | $ 134,164.44 |
| 161 | Dec-11 | $6,885.71 | $ 335.41 | $ 6,550.29 | $ 127,614.14 |
| 162 | Jan-12 | $6,885.71 | $ 319.04 | $ 6,566.67 | $ 121,047.47 |
| 163 | Feb-12 | $6,885.71 | $ 302.62 | $ 6,583.09 | $ 114,464.39 |
| 164 | Mar-12 | $6,885.71 | $ 286.16 | $ 6,599.54 | $ 107,864.84 |
| 165 | Apr-12 | $6,885.71 | $ 269.66 | $ 6,616.04 | $ 101,248.80 |
| 166 | May-12 | $6,885.71 | $ 253.12 | $ 6,632.58 | $ 94,616.22 |
| 167 | Jun-12 | $6,885.71 | $ 236.54 | $ 6,649.16 | $ 87,967.05 |
| 168 | Jul-12 | $6,885.71 | $ 219.92 | $ 6,665.79 | $ 81,301.27 |
| 169 | Aug-12 | $6,885.71 | $ 203.25 | $ 6,682.45 | $ 74,618.82 |
| 170 | Sep-12 | $6,885.71 | $ 186.55 | $ 6,699.16 | $ 67,919.66 |
| 171 | Oct-12 | $6,885.71 | $ 169.80 | $ 6,715.91 | $ 61,203.75 |
| 172 | Nov-12 | $6,885.71 | $ 153.01 | $ 6,732.70 | $ 54,471.06 |
| 173 | Dec-12 | $6,885.71 | $ 136.18 | $ 6,749.53 | $ 47,721.53 |
| 174 | Jan-13 | $6,885.71 | $ 119.30 | $ 6,766.40 | $ 40,955.13 |
| 175 | Feb-13 | $6,885.71 | $ 102.39 | $ 6,783.32 | $ 34,171.81 |
| 176 | Mar-13 | $6,885.71 | $ 85.43 | $ 6,800.28 | $ 27,371.53 |
| 177 | Apr-13 | $6,885.71 | $ 68.43 | $ 6,817.28 | $ 20,554.26 |
| 178 | May-13 | $6,885.71 | $ 51.39 | $ 6,834.32 | $ 13,719.94 |
| 179 | Jun-13 | $6,885.71 | $ 34.30 | $ 6,851.41 | $ 6,868.53 |

| | | | | | |
|---|---|---|---|---|---|
| | CDBG PROGRAM INCOME | | | Principal Amount | $ 997,087.76 |
| | LOWELL TERRACE | | | Years to Maturity | 15 |
| | | | | # of Payments | 180 |
| | | | | Interest Rate | 3.00% |
| | | | | Pmts per year | 12 |
| | | | | Year of Loan | |
| | | | | Payment | $6,885.71 |
| | | | | | |
| | | | | | |
| # | Date | Payment | Interest | Principal | Balance |
| 180 | Jul-13 | $6,885.71 | $ 17.17 | $ 6,868.53 | $ (0.00) |
| | | | | | |
| | Total | $ 1,239,426.90 | $ 242,339.14 | $ 997,087.76 | |

Draft

# Memo

**To:** Kevin Clougherty, Tom Clark, Bob McKenzie, Jay Taylor

**From:** Randy M. Sherman

**Date:** September 18, 2001

**Re:** Lowell Terrace

---

At our meeting of September 6, 2001, I was requested to put together a proposal for consideration relative to the Lowell Terrace project. In this regard, I present the following background, comments and recommendations.

Background

- In 1984 the City, through the MHRA, made a loan totaling $1,500,000 to Lowell Terrace Associates, a New Hampshire General Partnership, for the purposes of rehabilitating a fire damaged building at the northwest corner of Chestnut and Lowell Streets. The loan was comprised of two components: a $1,250,000 low interest portion resembling a note and a $250,000 portion resembling a limited-term equity contribution.

- The $1,250,000 portion was to be amortized at an annual interest rate equal to three (3%) percent over a twenty year period following the completion of the construction. The first three years were interest only, followed by 17 years of monthly payments of $7,826.69. The promissory note required interest payments to begin no later than June 30, 1985, monthly payments of $7,826.69 to begin no later than June 30, 1988.

- The $250,000 portion is to be repaid as a balloon payment 20 years following the completed construction. The payment is to equal one-half of the then current market value. The City was also to receive, for 20 years following construction, as proxy for interest on the $250,000 portion, an annual payment equal to one-half of the net cash flow from the project.

- A project overrun of approximately $120,000 was funded by Amoskeag Bank with collateral provided by Carolyn Morgan.

- In September 1988, two dates in the promissory note were amended. The payment dates relative to the payments on the $1,250,000 portion of the note changed from June 30, 1985 to May 1, 1986 and from June 30, 1988 to May 1, 1989. As part of the same agreement, the parties agreed to establish April 1, 1986 as the date on which construction was completed and the City waived all late charges resulting from construction delays.

- Through December 1993, the City had received scheduled payments leaving the principal balance due on the $1,250,000 portion at $967,582. The project, however, was delinquent on property taxes. At this time, the parties amended the promissory note to allow the partnership fifteen months to get the property taxes current. A new amortization schedule was agreed upon allowing final payment to be July 2007. The agreement extended the term fifteen months. Payments were to resume on May 1, 1995.



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- In February 1995, the City was informed that the property taxes were current. A proposal was put forward further delaying principal payments an additional 21 months, establishing a process to fund a capital reserve account and setting a payment priority upon fully funding the reserve. During the delayed payment period, monthly interest payments of $2,500 were due to the City.

- On July 5, 1995, the BMA approved the following changes to the promissory note:

  1. The project property taxes shall remain current.

  2. The project shall pay interest payments of $2,500 until principal payments resume.

  3. A capital reserve account shall be established with both the City and the owners.

  4. The reserve shall be funded with cash flow in excess of $5,000 accumulated on a quarterly basis.

  5. When the capital reserve reached $60,000 or no later than December 31, 1996, principal payments shall resume and any unpaid interest would be added to the principal.

  6. Payments on another note (Carolyn C. Morgan) shall not be made until the reserve is fully funded and the principal payments to the City have resumed.

  7. Any operating surpluses thereafter shall be applied to the principal in order to accelerate payoff of the City loan.

- It is unclear if item #7 conflicts with, or supercedes, the provision for the City to receive one-half of the project cash flow, as a proxy for interest on the $250,000.

- Monthly payments of principal and interest did not resume on January 1, 1997. The project continued to remit interest only payments, without the consent of the City, until July 1, 1998. At that time, the principal balance was recalculated to be $997, 088. The payments were set at $6,885.71 and the amortization schedule was unilaterally extended to July 2013.

- In 1999, the partnership attempted to work a pay-off arrangement with the City. The City calculated the pay-off would be approximately $1,100,000.

- In 2001, the partnership has made a new proposal relative to the amounts owed the City. The partnership is proposing to continue making monthly payments of $6,885.71 on the $1,250,000 loan and begin making monthly payments of $2,684.70 in November 2001 to amortize the $250,000 loan. Both loans would be fully paid in the summer of 2013.

- The partnership has further suggested that if the City insists on one-half of the market value, the outstanding loans should be deducted from the amount owed.

- The partnership is current on both taxes and monthly payments on the $1,250,000 loan.

- The partnership paid cashflow of $35,293 to the City in July 2001. This amount was intended to cover FY96 through FY2000.

- The partnership has not used operating surpluses to reduce the outstanding principal.

- No payments to Carolyn Morgan have been made since 1994. The note has a current balance of $21,275.

- Using the revaluation as a proxy for market value, the current value is $1,359,000.

Financial Statements

- The City has received copies of financial statements for the years 1996-2000.
- The statements are compilations only and presented on a tax basis.
- The statements indicate that on December 31, 1996, the capital reserve was funded at $59,113. At December 31, 2000, the capital reserve had grown to $260,556.
- The statements indicated that on December 31, 1995, the partnership had $75,233 in cash of which $9,573 represented security deposits. The December 31, 2000 balance was $339,060 of which $17,705 represented security deposits.
- At December 31, 2000, the partner's accumulated deficit is $886,845.
- At December 31, 2000, accumulated depreciation equals $1,727,996 or 95% of property book value.

Tax issues

- At the September 7, 2001 meeting, Peter Morgan stated that now that the project is turning a profit, the partners are making tax payments although they are not making any withdrawals from the partnership.
- The financial statements are reflective of the tax status of the partners. The accumulated deficit has been taken as a tax loss. At even a 30% tax bracket, the partners have received tax savings of roughly $266,000. Most of this is related to the depreciation on the assets that were paid for from the City's loan.

Recommendation

- The partnership should remit one-half of the December 31, 2000 cash balance, net of security deposits and $60,000 for a capital reserve fund, to the City representing past due interest on the $250,000 portion of the loan. This payment would be $130,677.
- Alternatively, this cash could be used to reduce principal based on the 1995 amendment.
- In the short term, the partnership should maintain the capital reserve at a $60,000 limit. An independent analysis should be conducted to determine the proper amount going forward.
- One-half of the 2001 cash flow and all subsequent cash flows, net security deposits and deposits or withdrawals to the capital reserve fund, should be remitted to the City.
- The partnership does not have adequate cash to meet the buy-out requirement. The City should allow the partnership the option of amortizing one-half of the market value. The amortization may be over an extended period at a market rate of interest. The partners have recommended twelve years at 7.5%. The partnership may not have sufficient cash flow to meet this type of payment (approximately $7,250 / month based on current value). A longer term with a lower rate most likely would be required

- If the partners wish to escalate the buy-out, the City should allow the partners the option. This would allow the partnership to reduce the interest paid from one-half cash flow to a more predictable amount based on the market value of the property, the interest rate and the amortization period. This also would allow the partnership to lock-in the buildings value and avoid future escalation.

- The buy-out amount should not be adjusted for the outstanding debt. The partners extended the term unilaterally. It is clear that the debt was to be fully paid at the time of the buy-out and, therefore, the outstanding balance should not be considered.

- The Carolyn Morgan note remains subordinate to the City obligations.

LOWELTER

# ACORD™ EVIDENCE OF PROPERTY INSURANCE

DATE (MM/DD/YY) 05/31/07

THIS IS EVIDENCE THAT INSURANCE AS IDENTIFIED BELOW HAS BEEN ISSUED, IS IN FORCE, AND CONVEYS ALL THE RIGHTS AND PRIVILEGES AFFORDED UNDER THE POLICY.

**PRODUCER**
USI New England
PO Box 6360
Manchester, NH 03108

PHONE (A/C, No, Ext): 603 625-1100

CODE:
SUB CODE:
AGENCY CUSTOMER ID #: 22152

**COMPANY**
Vermont Mutual
PO Box 188
Montpelier, VT 05602

**INSURED**
Lowell Terrace Associates
70 Lowell Street
Manchester, NH 03101

LOAN NUMBER:
POLICY NUMBER: BP17020511

EFFECTIVE DATE: 05/18/07
EXPIRATION DATE: 05/18/08
[ ] CONTINUED UNTIL TERMINATED IF CHECKED

THIS REPLACES PRIOR EVIDENCE DATED:

**PROPERTY INFORMATION**

LOCATION/DESCRIPTION
70-80 Lowell St.
Manchester, NH 03101

**COVERAGE INFORMATION**

| COVERAGE/PERILS/FORMS | AMOUNT OF INSURANCE | DEDUCTIBLE |
|---|---|---|
| Building #: 1 Sixty Three Unit Apt<br>Coverage: Building<br>Cause: Special (Including Theft) | $3,047,500 | $1,000 |

**REMARKS (Including Special Conditions)**

**CANCELLATION**

THE POLICY IS SUBJECT TO THE PREMIUMS, FORMS, AND RULES IN EFFECT FOR EACH POLICY PERIOD. SHOULD THE POLICY BE TERMINATED, THE COMPANY WILL GIVE THE ADDITIONAL INTEREST IDENTIFIED BELOW 10 DAYS WRITTEN NOTICE, AND WILL SEND NOTIFICATION OF ANY CHANGES TO THE POLICY THAT WOULD AFFECT THAT INTEREST, IN ACCORDANCE WITH THE POLICY PROVISIONS OR AS REQUIRED BY LAW.

**ADDITIONAL INTEREST**

NAME AND ADDRESS
City of Manchester
1 City Hall Plaza
Manchester, NH 03101

[X] MORTGAGEE
[ ] LOSS PAYEE
[ ] ADDITIONAL INSURED

LOAN #

AUTHORIZED REPRESENTATIVE



DPBCA© ACORD CORPORATION 1993

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**City of Manchester**
**Department of Finance**

One City Hall Plaza
Manchester, New Hampshire 03101
Phone: (603) 624-6460
Fax: (603) 624-6549

July 10, 2007

Honorable Board of Mayor and Aldermen
C/o Leo Bernier, City Clerk
One City Hall plaza
Manchester, NH 03101

Dear Honorable Board:

This letter serves to advise that we have not yet received the building level financial information for Lowell Terrace. We have informed Mr. Morgan that this information has been requested by the Aldermen. Mr. Morgan has advised that the information will be forthcoming but we have yet to receive it. Failure to provide this information is a violation of section 9 of the Mortgage & Security Agreement.

Respectfully submitted,

William E. Sanders
Finance Officer

Cc: Thomas R. Clark, City Solicitor

8-36

To: Board of Mayor and Alderman

From: Bill Sanders

Date: July 12, 2007

Subject: Lowell Street Operating Statements

As requested, attached are building level operating statements for Lowell Terrace for the years 2004 through 2006 provided by Mr. Peter Morgan.

Cc; Tom Clark

RECEIVED
JUL 12 2007
CITY CLERK'S OFFICE

Lowell Terrace

Building Operating Statements

For the years ended December 31, 2006, 2005 & 2004

| | 2006 | 2005 | 2004 |
|---|---|---|---|
| REVENUE | | | |
| Rental Income | $ 267,603 | $ 274,258 | $ 298,067 |
| Other Income | 2,231 | 2,174 | 2,663 |
| TOTAL REVENUE | $ 269,834 | $ 276,432 | $ 300,730 |
| OPERATING EXPENSES | | | |
| Real Estate Taxes | $ 38,300 | $ 35,614 | $ 29,346 |
| Gas | 34,893 | 25,623 | 28,602 |
| Repairs & Maintenance | 22,640 | 13,073 | 12,396 |
| Management Fees | 20,604 | 18,449 | 20,866 |
| Interest | 15,882 | 29,852 | 50,121 |
| Electricity | 12,116 | 10,046 | 10,497 |
| Insurance | 10,038 | 9,540 | 9,019 |
| Water & Sewer | 9,303 | 11,758 | 11,384 |
| Accounting Fees | 9,261 | 3,075 | 3,255 |
| Janitorial Services | 6,351 | 8,861 | 7,121 |
| Exterminator | 4,305 | 2,600 | 1,728 |
| Depreciation | 4,068 | 4,058 | 12,228 |
| Supplies | 3,883 | 3,171 | 2,411 |
| Fire Alarm | 2,680 | 2,659 | 2,832 |
| Waste Disposal | 2,160 | 2,160 | 2,160 |
| Licenses and Fees | 1,315 | | 70 |
| Bank Charges | 1,279 | 1,480 | 1,754 |
| General Partner Fees | 1,200 | 1,200 | 1,200 |
| Legal Fees | 1,156 | | 4,434 |
| Appliances | 898 | | |
| Central Business District Tax | 828 | 804 | 1,656 |
| Rental Equipment | 571 | | |
| Grounds Maintenance | 475 | 1,620 | 850 |
| Advertising | 461 | 752 | 622 |
| Telephone | 375 | 317 | 374 |
| Entertainment | 240 | 67 | 325 |
| Rental Incentive Plan Fee | 100 | | |
| Foreign Tax Expense | 38 | 13 | 13 |
| Amortization | | 2,250 | 2,250 |
| TOTAL OPERATING EXPENSES | $ 205,420 | $ 189,042 | $ 217,514 |
| Income From Building Operations | $ 64,414 | $ 87,390 | $ 83,216 |

*William E. Sanders*
*Finance Officer*

# CITY OF MANCHESTER
*Finance Department*

RECEIVED
JAN 0 7 2009
CITY CLERK'S OFFICE

January 5, 2009

Committee of Lands and Buildings
Alderman George Smith, Chairman
C/O Matthew Normand
One City Hall Plaza
Manchester, NH 03101

Re: Certificate of Insurance for Lowell Terrace

Dear Alderman Smith and Committee Members:

As requested at a prior meeting, attached hereto is the Certificate of Insurance for Lowell Terrace. The certificate names the City of Manchester as a mortgage holder on the property. The current policy is in effect through May 18, 2009.

Respectfully Submitted,

William E. Sanders
Finance Officer

Attachment

**One City Hall Plaza • Manchester, New Hampshire 03101 • (603) 624-6460 • FAX: (603) 624-6549**
**E-mail: fin@manchesternh.gov • Website: www.manchesternh.gov**

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VERMONT MUTUAL GROUP
89 State Street, PO Box 188
Montpelier, VT 05601-0188

# BUSINESSOWNERS POLICY DECLARATIONS

**Policy Number:** BP17020511 - RENEWAL POLICY

**Type of Billing:** DIRECT BILL TO INSURED

**Named Insured / Address**
LOWELL TERRACE ASSOCIATES
70 LOWELL ST
MANCHESTER, NH 03101-1635

**Agency / Address**
USI NEW ENGLAND - MANCHESTER
1750 ELM STREET
PO BOX 6360
MANCHESTER, NH 03108-6360

(603) 625-1100

**POLICY PERIOD** From 05/18/2008 To 05/18/2009 at 12:01 A.M.*
*Standard Time at your mailing address shown above. *Exceptions: 12:00 noon in New Hampshire.

**INSURANCE PROVIDED BY:** VERMONT MUTUAL INS CO.
**TOTAL POLICY PREMIUM at inception is:** $10,710 and at each anniversary.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

**BUSINESS DESCRIPTION**
Form of Business: PARTNERSHIP

**DESCRIBED PREMISES**

| Prem. No. | Bldg. No. | Location/Occupancy | Mortgageholder Name and Address |
|---|---|---|---|
| 001 | 001 | SIXTY-THREE UNIT APARTMENT<br>70-80 LOWELL ST<br>MANCHESTER, NH 03101 | (See Schedule of Mortgageholder(s) - BPDEC5 - If Applicable) |

**PROPERTY - Limits of Insurance for**

| | |
|---|---|
| **BUILDINGS** | $ 3,230,400 |
| • Actual Cash Value - Buildings Option (Y/N) | N |
| • Automatic Increase - Building Limit (pct.) | 8 % |
| **BUSINESS PERSONAL PROPERTY** | $ |
| **EARTHQUAKE DEDUCTIBLE (pct)** | % |

**DEDUCTIBLE $** 1,000 **OPTIONAL COVERAGE/EXTERIOR BUILDING GLASS DEDUCTIBLE $** 250

| **OPTIONAL COVERAGES** - Applicable only if an "X" is shown in the boxes below: | **Limits of Insurance** |
|---|---|
| 1. ☐ Outdoor Signs | $ per occurrence |
| 2. ☐ Tenant's Exterior Building Glass | $ |
| 3. Interior Glass ☐ Basement/ground floor level ☐ All Floors | included |
| 4. ☐ Employee Dishonesty | $ per occurrence |
| 5. ☐ Money & Securities (Special Form Only) | $ Inside the Premises |
| | $ Outside the Premises |
| **COVERAGE EXTENSIONS** | |
| 1. Optional Higher Limits - Accounts Receivable | $ |
| 2. Optional Higher Limits - Valuable Papers | $ |
| **ADDITIONAL COVERAGES** - Optional Higher Limits - Forgery and Alteration | $ |

**LIABILITY AND MEDICAL PAYMENTS**
Except for Fire Legal Liability, each paid claim for the following coverages reduces the amount of insurance we provide during the applicable annual period. Please refer to Paragraph D.4. of the Businessowners Liability Coverage Form.

| | Limits of Insurance | |
|---|---|---|
| Liability and Medical Expenses | $ 1,000,000 | |
| Medical Expenses | $ 5,000 | Per person |
| Fire Legal Liability | $ 50,000 | Any one fire or explosion |

**FORMS / ENDORSEMENTS ATTACHED TO THIS POLICY: (See Schedule of Forms and Endorsements - BPDEC4)**

COUNTERSIGNED _____ BY _____
(DATE) (AUTHORIZED REPRESENTATIVE)

THESE DECLARATIONS TOGETHER WITH THE COVERAGE FORM(S), COMMON POLICY CONDITIONS, FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREFORE, COMPLETE THE ABOVE NUMBERED POLICY.

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X-410

State Street, PO Box 188
Montpelier, VT 05601-0188

# BUSINESSOWNERS POLICY DECLARATIONS
## SCHEDULE OF FORMS AND ENDORSEMENTS

**Policy Number:** BP17020511 **Named Insured:** LOWELL TERRACE ASSOCIATES

FORMS / ENDORSEMENTS ATTACHED TO THIS POLICY:

| | | |
|---|---|---|
| BPEBC1 | (11/99) | EQUIPMENT BREAKDOWN ENDT |
| BP0002 | (12/99) | SPECIAL PROPERTY COVERAGE FORM |
| BP0006 | (01/97) | LIABILITY COVERAGE FORM |
| BP0009 | (01/97) | COMMON POLICY CONDITIONS |
| BP0401 | (06/89) | COMP BUS LIAB EXCL |
| BP0412 | (01/87) | LIMIT COV TO DESIGN PREM/PROJ |
| BP0514 | (01/03) | WAR LIABILITY EXCLUSION |
| BP0523 | (01/08) | CAP LOSSES CERT. ACTS OF TERR. |
| NO104 | (04/03) | BUSINESSOWNERS POLICY JACKET |
| TRIADIS2 | (01/08) | OFFER OF TERRORISM COV./PREM. |
| VB0053 | (01/06) | AMENDMENT - WATER EXCLUSION |
| VB0576 | (02/04) | LIMITED FUNGI OR BACTERIA COV |
| VB0577 | (02/04) | FUNGI OR BACTERIA EXCLUSION |
| VB0999 | (09/05) | AMENDMENT-LIAB/MED EXPENSE |
| VB2021 | (09/05) | ADD'L INS'D VOLUNTEER WORKERS |
| VMBP10 | (08/97) | AMEND PROP LOSS CONDITIONS |
| VMBP11 | (08/97) | BUS INCOME CHANGES-NO WAITING |

FORMS / ENDORSEMENTS APPLICABLE TO DESCRIBED PREMISES NO.: 001

| | | |
|---|---|---|
| BP0113 | (10/99) | NEW HAMPSHIRE CHANGES |
| BP0122 | (01/87) | STANDARD FIRE POLICY PROVISION |
| BP0146 | (02/96) | NH CHANGE-CONCEAL/MISREP/FRAUD |
| BP0411 | (01/87) | ADDL INS-CO-OWNER OF INS PREM |
| BP0419 | (06/89) | LIQUOR LIAB EXCL-EXCPT SCH ACT |
| BP0496 | (10/01) | PREMIUM AUDIT ENDORSEMENT |
| VI0145 | (01/08) | NH CHANGES - CIVIL UNION |
| VM2801 | (09/02) | NH CHANGES-CANC & NON-RENEW |

FORMS / ENDORSEMENTS APPLICABLE TO DESCRIBED PREMISES NO.: 001 BUILDING NO.: 001

| | | |
|---|---|---|
| BP0430 | (01/96) | PROTECTIVE SAFEGUARDS |

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...ONT MUTUAL GROUP
...State Street, PO Box 188
Montpelier, VT 05601-0188

# BUSINESSOWNERS POLICY DECLARATIONS
## SCHEDULE OF MORTGAGEHOLDER(S)

**Policy Number:** BP17020511

**Named Insured:** LOWELL TERRACE ASSOCIATES

| Prem. No. | Bldg. No. | Mortgageholder Name and Mailing Address |
|---|---|---|
| 001 | 001 | CITY OF MANCHESTER<br>1 CITY HALL PLAZA<br>MANCHESTER, NH 03101-2099 |

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*William E. Sanders*
*Finance Officer*

# CITY OF MANCHESTER
*Finance Department*

RECEIVED
JAN 06 2009
CITY CLERK'S OFFICE

January 6, 2009

Committee on Lands and Buildings
Alderman George Smith, Chairman
C/O Matthew Normand
One City Hall Plaza
Manchester, NH 03101

Re: 2007 Audited Financial Statements

Dear Committee Members:

As requested at last night's meeting, attached are the Lowell Terrace audited financial statements for the year ended December 31, 2007. The 2008 audit report will likely be available in May or June.

Respectfully Submitted,

William E. Sanders
Finance Officer

Attachment

One City Hall Plaza • Manchester, New Hampshire 03101 • (603) 624-6460 • FAX: (603) 624-6549
E-mail: fin@manchesternh.gov • Website: www.manchesternh.gov

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# LOWELL TERRACE ASSOCIATES

## FINANCIAL STATEMENTS

## FOR THE YEARS ENDED
## DECEMBER 31, 2007 AND 2006

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WILLIAM STEELE & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
40 STARK STREET
MANCHESTER, NEW HAMPSHIRE 03101
OFFICE 603-622-8881
FAX 603-647-4520

To the Partners
Lowell Terrace Associates
Manchester, New Hampshire

We have compiled the accompanying statements of assets, liabilities and capital - income tax basis of Lowell Terrace Associates (a partnership) as of December 31, 2007 and 2006, and the related statements of revenue and expenses, partners' capital and cash flows - income tax basis for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

William Steele & Associates, P.C.
Manchester, New Hampshire
May 11, 2008

# LOWELL TERRACE ASSOCIATES
## STATEMENTS OF ASSETS, LIABILITIES AND PARTNERS' CAPITAL - INCOME TAX BASIS
## DECEMBER 31, 2007 AND 2006

### ASSETS

| | 2007 | 2006 |
|---|---|---|
| CURRENT ASSETS | | |
| Cash | $ 54,262 | $ 53,390 |
| Marketable securities | 67,044 | 55,325 |
| Cash - security deposits | 15,419 | 14,029 |
| Due from Metropolis | - | 3,302 |
| TOTAL CURRENT ASSETS | 136,725 | 126,046 |
| PROPERTY AND EQUIPMENT | | |
| Land | 50,000 | 50,000 |
| Building and improvements | 1,786,426 | 1,782,305 |
| Furniture and fixtures | 26,585 | 21,429 |
| | 1,863,011 | 1,853,734 |
| Less: accumulated depreciation | (1,803,790) | (1,790,565) |
| NET PROPERTY AND EQUIPMENT | 59,221 | 63,169 |
| TOTAL ASSETS | $ 195,946 | $ 189,215 |

### LIABILITIES AND PARTNERS' CAPITAL

| | | |
|---|---|---|
| CURRENT LIABILITIES | | |
| Security deposits payable | $ 15,900 | $ 14,209 |
| Current portion of notes payable | 320,869 | 318,777 |
| TOTAL CURRENT LIABILITIES | 336,769 | 332,986 |
| LONG-TERM LIABILITIES | | |
| Notes payable, net of current portion | 531,895 | 602,764 |
| TOTAL LIABILITIES | 868,664 | 935,750 |
| PARTNERS' CAPITAL (DEFICIT) | (672,718) | (746,535) |
| TOTAL LIABILITIES AND PARTNERS' CAPITAL | $ 195,946 | $ 189,215 |

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See Accountants' Compilation Report and Notes to Financial Statements

# LOWELL TERRACE ASSOCIATES
## STATEMENTS OF REVENUE AND EXPENSES - INCOME TAX BASIS
## FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

| | 2007 | 2006 |
|---|---|---|
| REVENUE | | |
| Rental income | $ 265,721 | $ 267,603 |
| Other income | 2,936 | 2,231 |
| TOTAL REVENUE | 268,657 | 269,834 |
| OPERATING EXPENSES | | |
| Real estate taxes | 37,664 | 38,300 |
| Gas | 33,257 | 34,893 |
| Management fees | 26,378 | 20,604 |
| Repairs and maintenance | 15,255 | 22,640 |
| Interest | 13,851 | 15,882 |
| Depreciation | 13,225 | 4,068 |
| Insurance | 10,646 | 10,038 |
| Electricity | 10,216 | 12,116 |
| Water and sewer | 9,634 | 9,303 |
| Accounting fees | 6,535 | 9,261 |
| Janitorial service | 6,534 | 6,351 |
| Supplies | 5,791 | 3,883 |
| Exterminator | 3,770 | 4,305 |
| Legal fees | 3,639 | 1,156 |
| Waste disposal | 2,160 | 2,160 |
| Grounds maintenance | 1,945 | 475 |
| Decorating expense | 1,560 | - |
| Bank charges | 1,273 | 1,279 |
| General partner fees | 1,200 | 1,200 |
| Advertising | 1,095 | 461 |
| Fire alarm | 880 | 2,680 |
| Central business district tax | 841 | 828 |
| Telephone | 324 | 375 |
| Rental incentive plan fee | 300 | 100 |
| Entertainment | 231 | 240 |
| Outside services | 73 | - |
| Foreign tax expense | 68 | 38 |
| Filing fee | - | 1,315 |
| Appliances | - | 898 |
| Rental equipment | - | 571 |
| TOTAL OPERATING EXPENSES | $ 208,345 | $ 205,420 |

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See Accountants' Compilation Report and Notes to Financial Statements

# LOWELL TERRACE ASSOCIATES
## STATEMENTS OF REVENUE AND EXPENSES - INCOME TAX BASIS
## FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

| | 2007 | 2006 |
|---|---|---|
| INCOME FROM OPERATIONS | 60,312 | 64,414 |
| INTEREST AND DIVIDEND INCOME | 3,657 | 2,266 |
| GAIN ON SALE OF SECURITIES | 12,240 | 2,640 |
| INCOME BEFORE STATE TAXES | 76,209 | 69,320 |
| STATE TAXES PAID | (2,392) | (5,092) |
| NET INCOME | $ 73,817 | $ 64,228 |

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See Accountants' Compilation Report and Notes to Financial Statements

## LOWELL TERRACE ASSOCIATES
## STATEMENTS OF CHANGES IN PARTNERS' CAPITAL (DEFICIENCY) - INCOME TAX BASIS
## FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

| | |
|---|---|
| BALANCE, December 31, 2005 | $ (810,763) |
| Net Income | 64,228 |
| BALANCE, December 31, 2006 | (746,535) |
| Net Income | 73,817 |
| BALANCE, December 31, 2007 | $ (672,718) |

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See Accountants' Compilation Report and Notes to Financial Statements

## LOWELL TERRACE ASSOCIATES
## STATEMENTS OF CASH FLOWS - INCOME TAX BASIS
## FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

| | 2007 | 2006 |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net Income | $ 73,817 | $ 64,228 |
| Adjustments to reconcile net income to net cash from operations: | | |
| Depreciation | 13,225 | 4,068 |
| Increase (decrease) in assets and liabilities: | | |
| Marketable securities | (9,727) | 28,955 |
| Security deposits payable | (1,691) | (2,762) |
| Due from Metropolis | 3,302 | (3,302) |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 78,926 | 91,187 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Purchase of new equipment and improvements | (9,277) | (6,197) |
| Principal payments on notes payable | (68,777) | (66,747) |
| NET CASH USED BY FINANCING ACTIVITIES | (78,054) | (72,944) |
| NET INCREASE IN CASH | 872 | 18,243 |
| CASH, BEGINNING OF YEAR | 53,390 | 35,147 |
| CASH, END OF YEAR | $ 54,262 | $ 53,390 |

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

| | 2007 | 2006 |
|---|---|---|
| Cash paid during the year for: | | |
| Interest | $ 13,851 | $ 15,882 |
| State Taxes, net of refunds | $ 2,392 | $ 5,092 |

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See Accountants' Compilation Report and Notes to Financial Statements

# LOWELL TERRACE ASSOCIATES
# NOTES TO FINANCIAL STATEMENTS
# FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

## NOTE 1. THE PARTNERSHIP

Lowell Terrace Associates is a New Hampshire general partnership formed on September 1, 1984 for the purpose of managing and investing in real estate for its own purposes or on behalf of others. During 1986, the Partnership, through a related party (See Note 5), completed the construction of a 63-unit low-income housing project in Manchester, New Hampshire. Occupancy in units of the project includes leases whose rent levels conform to the Section 8 Existing Program offered by the United States Department of Housing and Urban Development. This project is presently the Partnership's only investment.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Presentation

The Partnership's policy is to prepare its financial statements on the accounting basis used for income tax purposes, generally on the basis of cash receipts and disbursements. On such basis, the financial statements do not include rents accrued or rents uncollected, nor accounts payable for services billed but unpaid and other accrued liabilities. These policies differ from generally accepted accounting principles whereby income and the related assets are recognized when earned and certain expenses are recognized when the related obligations are incurred.

### Depreciation

Depreciation is computed using straight-line and accelerated methods over lives ranging from five to twenty-eight years.

### Income Taxes

Lowell Terrace Associates is treated as a Partnership for federal income tax purposes and, therefore, does not incur federal income taxes. Instead, the Partnership's profits and losses are reported in the individual partners' tax return. The Partnership is liable for state income taxes and state business taxes. When state taxes are paid by the Partnership, such taxes are reflected in the partners' distributive share of income or loss.

### Concentration of Credit Risk

The Partnership occasionally maintains deposits in excess of federally insured limits. Statements of Financial Accounting Standards No. 105 identifies these items as a concentration of credit risk requiring disclosure regardless of the degree of risk. The risk is managed by maintaining all deposits in high quality financial institutions.

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## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

### Reclassifications

Certain amounts in the December 31, 2006 financial statements have been reclassified to conform to the December 31, 2007 presentation.

## NOTE 3. NOTES PAYABLE

Notes payable at December 31, 2007 and 2006 consist of the following:

| | 2007 | 2006 |
|---|---|---|
| $1,500,000 Promissory Note dated December 1984, (as amended and modified) with the following terms and conditions: | | |
| $1,250,000 of the Promissory Note bears interest at 3%; payable in monthly installments of $6,886; matures July 2013. The note is secured by a first mortgage on the project and the personal guarantees of the partners. | $ 424,287 | $ 493,064 |
| $250,000 of the Promissory Note requires annual interest payments commencing in 1987 equal to 50% of the net cash flows of the project, as defined; a balloon payment of principal and interest is due under the terms of the original note 20 years after completion of construction equal to one-half (1/2) of the fair market value of the property at that date. The note is secured by a first mortgage on the project and the personal guarantees of the partners. | 250,000 | 250,000 |
| Note payable to a partner; principal due on demand, interest at 10.5% per annum; collateralized by a mortgage on the project. No payments were made on this note during 2007 and 2006. | 80,000 | 80,000 |

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NOTE 3. NOTES PAYABLE (continued)

| | 2007 | 2006 |
|---|---|---|
| Other unsecured notes payable due to affiliated entities and partners of the Partnership, with no repayment terms or rates of interest specified. | $ 98,477 | $ 98,477 |
| | 852,764 | 921,541 |
| Less: current portion due within one year | (320,869) | (318,777) |
| | $ 531,895 | $ 602,764 |

The aggregate amount of future principal payments on partnership debt at December 31, 2007 are as follows:

| Year Ending December 31, | |
|---|---|
| 2008 | $320,869 |
| 2009 | 73,025 |
| 2010 | 75,246 |
| 2011 | 77,534 |
| 2012 | 79,893 |
| 2013 and thereafter | 226,197 |
| Total | $852,764 |

NOTE 4. RELATED PARTY TRANSACTIONS

The Partnership receives property management services (for a management fee determined at 7% of rental income) from a related entity. The Partnership paid $1,200 during 2007 and 2006 to an entity controlled by one of the partners for extraordinary general partner services. In addition, as discussed in Note 3, the Partnership is obligated to the partners and various other related parties in the amount of $178,477 at December 31, 2007 and 2006.

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Assessors Handout
Lands & Buildings Comm.
Sept 1, 2009

# CITY OF MANCHESTER
## Board of Assessors

One City Hall Plaza, West Wing
Manchester, New Hampshire 03101
Tel: (603) 624-6520 – Fax: (603) 628-6288
Email: assessors@ci.manchester.nh.us
Web: www.ManchesterNH.Gov

David M. Cornell, Chairman
Michael W. Hurley

Christine Hanagan
Assistant to Assessors

To: Committee on Lands and Buildings

From: Board of Assessors

Date: September 1, 2009

Re: Lowell Terrace Associates Settlement Agreement

Dear Chairman Smith and Honorable Committee Members:

Attached you will find the tax abatement settlement agreement with Lowell Terrace Associates. I am available to answer any questions that you have regarding this matter.

Sincerely,

David M. Cornell

David M. Cornell, CNHA

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**Lowell Terrace Associates**

**v.**

**City of Manchester, New Hampshire**

**Docket No.: 07-E-0345**

**SETTLEMENT AGREEMENT**

The parties to the above referenced case agree:

1. The property tax assessment for tax year(s) 2006, 2007, & 2008 shall be $1,652,200 on the property located at 70 Lowell Street, identified as Tax Map/Lot 91/20.
2. The City shall abate along with statutory interest, property taxes for tax year(s) 2006, 2007, & 2008 based on an assessment higher than $1,652,200.
3. The assessment of $1,652,200 shall be used until revised in good faith pursuant to the provisions of RSA 75:8, or until there is a comprehensive review of assessments in the City (update or complete reassessment).
4. The Docket(s) shall be marked: "Case settled, no further action, no costs."

Respectfully submitted to the Hillsborough County Superior Court,

_____
John G. Cronin

_____
Thomas I. Arnold III

_____
Date