



June 17, 2019

(updated on 6/18/19 w/decision)

Proposed Seacoast Region Facility Project Decision Document



submitted to

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New Seacoast Region Facility Build-to-Suit Project Decision Document

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- I. Introduction. Following the early 2017 decision to move forward with the planning for a new seacoast region facility the following work has been done.
- A search committee was formed and included representatives from Facilities, Electric Operations, Sr. Management, and a commercial real estate broker. A kick off meeting was held in February 2017.
 - The commercial real estate market in Unitil's Seacoast service territory was vetted. There were very few viable options. A commercial building in the Industrial Drive area of Exeter was located but the owner did not want to sell.
 - In June 2018 Unitil Energy Systems, Inc. entered into a purchase & sales (P&S) agreement with Garrison Glen, LLC for land in the Continental Drive industrial park in Exeter, NH.
 - Following the P&S, Unitil contracted with PROCON, LLC, a design/build (D/B) construction management firm, and Stibler Associates, an interior design firm, to begin preliminary survey(PS) work. The PS work included developing a space program for Unitil's NH Seacoast Region Electric Distribution Operations Center's (DOC) functions, as well as, for some USC functions including Electric Engineering, Central Electric Dispatch, OQ Testing & Training, and business continuity space for Central Gas Control & Field Services. Section III includes brief descriptions of the current status and business requirements of the functions that are slated to move to the new facility.
 - A space program was completed by the designers in close collaboration with the managers of each of the functions, in early 2019. The new Exeter facility space program includes 53,940 square feet. *See attachment H for square foot detail.*
 - ✓ DOC (office, conf rms, shops, IT, common, warehouse, garage, wash bay)– 43,448 sf
 - ✓ USC (office, conf rms, OQ Testing/Training Rm, Common, CED, BC) – 10,492 sf
 - Unitil has received all permitting approvals from the State of NH and the Town of Exeter. The appeal period has ended for the State permits. The appeal period for the Town of Exeter is anticipated to end on or about July 10th.
 - Approximately \$600K in preliminary survey costs have been incurred for the Exeter project on legal/permitting, preconstruction/planning engineers & designers, estimating, etc.
- II. Purpose. The purpose of this document is to request final approval to construct a new 53,940 sf Unitil Seacoast region facility in Exeter, NH. Specifically, I am seeking approval to close on the purchase and sales agreement for the land in Exeter and enter into a Design/Build Agreement with PROCON. These next steps are included in Section VII.
- III. Current Status/Business Requirements
- A. Seacoast Region Electric Operations Distribution Center (DOC) – 43,448 sf. The current DOC, located in Kensington, NH, was constructed in the 1954. A small addition was constructed in the 1960s. Due its age and its size this building no longer meets current day operational needs. The size of and quantity of trucks and materials has increased greatly since the 1950s to support the Seacoast region's growing customer base. The garage is too small for contemporary line trucks and the stockyard is tight. The building's electrical, heating, and plumbing infrastructure is antiquated and many systems are in need of replacement including emergency power systems infrastructure (UPS and Generator). The building does not have a fire suppression system which places the operation and company assets at risk. The windows throughout the building are as old as the building and provide no thermal insulation causing the areas adjacent to the windows to be very cold and uncomfortable in the winter. In addition, conference space is inadequate and space for Emergency Operations Center (EOC) activities is very tight.

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- B. USC/Central Electric Dispatch (CED) – 1100 sf. The current CED space is undersized and is located in Unitil's NH Gas Distribution DOC in Portsmouth, NH. Constructing a new facility in Unitil's Seacoast region is an opportunity to solve CED's deficiencies. The new CED location will provide the space, furniture, and equipment best suited to perform the CED functions. The space will include a restroom and a breakroom directly adjacent to the CED room in support of CED staff with responsibility to monitor Unitil's Electric System 24x7x365. Currently CED personnel must leave the CED space to use the restroom and break room leaving the CED operation unmanned for a period of time because typically one staff member covers a shift, unless staffed for emergencies. The current Portsmouth CED space would remain intact and will provide Unitil with a business continuity solution for CED.
- C. USC/Gas Control and Field Services Business Continuity Space – 271 sf. The Gas Control (GC) function is located in Unitil's NH Gas Distribution DOC in Portsmouth. GC supports Unitil's ME, NH & MA Gas Transmission and Distribution Operations. GC has business continuity (BC) space located in a closet at the corporate office in Hampton. The BC space is tiny and is inadequate for a long duration use. The BC space will be used if the primary GC room in Portsmouth could not be used due to fire or other impact to the Portsmouth facility. Constructing a new facility in Unitil's Seacoast region is an opportunity to solve a Unitil business continuity need for its mission critical Gas Control function in addition to a solution for Field Services' BC space requirements. These two functions work very closely together and will occupy the same BC space in the new facility.
- D. USC/OQ Testing & Training Room - 1334 sf. The National Gas Associations (NGA) has defined requirements for Operator Qualification (OQ) testing facilities. A Unitil OQ testing space is needed for Unitil's NH Gas Distribution and Transmission operations employees. Most OQ testing is completed between December and April each year. When the space is not in use for OQ Testing it will be available for use by other Unitil departments for training and/or conference space. In addition, the space could be used for business continuity purposes for employees and/or a backup to the System EOC operations currently located in Hampton, NH.
- E. USC/Engineering Department - 3236 sf. Moving the electric engineering team from Hampton to the new facility, where the team will be with Seacoast Electric DOC personnel, will work well because the electrical engineers work closely with electric operations personnel. The gas engineering department has occupied the same facility as Unitil's NH Gas DOC personnel, in Portsmouth, for the past 10 years. This adjacency has proven to be efficient because the gas engineers work closely with gas operations personnel. Moving electric engineering out of the Hampton office, which is at capacity, will provide the space needed for new IT FTEs hired to support of Unitil's IT infrastructure, business systems, projects, and cyber security in addition to other USC space needs.
- IV. Options. The following four (4) options were evaluated. The benefits and risks for each option are included following the introduction of the options below. Back up information and more detail in connection with these options can be found in Attachments A & D.
- Option #1: Renovate 21,000 sf at existing DOC building and build a 10,500 sf addition at the Hampton office. This option does not include the space required (43,448 sf) to efficiently operate a current day DOC per the space program that has been developed for Business Requirement A above.
- Option #2: Renovate existing 21,000 sf DOC and construct a 10,500 sf addition on the existing building. This option also does not include the space required (43,448 sf) to efficiently operate a current day DOC per the space program that has been developed for Business Requirements A above.
- Option #3: Remove the existing, 21,000 sf DOC building and construct a new Seacoast region facility in its place. This option includes the total sf (53,940) from the space program that was developed to address Unitil's Business Requirements outlined in A through E above.

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Option #4: Purchase land and construct a new Seacoast region facility. This option includes the total sf (53,940) from the space program that was developed to address Unitil's Business Requirements outlined in A through E above.

Notes:

- Options 1, 2, and 3 were vetted at a high level. Preliminary Survey costs incurred for Option 4 were used for estimating soft costs for options 1, 2 and 3.
- Option 4 has been vetted over the past year.

OPTION #1	Total sf	Cost	Cost/sf
	31,500	\$ 12,385,100	\$393.18

Scope

Renovate Existing Seacoast DOC - 21K sq ft (See Attachment A - Kensington Study)

Build Addition on Existing Hampton Office - 10.5K sq ft (See Attachment D - Hampton Addition)

Benefits

- 1 No land or building acquisition costs.

Risks

- 1 The Town of Kensington's zoning may not support this option. See zoning section on page 1 of Attachment A.
- 2 The existing 21K sf DOC building footprint would not change and would not include all of the DOC space program (43K sf) defined for current day DOC operational needs.
- 3 Abatement of asbestos containing materials. Asbestos is present in the existing facility but the extent of the presence of these materials is unknown.
- 4 No municipal water or sewer is available and the cost for a compliant leach field and the infrastructure needed to support a fire suppression sprinkler system will be costly.
- 5 Relocation of operations during renovations will be required and the availability of commercial lease options within the service territory are scarce (see Attachment B).
- 6 Costs for a temporary NNN lease (see Attachment E). A NNN lease costs include monthly rent *plus* property taxes, insurance, CAM, utilities.
- 7 Costs for fit up, furniture, furnishing, for a commercial lease space.
- 8 Costs and business disruption to relocate to leased space (movers, DOC staff time, IT and Facilities staff time, telecomm, etc.)
- 9 Disruption to Hampton office during construction of an addition.
- 10 Soft costs nearly doubled for designers/legal/permitting in connection with pre-construction and construction administration services for the renovation of the Kensington building and an addition to the Hampton building.
- 11 Cost and availability of additional Unitil resources needed to manage and administer (2) large facilities projects

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OPTION #2	Total sf	Cost	Cost/sf
	31,500	\$ 11,869,200	\$376.80

Scope

Renovate Existing Seacoast DOC - 21K sq ft (See Attachment A - Kensington Study)

Build Addition on Seacoast DOC - 10.5K sq ft (See Attachment A)

Benefits

- 1 No land or building acquisition costs.

Risks

- 1 The Town of Kensington's zoning may not support this option. See zoning section on page 1 of Attachment A.
- 2 The existing 21K sf DOC building footprint would not change and would not include all of the DOC space program (43K sf) defined for current day DOC operational needs.
- 3 Abatement of asbestos containing materials. Asbestos is present in the existing facility but the extent of the presence of these materials is unknown.
- 4 No municipal water or sewer is available and the cost for a compliant leach field and the infrastructure needed to support a fire suppression sprinkler system will be costly.
- 5 Relocation of operations during renovations will be required and the availability of commercial lease options within the service territory are scarce (see Attachment B).
- 6 Costs for a temporary NNN lease (see Attachment E). A NNN lease costs include monthly rent *plus* property taxes, insurance, CAM, utilities.
- 7 Costs for fit up, furniture, furnishing, for a commercial lease space.
- 8 Costs and business disruption to relocate to leased space (movers, DOC staff time, IT and Facilities staff time, telecomm, etc.)

OPTION #3	Total sf	Cost	Cost/sf
	53,940	\$ 17,224,200	\$319.32

Scope

Construct New Facility on Existing Seacoast DOC parcel in Kensington, NH

Benefits

- 1 No land or building acquisition costs.
- 2 Ability to construct all requirements of the DOC space program (43K sf) and additional 10.5K sf for USC space needs.

Risks

- 1 The Town of Kensington's zoning may not support this option. See zoning section on page 1 of Attachment A.
The undeveloped land surrounding the existing DOC is wet and subsurface conditions could make the cost of construction higher than estimated. It may be determined that none of the land is suitable for this use.
- 2
- 3 Cost of demolishing existing DOC

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OPTION #4	Total sf	Cost	Cost/sf
	53,940	\$ 15,398,319	\$285.47
Scope			
Construct New Facility on Land in Exeter, NH			
Benefits			
1 Land is zoned for commercial use.			
2 Municipal water or sewer is available.			
3 Construct all requirements of the DOC space program (43K sf) & additional 10K sf space needs.			
4 Implement best environmental storage practices for poles and transformers.			
5 Sell existing DOC. Estimated value is \$800K.			
6 State and Town permits have been issued and construction can start in late July/early August.			
Risks			
1 Unitil does not own the land. P&S cost is \$1M			
2 Although unsuitable subsurface conditions are not anticipated, due to geotech borings/testing, there is still a chance that they exist and could add unanticipated site work costs.			

- V. Recommendation. Option #4. This option poses the least amount of risks due to the following: the land is zoned for commercial use, the subsurface conditions are known because geotechnical borings have been studied and therefore unforeseen unsuitable conditions are not anticipated. The estimated cost/sf is the lowest of all of the options, the location is more central within Unitil's NH Seacoast Electric service territory and is less than one (1) mile from Rte 101 which is a main corridor and easily connects to other main corridors in the service territory. See attachment I.

Option #4 Costs

Estimated 2019 Spend: \$7,470,578.00 (Land, PS&I, Road, Construction & Construction Admin)
Estimated 2020 Spend: \$7,927,741.00 (Construction & Construction Admin, Furniture, etc.)
Total: \$15,398,319.00

- VI. Decision/Approval: On June 18, 2019 Unitil's CFO and CEO approved proceeding with the recommendation outlined in section V. above.

- VII. Next Steps/Schedule. If the recommendation is approved the next steps include;

1. June 21 – GMP (Guaranteed Maximum Price) submitted to Unitil by PROCON
2. June 28 – Conclude GMP negotiations
3. July 1 - Road dedication approval from the Select Board
4. July 2 – Finalize Design/Build Construction Management Contract w/ final GMP
5. July 3 – Initiate Authorization for 2019 construction budget item
6. July 10 – The final permitting appeal period ends following Planning Board approvals
7. July 18/19 – Close on Purchase & Sales Agreement
8. July 22 – Mobilize for ground breaking

To: Jacquie Agel – Unitil/Manager, Fleet & Facilities
Cc: Mark E. Beliveau – Partner/Pierce Atwood LLP
From: Mike Lawrence – Sr. Architect Project Manager
Date: March 26, 2019
RE: Unitil Energy Systems, Inc. – Kensington Study

INTENT OF THE STUDY

The intent of this analysis is to understand if any of three options are permissible and/or could be permitted given the constraints of the site and the condition of the current facility, as well as, what the advantages and disadvantages of each option are and to identify the potential costs for each option.

Option 1: Fully renovate the existing building including the building systems, exterior building envelope and interior fit-up. The layout of the site would remain the same with some site improvements such as pole storage, a new leach field, and new well.

Option 2: Fully renovate the existing building including the building systems, exterior building envelope and interior fit-up and add a 10,000 square foot addition to the facility. The addition would include space for Engineering, OQ Testing/Training Rm, CED, and Back up Gas Control & Field Services. The site would be expanded to accommodate the new addition, new storage areas, canopies, and building utility services.

Option 3: Remove in its entirety the existing facility and build a 55,000 square foot facility per Unitil's programming requirements. This would include a full redesign of the existing site.

ZONING

Address: 114 Drinkwater Rd, Kensington, NH 03833
Lot: 1,159,048 sf or 26.6 acres
District: Located in the Residential – Agricultural (RA) Zoning District
Based on September 2017 Alta Survey: A portion of the parcel is in a special flood hazard area, zone A.

Setbacks:	(single family residence)	(prohibited use)
	Front: 25 feet	As a business 100 feet
	Side: 25 feet	As a business 50 feet
	Rear: 25 feet	As a business 50 feet

Summary: Unitil's current use of the site is a prohibited use within this district, and any significant upgrade or addition to this building would require a special exception by the town zoning board, per the Board of Adjustment, section 3.3 of the Town's Zoning Ordinance. If an approval is granted the application would then be referred to the Planning Board for site plan review and a permit would be issued by the Planning Board if acceptable. *From Section 3.3: ...no use will be permitted if: 2. the use is not compatible to the nature and quality of the neighborhood; or 3. the use is offensive to the public because of noise, vibration, excessive traffic, unsanitary conditions, noxious odors, smoke, nature of the activity or other similar reasons.*

Unitil Energy Systems, Inc., formally known as Exeter & Hampton Electric Company (E&H), acquired the property by way of three deeds; one in 1954 and two in 1968. The original portion of current building was built in 1955 and in 1962 a 900 sf addition was constructed. Kensington adopted zoning in 1959 but we don't know how this property was zoned/regulated when E&H developed it. For purposes of this zoning

analysis, the assumption made by Unitil's attorney, Mark Beliveau, is that the development of the property was consistent with applicable zoning and, therefore, the use of the building and property today is a lawful non-conforming use.

Under the Kensington ordinance, a lawful non-conforming use or building may not be expanded "for a purpose or in a manner which is substantially different from the use to which it was put before the alteration...." Which means, that the use or building may be expanded as long as such expansion is not "substantially different" from the use to which it was put before the alteration. Substantially different is not defined and is subject to interpretation.

For the Town to grant a special exception, Unitil would need to convince the town that the use (1) would not cause any adverse impacts to health, safety, morals, welfare of the residents of the town or neighborhood property values, (2) is compatible with the nature and quality of the neighborhood, and (3) is not offensive to the public because of noise, vibration, excessive traffic, etc.

EXISTING CONDITIONS



Site

The current facility at 114 Drinkwater Road in Kensington is located within a residential neighborhood, with single family residences on both sides and across the street. The site is relatively flat and surrounded by wetlands. To the north of the existing building there is an open body of water. The building is served by a well to the north of the existing vehicle storage garage and a leach field located to the west of the building. Both the well and leach field are located out of wetland areas, but not wetland boundaries.

If a renovation, addition, or a new facility were to be built at the Kensington site several key site issues would need to be addressed including;

- To provide a sprinkler system to the building a large underground storage tank or a pond would be required due to the building's water being supplied by a well. Without adequate groundwater information our recommendation would be to develop a pond onsite for this requirement.

- A new leach field would be required and could prove difficult with the extent of wetlands on the site. We do not know what the seasonal groundwater level is, but with wetlands surrounding the site it is assumed to be relatively high. This would make installing a leach field with today's regulations difficult and more expensive.
- Current storm water regulations are more restrictive than when the building was originally built and will require more treatment and storage onsite. This may be difficult to achieve with a potentially high seasonal groundwater level and the amount of wetlands onsite.
- Depending on the extent of a renovation, addition or new construction the impact to the surrounding wetlands could be considerable. While the State permitting process is straight forward we do not know how the local conservation committee will react to developing on the wetlands. If the local conservation committee would like to limit development in these areas it would complicate any approvals process. The cost of wetlands mitigation and professional design services should be considered when developing an overall project budget.
- The current circulation through the existing site is not ideal and a renovation or addition would not improve this substantially unless the whole site is redesigned. We would anticipate limiting the site development in the first two options to reduce wetlands impact and improve the potential that the project could get town approvals.
- The existing site does not have transformer and pole storage containment areas, a best environmental practice today. Due to the current size and elongated shape of the yard providing containment for the transformers would be difficult and costly and involve several additional large catch basins and water quality units.
- Geotechnical investigations would be required to determine the soil structure. Due to having extensive wetlands on the site we would anticipate that the soils are not ideal to build upon and potentially require some type of soil improvements.

Photos of the existing yard; including pole and transformer storage areas:



Building

The existing facility consists of a vehicle garage, offices, shops, and warehouse spaces. The office portion of the building is a brick veneer exterior with CMU back-up and a flat membrane roof. The exterior building envelope does not meet the current building codes and lacks proper building insulation. The vehicle garage, shops and warehouse consists of metal siding exterior wall and a flat membrane roof. Built in approximately 1968 the building is antiquated and does not meet the needs of current day operations. Due to the date the

building was built construction materials containing asbestos are known to be present. These products would need to be determined and a mitigation plan developed in any of the three options.



Photo of the existing entrance to the building.

Vehicle Garage

The vehicle garage is too small for modern utility trucks currently in use at the facility. The larger vehicles are difficult to drive into the garage due to the low ceiling height and lack of space. It is difficult to work on the trucks in the garage due to the low ceiling height and limited circulation space around the utility trucks. The floor of the garage doesn't have proper drainage and the space lacks proper ventilation. There are 10 large overhead doors, one for each of the utility trucks. This overhead door arrangement is less energy efficient due to the lack of insulation in the doors and the gaps around the opening that allow heat to escape; compared with a layout with only 2 overhead doors (one for inbound and one for outbound) that can be found at Unitil's Concord and Lunenburg DOC facilities.

Photos of the existing vehicle garage



Warehouse and Shops

The warehouse is inadequate for the current inventory needs. The height of the space prevents utilizing larger pallet racks and the floor area inhibits proper circulation with a forklift. The interior is dark and lacks proper ventilation. The space serves several needs including as a storage area, hazardous materials collection area, metering lab/workshop, and meter storage within one space. Over time the spaces has been retrofitted to include a fluids storage area, rubber goods storage, locker area, and other miscellaneous storage areas..

Workshop space is limited to metering. Other workshop activities have been created either outside or created within the warehouse space and are inefficient. .

Photos of the existing warehouse



Exterior Building Envelope

A lack of building insulation and single pane windows makes operating the existing building expensive. Abestos is present in wall materials in the restrooms and server room and due to the age of the building we would anticipate that the caulking around the windows, pipe insulation, and flooring may contain asbestos which would need to be remediated. The roof was replaced in 2008. If a renovation to the building was undertaken we would anticipate having to remove the existing exterior metal panels, windows, and doors and replacing them with products that meet the current building code. We would anticipate leaving the exterior brick façade in place and furring the wall out on the inside to provide insulation.

Photos of existing single pane windows



Building Systems

There is a lack of ventilation in the vehicle garage and warehouse areas. In addition, the building's heating system, which consists of cast iron piping, is deteriorating. The deterioration of these pipes requires constant attention and repair and replacement costs. The electrical systems are inadequate for the building's use and do not meet current codes. There is no sprinkler system within the facility, and though it may not be specifically required, it is a best life safety practice to ensure the safety of employees, as well as, building and inventory assets

Photos of the existing MEP components



DESIGN OPTION SUMMARIES

OPTION 1 - Renovation

We are confident that any renovation would require bringing the building up to the current building code. This would mean upgrading all the building MEP and life safety systems, updating the structural building systems, and upgrading the exterior building envelope to meet the current energy code. This option would involve utilizing the sub-structure of the building in some capacity and gutting the rest of the building. The site would keep the same layout with the addition of a new well, new septic system, a pond to hold water for the fire suppression system, and upgrading the transformer and pole storage areas.

The cost of this type of extensive renovation and upgrading would be substantial. Based on historical data and our understanding of the project you could anticipate a cost of \$265 to \$283 per square foot. The facility is approximately 21,000 square feet and we would anticipate the cost of construction to be approximately \$5,600,000 to \$6,000,000 and could exceed this estimate (see below).

Key Concepts to Keep in Mind:

- There are a significant number of unknowns that could dramatically affect the cost of the project.
- Based on the scope of the project we would expect at least a year or more to get approvals and prepare the design documents. Due to this we have included an escalation cost of 6% into our construction cost assessment numbers above.
- The project will require Unitil's Kensington personnel to relocate for 12 months. We would anticipate a 10 month construction schedule and 1 month at the beginning and end of construction to move out and then back in. During this time Unitil would need to operate out of another facility and the cost of this needs to be accounted for. The size of the building and site, does not lend itself to a phased project while remaining occupied. We typically see spaces leased for two years, and not only one year. It should be noted that during this transition time there is the potential of not providing the level of service your customers expect due to several factors. These factors include the proximity of a leased space to your customers, inadequate space within the new building and the potential for needing to spread employees and equipment out to different locations. We would anticipate that any leased space would also require additional cost for tenant fit-up and may not be able to accommodate outside material storage areas for transformers, poles, wire reels, etc.

Potential Additional Costs

- Moving costs, including cost to relocate site items including poles and transformers.
- Cost of lease

- Cost of lease search
 - Legal fees for lease agreements
 - Tenant fit-up costs
 - Down time to move; potentially additional employee costs such as overtime
- There is a significant amount of wetlands on the site and the project is a prohibited use in the zoning district it is in. Having a well and onsite septic system complicate the process even further. Due to the extended time for permitting and approvals for this project we would anticipate significant legal fees, engineering and site exploration fees to move this project through the state and local approvals process.

Potential Additional Costs

- Legal Costs
 - Wetlands specialists
 - Geotechnical costs
 - Civil Engineering costs
 - Wetlands Mitigation Costs
- Soft costs including professional design services are not accounted for in our cost assessment.
 - Renovating the existing facility would not make a significant improvement in the overall functionality of Unitil's NH Electric – Seacoast region's Distribution Operations services. The project does not enlarge the building or the site and would not improve the function of day to day operations dramatically. In addition spaces such as utility rooms and bathrooms may need to get larger due to current code requirements and reduce the size of the operational spaces you currently have and that already has very limited meetings and other spaces
 - The road outside of the building, Drinkwater Road, floods during large rain events.

Summary – Option 1: The time and cost to renovate the existing building will exceed any gain in operational improvements and less long-term value versus what Unitil would gain in operational improvements and value with a new building. We would anticipate a difficult time obtaining approvals, although out of the three options this option would have the best chance to be granted a special exception from the Zoning Board. In this option Unitil would need to relocate to another facility for 12 months, which may create operational inefficiencies, potentially affecting customer service. The option does not resolve the functional issues currently in the existing facility; including inadequate vehicle storage, poor warehouse space and inadequate space to efficiently run EOC activities.

OPTION 2 – Renovation and Addition

This would mean upgrading all the building MEP and life safety systems, updating the structural building systems, and upgrading the exterior building envelope to meet the current energy code. This option would involve utilizing the sub-structure of the building in some capacity and gutting the rest of the building. The site would keep the same layout with the addition of a new well, new septic system, a pond to hold water for the fire suppression system, and upgrading the transformer and pole storage areas.

Building a 10,000 square foot addition and renovating the existing facility would require bringing the building up to the current building code. This would mean upgrading all the building MEP and life safety systems, updating the structural building systems and upgrading the exterior building envelope to meet the current energy code.

This option would involve renovating the existing building by utilizing the sub-structure of the building in some capacity and gutting the rest of the building. Adding a 10,000 square addition to add offices, CED, OQ Testing and Training, along with expanding other operational spaces would affect the site significantly. The layout of the site would have to be completely redone including providing additional parking, The site would adding a new well, new septic system, a pond to hold water for the fire suppression system, new pole storage, trailer storage, bulk material bins, and providing a new transformer containment storage area(s).

The cost of this type of extensive renovation and addition would be substantial. Based on historical data and our understanding of the project we feel you could anticipate a cost of \$269 to \$288 per square foot. The existing facility is approximately 21,000 square feet, with a 10,000 square foot addition; we would anticipate the cost of construction to be approximately \$8,500,000 to \$9,000,000.

Key Concepts to Keep in Mind:

- There are a significant number of unknowns that could dramatically affect the cost of the project.
- . Based on the scope of the project we would expect at least a year or more to get approvals and prepare the design documents. Due to this we have included an escalation cost of 6% into our construction cost assessment numbers above.
- The project will require Unitil's Kensington personnel to relocate for 14 months. We would anticipate a 12 month construction schedule and 1 month at the beginning and end of construction to move out and then back in. During this time Unitil would need to operate out of another facility and the cost of this needs to be accounted for. The size fo the building and site, the same as in Option 1, does not lend itself to an phased project while remaining occupied. We typically see spaces leased for two years, and not only one year. It should be noted that during this transition time there is the potential to not providing the level of service your customers expect due to several factors. These factors include the proximity of a leased space to your customers, inadequate space within the new building and the potential for needing to spread employees and equipment out to different locations. We would anticipate that any leased space would also require additional cost for tenant fit-up and may not be able to accommodate outside material storage areas for transformers, poles, wire reels, etc.

Potential Additional Costs

- Moving costs, including cost to relocate site items including poles and transformers.
 - Cost of lease
 - Cost of lease search
 - Legal fees for lease agreements
 - Tenant fit-up costs
 - Down time to move; potentially additional employee costs such as overtime
- There is a significant amount of wetlands on the site and the project is a prohibited use in the zoning district it is in. Having a well and having an onsite septic system complicate the process even further. Due to the extended time for permitting and approvals for this project we would anticipate significant legal fees, engineering and site exploration fees to move this project through the state and local approvals process.

Potential Additional Costs

- Legal Costs
 - Wetlands specialists
 - Geotechnical costs
 - Civil Engineering costs
 - Wetlands Mitigation Costs
- Soft costs including professional design services are not accounted for in our cost assessment

- Renovating the existing facility, and adding 10,000 sf, for non-DIC space requirements would not make a significant improvement in the overall functionality of Unitil's NH Electric – Seacoast region's distribution operations services. The project does not enlarge the operations portion of the building or the site and would not improve the function of day to day operations dramatically. In addition spaces such as utility rooms and bathrooms may need to get larger due to current code requirements and reduce the size of the operational spaces you currently have.

The road outside of the building, Drinkwater Road, floods during large rain events.

Summary – Option 2: The time and cost to renovate the existing building and build a new addition would be substantial and resulting in only a minor improvement in operational efficiencies. We would anticipate a difficult time obtaining approvals, especially with the Town due to the substantial change in use. With this option Unitil would need to relocate to another facility for 14 months, which may create operational inefficiencies, potentially affecting customer service. This options also does not resolve the functional issues currently in the existing facility; including in adequate vehicle storage, poor warehouse space, and inadequate space to efficiently run EOC activities.

OPTION 3 – New Building

This option would involve removing the existing building and construction a new 55,000 square DIC in its place. The building would contain all the operational and functional efficiencies developed during the 2018 & 2019 programming process. The layout of the site would include new parking, a new well, new septic system, a pond to hold water for the fire suppression system, new pole storage area, trailer storage, bulk material bins, and providing onsite transformer containment/storage area(s).

Based on historical data and our understanding of the project the cost for the demolition of the existing building and the construction of the new facility we feel could be done for \$234 to \$251 per square foot. We would anticipate the cost of construction to be approximately \$12,870,000 to \$13,805,000.

Key Concepts to Keep in Mind:

- There are a significant number of unknowns that could dramatically affect the cost of the project.
- . Based on the scope of the project we would expect at least a year or more to get approvals and prepare the design documents. Due to this we have included an escalation cost of 6% into our construction cost assessment numbers above.
- The project will require Unitil's Kensington personnel to relocate for 13 months. We would anticipate an 11 month construction schedule and 1 month at the beginning and end of construction to move out and then back in. During this time Unitil would need to operate out of another facility and the cost of these needs to be accounted for. We typically see spaces leased for two years, and not only one year. It should be noted that during this transition time there is the potential to not providing the level of service your customers expect due to several factors. These factors include the proximity of a leased space to your customers, inadequate space within the new building and the potential for needing to spread operations employees and equipment out to different locations. We would anticipate that any leased space would also require additional cost for tenant fit-up.

Potential Additional Costs

- Moving costs, including cost to relocate site items including poles and transformers.
- Cost of lease
- Cost of lease search
- Legal fees for lease agreements
- Tenant fit-up costs

- Down time to move; potentially additional employee costs such as overtime
- There is a significant amount of wetlands on the site and the project is a prohibited use in the zoning district it is in. Having a well and having an onsite septic system complicate the process even further. Due to the extended time for permitting and approvals for this project we would anticipate significant legal fees, engineering and site exploration fees to move this project through the state and local approvals process.

Potential Additional Costs

- Legal Costs
- Wetlands specialists
- Geotechnical costs
- Civil Engineering costs
- Wetlands Mitigation Costs
- Soft costs including professional design services are not accounted for in our cost assessment
- The road outside of the building, Drinkwater Road, floods during large rain events impacting services.
- If a new building was to be built onsite it would want to be built in a location similar to where the current facility is. There is the potential to move the building further into the site though there would be a significant increase in the cost for wetland mitigation. If the building moved further into the site it is possible that the existing facility could remain operational during construction.

Summary-Option 3: It should be anticipated that this option would have the greatest difficulty receiving approval from the Town. If constructed it would provide Unitil with a facility that is able to meet the company's needs well into the future.

Overall Summary:

The existing facility, constructed between 1955 and 1962, no longer serves the functional requirements of a 21st century public utility company. The cost of bringing the building up to code is not worth the investment and does not solve the functional issues with the existing building. Proposing a new facility on the existing site poses several challenges, including receiving Town approvals for prohibited use within the district it is in. The recommended solution, in support of Unitil's NH Electric Distribution Operations Center and other company space requirements, is to build a facility on a more suitable site that is properly zoned, has less wetlands impact, and that is located adjacent to a major artery where operations response can be efficiently distributed to Unitil's NH Electric – Seacoast region's Distribution Operations customer base. In addition, A newly constructed facility on a new site will be used and useful for decades longer than a renovation or addition to the existing facility on a site where zoning and wetlands would likely be barriers to project approvals or add significant cost if variances could be acquired.

Agel, Jacquie

Subject: FW: Commercial Lease Rates & Availability (Kensington Study)
Attachments: Mimecast Attachment Protection Instructions; 21086863_9
_Batchelder_Road_Brochure.pdf; Portsmouth, 68 NH Ave - Brochure.pdf

From: Margaret O'Brien [<mailto:margaret@bowstcommercial.com>]
Sent: Wednesday, March 27, 2019 9:48 AM
To: Agel, Jacquie
Subject: RE: Commercial Lease Rates & Availability

Mimecast Attachment Protection has deemed this file to be safe, but always exercise caution when opening files.

Jacquie,

As we discussed, there is currently no inventory for the garage and laydown requirement within your service area. We conducted an exhaustive search initially before landing on the build to suit option in Exeter, NH. The industrial market has gotten even tighter since that effort. The former Vapotherm space at 22 Industrial Drive that we looked at is now leased. The owner of that property did not add on to the building as per his permits.

The attached property in Seabrook is now on the market for sale only. This building is owned by Corium who just relocated to a larger facility and is looking to sell. It would not fit your requirement for garage space and would need extensive renovation to retrofit for Unitil's use.

Outside of your service area, there is one building at 68 New Hampshire Ave at Pease. This space has 6,025 SF of office and 12,500 SF of warehouse/manufacturing space with 3 loading dock doors. Attached is the marketing brochure. This building is currently under contract for sale.

The current market rent for is in the \$6.25 to \$8.95 PSF NNN range, if we could find a property that fits your requirement.

The lack of inventory coupled with your unique use and layered with looking for an option for Until to occupy for 12 to 14 months presents a very challenging requirement.

Please let me know if you need anything further.

Margaret O'Brien
bow street LLC
111 Bow Street
Portsmouth, NH 03801
Office: 603.427.0700
Cell: 603.828.7245
margaret@bowstcommercial.com



From: Agel, Jacquie <agel@unitil.com>
Sent: Tuesday, March 26, 2019 6:16 PM
To: Margaret O'Brien <margaret@bowstcommercial.com>
Subject: Commercial Lease Rates & Availability

Hi Margaret,

As we discussed just now, I'm preparing a document that includes costs for (3) possible options for staying in Kensington. All 3 options include moving out of the space for 12 to 14 months. We'd need approximately 12,000 sf of garage and warehouse space and 6,000 to 8,000 for office space and parking for 50+/- plus an acre or more for material

Agel, Jacquie

Subject: FW: Sale of Kensington - \$800K

From: Margaret O'Brien [<mailto:margaret@bowstcommercial.com>]

Sent: Friday, April 05, 2019 10:41 AM

To: Agel, Jacquie

Subject: RE: Sale of Kensington - \$800K

Jacquie,

The ballpark estimate for the Kensington facility is in the range of \$800,000. This price was based on an "as-is" use both for re use of the industrial building as well as the potential for a residential subdivision or other similar use.

The site, as we know is impacted with a fair amount of wetlands, the majority at the lower half of the site, but also an area at the top of the site. This coupled with the shape of the site, does not leave a large developable site for a developer to subdivide.

Margaret O'Brien
bow street LLC
111 Bow Street
Portsmouth, NH 03801
Office: 603.427.0700
Cell: 603.828.7245
margaret@bowstcommercial.com



From: Agel, Jacquie <agel@unitil.com>

Sent: Thursday, April 4, 2019 4:01 PM

To: Margaret O'Brien <margaret@bowstcommercial.com>

Subject: Sale of Kensington

Hi Margaret,

Although we haven't finished the ALTA survey for the Kensington facility can you provide a ball park estimate of what we might get for the property.

Would an as is use cost be different than a developers cost who would remove the building and possibly do a subdivision.

My recollection is that out of the 26 acres maybe 10+/- are usable?

Jacquie

Jacqueline D. Agel
Manager, Fleet & Facilities



6 Liberty Lane West
Hampton, NH 03842
T 603.773.6531 M 603.812.7873
www.unitil.com

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Unitil Energy Systems, Inc. – Hampton Addition Initial Budget
February 1, 2019

We are providing the below conceptual costs for the construction of a 10,000 square foot, two story addition to your existing Hampton headquarters building. The program is based off of the second floor of the proposed Unitil/NH Electric Operations DOC – Seacoast Region and includes the CED, Engineering Department, OQ Testing, Back-up Field Services & Gas Cont. Room, archive storage, production area, toilets and conference room. The costs for the project are conceptual due to lack of documentation of the existing conditions but based on probable and historic cost data. If the project were to move forward a comprehensive existing conditions analysis will need to be completed and a full construction cost be determined. The estimate is based on Spring 2019 pricing, and does not include probable escalation due to a later start date.

Hampton Addition:

Projected Cost Range	\$2,930,000 - \$3,100,000
Cost /Sqft Range	\$293/sqft - \$310/sqft

The projected savings to the Unitil/NH Electric Operations DOC – Seacoast Region project of removing the second floor and associated spaces is as follows:

	<u>Project Cost (1.11.2019)</u>	<u>Projected Cost Saving</u>	<u>Revised Cost:</u>
<u>Projected Savings (+/-9,700sqft):</u>	\$11,140,507	(\$965,246)	\$10,175,261

Project Scope Hampton Addition:

The information below is what we based the cost of the new addition on. Exclusions and items that have not been considered are also stated below.

Building: 65' x 80'; 10,000 sqft, (2) Story Addition onto existing facility proposed at south facing façade

1. Site excavation and backfill
2. Frost wall/slab on grade construction
3. Structural steel with cold formed metal framing exterior wall system
4. Single enclosed stair tower with wall mounted pipe rail
5. Demo of existing façade to accept addition
6. Exterior façade to be brick
7. Flat, single pitch roof system
8. Windows at exterior
9. Wood veneer doors in HM frames
10. Carpet at common and office areas, sheet goods at bathrooms
11. ACT ceiling system throughout
12. Light gauge metal framing and drywall interior partitions
13. Office space to be painted throughout



14. Tie into existing sprinkler system
15. (2) single stall bathrooms at each floor +(1) single stall bathroom in CED
16. Kitchenette assumed in CED
17. VAV HVAC system
18. Troffer lighting throughout
19. Standard office wiring for cubicle layout
 - a. Electrical considerations included for CED (power/wiring, no equipment)

Additional Items/Not considered

1. Additional upgrades or requirements of the existing building to meet newer building code requirements are excluded.
2. Existing systems assumed to accept additional load
 - a. No replacement or upgrading of existing plumbing systems, electrical service, sprinkler, fire alarm,
 - b. Existing services assumed already to temp'd to addition
 - c. New/existing security/tele/data systems excluded
3. No work assumed in existing building at this time
 - a. No consideration for tie backs into existing systems
 - b. No Saw cutting/trenching to upgrade or bring new services or lines to area of addition
4. All work to be performed during standard business hours
 - a. No off hours/ afterhours work considered
 - b. No cost carried for relocation of neighboring personnel
5. Finished access from existing building to addition to be single man door, (1) at each floor
6. No Structural alteration to existing building
7. No Tie in of existing finish
 - a. Brick to be cold joint (not toothed), mansard roof not included in addition
8. No site considerations included
 - a. Budget based off ideal site conditions, (generally flat, good soils, no blasting)
 - b. Loam and seed only, no landscaping, no addition or alteration to existing parking/site drainage/man house/utilities
9. All interior/exterior finish materials carried at budget/allowance until existing materials can be confirmed
10. Does not include MEP closets/fire rated assemblies

Agel, Jacquie

From: Michael Lawrence <mlawrence@proconinc.com>
Sent: Tuesday, May 21, 2019 11:41 AM
To: Agel, Jacquie
Subject: UNITIL - Demo costs - Kensington Property

Hi Jacquie,

The costs you have for the three options include the demo costs. Option 3 where we take the whole building down is shows a cost of essentially \$300,000, though you should add 10% for general conditions/builders risks/fees, etc. The costs associated with this are below and the abatement costs are an educated guess since there wasn't a study conducted.

02-0000.000 Abatement Cost	21,000.00 SQFT	N/A	\$ 7.75 /sqft	\$	162
02-0000.000 Building Demo	21,000.00 SQFT	N/A	\$ 6.50 /sqft	\$	136

Thanks,
Mike



Michael Lawrence
Senior Project Manager - Architecture

603.518.2201
mlawrence@proconinc.com
Please visit our new [website!](#)



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Unitil Seacoast Region Facility
Options' Estimates

Created: 4/3/19 jda
Last Update: 6/17/19 jda

Last Update: 6/17/19 jda										Temporary DOC Lease Costs ⁹					Move Costs ¹¹				
Options		Description	SF	Land Cost	Land Sale Estimate	Estimated Soft Costs	Estimated Construction Costs	Estimated Non-Construction Costs ^{8c}	SF	Cost PSF +NNN	Months	Est Cost/Mo	Total Occupancy Cost	Lease Fit Up ¹⁰	# of Moves	Estimate	Demolition Estimate ¹²	Total Cost	Cost/SF
#1	Kensington DOC Reno (21K sf) + Hampton Addition (10.5K sf)		31,500 ¹	\$ - ³	\$ -	\$ 1,327,500 ⁶	\$ 9,100,000 ^{8a}	\$ 1,373,000	21,000	\$ 7.60	12	\$ 13,300	\$ 159,600	\$ 250,000	2	\$ 175,000	\$ -	\$ 12,385,100	\$ 393.18
#2	Kensington DOC Reno (21K sf) & Kensington Addition (10 5K sf)		31,500 ¹	\$ - ³	\$ -	\$ 885,000 ⁷	\$ 9,000,000 ^{8a}	\$ 1,373,000	21,000	\$ 7.60	14	\$ 13,300	\$ 186,200	\$ 250,000	2	\$ 175,000	\$ -	\$ 11,869,200	\$ 376.80
#3	Kensington - Build New & Remove Existing		53,940 ²	\$ - ³	\$ -	\$ 885,000 ⁷	\$ 14,005,000 ^{8a}	\$ 1,373,000	21,000	\$ 7.60	14	\$ 13,300	\$ 186,200	\$ 250,000	2	\$ 175,000	\$ 350,000	\$ 17,224,200	\$ 319.32
#4	New - Exeter, NH		53,940 ²	\$ 1,203,000 ⁴	\$ (800,000) ⁵	\$ 885,000 ⁷	\$ 12,562,319 ^{8b}	\$ 1,460,500	0	\$ -	\$ -	\$ -	\$ -	\$ -	1	\$ 87,500	\$ -	\$ 15,398,319	\$ 285.47

- NOTES:**
1. Kensington 21K sf is size of existing bldg. Hampton Addition SF (10.5K): See SF calculations on proposed new Seacoast Region Bldg drawings LE1.1 & LE1.2.
2. Total SF (53,940). See SF calculations on proposed new Seacoast Region Bldg drawings LE1.1 & LE1.2.
3. Land Cost. Land is owned by Unitil.
4. Land Cost. \$1M for land + fees (legal, Phase I ESAs, closing costs, current use tax). See Decision Document Attachment G (Purchase & Sales Agreement).
5. Land Sale. Estimate was provided by Commercial Realtor Margaret O'Brien, owner of Bow Street, LLC and is based on her knowledge of the property via recent DRAFT ALTA survey process and the market.
6. Soft Costs. (2) Project Locations (Kensington & Hampton) for this options so additional costs will be incurred for Architect/ID/Security/Electrical/Civil designers and fees for conceptual/schematic/design development services, estimating services, permitting, legal, etc.
7. Soft Costs. (1) Project, same fees as listed above - except for one project location.
- 8a. Estimated Construction Cost. Provided by PROCON, LLC for all options. See Attachments A (costs for Options 1, 2, and 3) and D (Hampton cost for Option 1) of Decision Document. Plus \$200K for Cat IV building construction (See Attachment L).
- 8b. Estimated Construction Cost. Provided by PROCON. See Attachment J, 4/17/19 "Evolution of Costs to Date". Includes \$208K for private road upgrade costs before turn over to Town. Plus \$200K for Cat IV building construction (See Attachment L).
- 8c. Estimated Non-Construction Costs. \$1,548,000. Includes; Furniture/Furnishings/Finishes, USC PM Payroll, Warehouse and Shop Material Handling, and IT. Move costs are in a separate column.
9. Temporary DOC Lease. The Kensington building cannot be occupied for Options 1, 2 & 3. The bullet points below are from Realtor Margaret O'Brien
- * No inventory exists that would suit requirements for garage and exterior layout areas.
 - * An exhaustive search for existing commercial buildings was undertaken in 2017/2018 and there was no inventory.
 - * The commercial market has gotten tighter since the 2017/2018 search.
 - * There is a property currently in Seabrook that could work but not without extensive and expensive fit up of the space and would not meet requirements for garage space.
 - * If a property were available in Unitil's Seacoast territory, the current market rent for is in the \$6.25 to \$8.95 PSF NNN range.
 - * The lack of inventory coupled with Unitil's unique use and layered w/seeking an option for Until to occupy for 12 to 14 months presents a very challenging requirement
 - * NNN costs are unknown and are in addition to the lease cost. NNN include property taxes & insurance, and CAM fees. Utilities would be in addition to NNN.
10. Lease Fit Up. Assuming a viable commercial space with a generator, for power back up for normal and EOC operations, was available the estimate to fit up 21,000 SF could be substantially less but could be substantially more. Security alone could cost \$50K+.
11. Move Costs. Estimate is based on actual moving costs for relocation of Unitil's MA Gas & Electric DOC in May 2018
12. Demolition. Estimate provided by PROCON, LLC. See Attachment E of Decision Document.

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT (this "Agreement") is entered into as of the 15 day of June, 2018 (the "Effective Date"), by and between **GARRISON GLEN LLC**, a New Hampshire limited liability company with a usual place of business at 141 Main Street, Nashua NH 03061, ("Seller"), and **UNITIL ENERGY SYSTEMS, INC.**, or its nominee, a New Hampshire corporation having an address of c/o Unitil, 6 Liberty Lane West, Hampton, NH 03842, ("Purchaser").

1. Purchase and Sale. In consideration of their mutual covenants and agreements set forth in this Agreement, Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller, for the Purchase Price (as hereinafter defined) subject to and on the terms and conditions set forth herein, the following:

- (a) A certain parcel of land situated in the Town of Exeter, New Hampshire, presently known as and numbered **20 Continental Drive**, and as described as "Lot 6" in a certain deed recorded with the Rockingham County Registry of Deeds in Book 4404, Page 2738 and shown as the parcel labeled "Lot 6" on the plan entitled "Lot Consolidation/Resubdivision Plan Garrison Glen Corporate Park" prepared by Holden Engineering & Surveying, Inc. dated January 8, 1998 with revisions through July 22, 1998 recorded at the Rockingham County Registry of Deeds as Plan D-26568 (the "Plan"), consisting of approximately 10.75 acres, together with all rights, easements and rights of way appurtenant to **20 Continental Drive** and, approximately one (1) additional acre of land (the "Additional Acre") to be added to **20 Continental Drive**, by way of a lot line adjustment, from the approximately 22.9 acre parcel of land presently known as and numbered **60 Gourmet Place**, Exeter, New Hampshire, and as described as "Lot 8" in a certain deed recorded with the Rockingham County Registry of Deeds in Book 4404, Page 2738, and shown as "Lot 8" on the Plan. The preliminary location and shape of the Additional Acre shall be determined upon the mutual discussion and consent of the Purchaser and the Seller during the Due Diligence Period. The final location of the Additional Acre is subject to (i) further engineered site design and layout by Purchaser of its Intended Use (defined below) of the Real Estate (defined below) during the Permitting Diligence Period and (ii) the review and approval by all local, state and federal authorities with jurisdiction over Purchaser's development of the Real Estate. In the event that the location of the Additional Acre needs to be modified during the Permitting Diligence Period as described in the foregoing sentence, such new location will be subject to the review and approval of the Seller, which approval shall not be unreasonably withheld, conditioned or delayed. (All of the real property described in this Paragraph 1 (a) is collectively referenced in this Agreement as the "Land").
- (b) Non-exclusive easement rights in common with others and subject to obligations shared by others in a private way across 60 Gourmet Place as described above

TMM 6/8/2018

(which private way is hereinafter sometimes referred to as "Private Drive") which Private Drive may, in Purchaser's sole discretion, serve as the primary ingress and egress to the Land. The preliminary location and shape of access to the Private Drive, along with the terms and conditions of use of the Private Drive, shall be determined by discussion and consent of the Seller and the Purchaser during the Due Diligence Period. The final location and shape of access to the Private Drive, along with the terms and conditions of use of the Private Drive, is subject to (i) further engineered site design and layout by Purchaser of its Intended Use of the Real Estate during the Permitting Diligence Period and (ii) the review and approval by all local, state and federal authorities with jurisdiction over Purchaser's development of the Real Estate. In the event that the location and shape of access to the Private Drive and/or the terms and conditions of use of the Private Drive need to be modified during the Permitting Diligence Period as described in the foregoing sentence, such new location and/or terms and conditions of use will be subject to the review and approval of the Seller, which approval shall not be unreasonably withheld, conditioned or delayed.

- (c) All structures, buildings, improvements and fixtures located on and/or forming a part of the Land, whether above or below ground (collectively, the "Improvements").
- (d) Seller's interest in all transferable licenses, approvals, variances, permits and warranties now in effect with respect to the Real Estate and the Improvements, if any, (collectively, the "Permits and Warranties") to the extent the same are in effect at Closing (the Permits and Warranties being referred to herein as the "Intangible Property"), all of which shall be transferred to Purchaser pursuant to an assignment agreement in form and substance acceptable to the Purchaser ("Assignment of Intangible Property").

Attached hereto as **Exhibit A** and made a part of this Agreement is a Plan entitled "Existing Conditions Plan Map 46 Lot 3 Proposed Operations Facility 20 Continental Drive Exeter NH" dated May 11, 2018 which Plan shows the metes and bounds of 20 Continental Drive. Also attached hereto as **Exhibit B** and made a part of this Agreement is a Plan entitled "Sketch Plan Lot Line Relocation 16 May 2018 Scale 1"-120'" which Plan shows the approximate area for consideration as the Additional Acre which is a portion of the Land.

The Land, the Improvements, the "Private Drive" and the Intangible Property are sometimes collectively referred to herein as the "Real Estate".

2. Purchase Price; Earnest Money. The purchase price for the Real Estate shall be **ONE MILLION AND 00/100 DOLLARS (\$1,000,000.00)** (the "Purchase Price"), subject to adjustment for prorations as contemplated by Section 9 hereof. The Purchase Price shall be payable as follows:

- (a) Upon complete execution of this Agreement and the Escrow Agreement (hereinafter defined), the sum of **THIRTY THOUSAND Dollars (\$30,000.00)** shall be tendered as earnest money (the "Earnest Money") in immediately

6/8/2018

available funds in the form of Purchaser's certified check (or wire transfer) made payable to Bow Street LLC ("Escrow Agent"), as escrow agent under this Agreement. The Earnest Money shall be applied to the Purchase Price at Closing or disbursed as otherwise contemplated by this Agreement. The Earnest Money shall be deposited with and held by Escrow Agent in accordance with an Escrow Agreement substantially in the form attached hereto as **Exhibit C**, executed by Seller, Escrow Agent and Purchaser ("Escrow Agreement"). Except in the event of termination of or failure to close this transaction by reason of Purchaser's default, any interest earned on the Earnest Money shall belong to Purchaser and may, at Purchaser's option, be applied to the Purchase Price at the Closing.

- (b) Not later than 11:00 a.m., Eastern Daylight Time, on the Closing Date (as hereinafter defined), Purchaser shall pay to the Seller the Purchase Price, plus or minus prorations as hereinafter provided, and subject to application of the Earnest Money, by wire transfer to such bank account as the Seller may designate.

3. Closing.

- (a) The consummation of the purchase and sale of the Real Estate ("Closing") shall, subject to the other terms and conditions contained herein, take place at 10:00 a.m. on a date determined by Purchaser which is more than thirty (30) days but less than forty-five (45) days following the expiration of the Permitting Diligence Period, defined below, (the "Closing Date") at the offices of Purchaser's counsel, **PIERCE ATWOOD, LLP**, One New Hampshire Avenue, Suite 350, Portsmouth, NH 03801. Notwithstanding the foregoing, the Closing Date may be extended according to the provisions contained in this Agreement or by written agreement signed by the parties hereto. The terms "Closing" and "Closing Date" shall include any agreed upon extensions thereof.
- (b) At the Closing, Seller shall cause to be delivered to Purchaser, the following documents, together with evidence of the authority for the individual(s) executing the same on behalf of Seller:
 - (1) A good and sufficient Warranty Deed in form and substance customary and usual for the conveyance of commercial real property located in New Hampshire in recordable form properly executed on behalf of Seller, conveying to Purchaser, or to a nominee designated by Purchaser by written notice to Seller at least five (5) business days prior to Closing, the Real Estate and the Improvements in fee simple, subject to the Permitted Exceptions (hereinafter defined);
 - (2) A duly executed Seller's Title Insurance Affidavit, dated even with the Closing Date, in form and substance satisfactory to the Purchaser and such other documents that the Purchaser's title insurance company may reasonably require in order to issue a title policy in accordance with the provision of this Agreement;

- (3) An affidavit sworn by an authorized representative of Seller to the effect that Seller is not a "foreign person" as that term is defined in section 1445(f)(3) of the Internal Revenue Code of 1954, as amended, together with so-called "1099S Tax Reporting Forms" for reporting the conveyance contemplated hereby to the Internal Revenue Service;
 - (4) The Assignment of Intangible Property;
 - (5) A Closing Statement in form reasonably satisfactory to the parties reflecting the prorations and apportionments of the Purchase Price as required by the terms and provisions contained in this Agreement (the "Closing Statement") and,
 - (6) Such other documents and instruments as are reasonably necessary in order to effectuate the intent of this Agreement.
- (c) At the Closing, Purchaser shall cause to be delivered to Seller the following:
- (1) The balance of the Purchase Price, by confirmed wire transfer;
 - (2) Evidence satisfactory to Seller's counsel, of the identity and authority of the person executing documents on behalf of Purchaser;
 - (3) Executed originals of the Assignment of Intangible Property and the Closing Statement and,
 - (4) Such other documents and instruments as are reasonably necessary in order to effectuate the intent of this Agreement.

4. Conditions to Closing. In addition to all other conditions to the completion of the transaction described in this Agreement, Seller and Purchaser agree that the closing of transactions contemplated by this Agreement is subject to the satisfaction, approval or waiver by Purchaser, in Purchaser's sole discretion, of the following conditions:

- (a) The Purchaser and its agents, contractors, engineers, surveyors, attorneys, and employees will have a period of time (the "Due Diligence Period"), commencing on the day after the Effective Date and ending on or before 5:00 p.m., on that date which is Ninety (90) days thereafter, to inspect and investigate the Real Estate in order to determine, in Purchaser's sole discretion, whether the Real Estate is suitable for the Purchaser's intended use. Such inspections and investigations may include, without limitation, a survey, environmental site assessments, engineering studies, wetland delineation and soil studies, geotechnical studies, zoning and land use analysis, cost of development and construction analysis, availability of utilities and access, title review and any other investigation the Purchaser may deem necessary. For the purpose of conducting on-site inspections and investigations, Seller agrees to provide Purchaser or its authorized agents, reasonable access to the Real Estate at all reasonable times during the Due

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Diligence Period upon at least twenty-four (24) hours prior notice to Seller. Notice may be delivered by email or verbally to Seller's representative Thomas F. Monahan. Purchaser hereby agrees to indemnify Seller and to hold Seller and Seller's agents harmless from and against any and all losses, costs, damages, claims or liabilities including, but not limited to, mechanic's and materialmen's liens and attorneys' fees, arising out of Purchaser's access to or entry upon the Real Estate under this Agreement. Purchaser will not, however, be liable under the foregoing indemnity for matters discovered by, as opposed to caused by, Purchaser. Purchaser's indemnity and hold harmless pursuant to this Section 4(a) shall survive the Closing, or earlier termination of this Agreement, for a period of one (1) year.

- (b) No later than five (5) business days after the Effective Date, the Seller shall deliver to Purchaser the items set forth on **Exhibit D** attached hereto to the extent they are in Seller's possession or can be reasonably obtained by Seller (the "Seller's Disclosure Documentation"). During the Due Diligence Period, the Purchaser and its agents, contractors, engineers, surveyors, attorneys, and employees will review and inspect the Seller's Disclosure Documentation in order to determine, in Purchaser's sole discretion, whether the Real Estate is suitable for the Purchaser's intended use. Purchaser hereby acknowledges and agrees that the Seller's Disclosure Documentation is being made available to Purchaser for Purchaser's convenience only, and without representation or warranty by Seller of any kind, express or implied.
- (c) The Purchaser and its agents, contractors, engineers, surveyors, attorneys, and employees will have a period of time (the "Permitting Diligence Period"), commencing at the end of the Due Diligence Period and ending on or before 5:00 p.m., on that date which is One Hundred Eighty (180) days thereafter, or as may be extended by Purchaser as provided herein, to apply for and obtain any and all necessary licenses, variances, special exceptions, permits and approvals, including without limitation, approvals related to zoning, site plan review, lot line adjustment, wetlands, NH Department of Environmental Services jurisdictional requirements, U.S. Army Corps jurisdictional requirements, building and construction permits, driveway permits and such other approvals and certificates required for Purchaser's intended use of the Real Estate which may include, but is not limited to, administrative offices, training areas, indoor storage/warehouse of utility company related equipment and supplies, outdoor storage, outdoor parking, and indoor parking of utility vehicles ("Intended Use"), from any and all state, local, municipal and federal authorities. Purchaser's obligation to purchase the Real Estate is expressly contingent upon Purchaser procuring during the Permitting Diligence Period all final non-appealable approvals, licensing, and permits as described herein necessary for the Intended Use. Such contingency shall not be deemed satisfied if Purchaser, by virtue of any such approvals, is required to construct off-site improvements or contribute to the cost of off-site improvements or infrastructure or such approvals impose any other conditions which, in Purchaser's sole discretion, are unacceptable to Purchaser, unless Purchaser agrees to any such off-site improvements, contribution, or conditions.

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In the event any of the conditions set forth in this Section 4 are not satisfied or waived by Purchaser within the Due Diligence Period or the initial Permitting Diligence Period, as applicable, Purchaser may notify Seller and Escrow Agent in writing of the termination of this Agreement prior to expiration of the Due Diligence Period or Permitting Diligence Period, as applicable ("Purchaser's Termination Notice"). In the alternative, the Purchaser may, no later than 10 days prior to the expiration of the initial Permitting Diligence Period, elect to extend the initial Permitting Diligence Period by One Hundred Eighty (180) days in order to obtain all necessary permits, licenses and approvals as described herein. Upon timely receipt of Purchaser's Termination Notice, the Earnest Money shall be refunded to Purchaser by Escrow Agent, both Seller and Purchaser shall be released and discharged from all further obligations under this Agreement to sell and purchase (as applicable) the Real Estate, and neither Seller nor Purchaser shall be subject to any claim by the other for damages of any kind except Purchaser's indemnity and hold harmless agreements as provided in this Agreement. If no Purchaser's Termination Notice has been delivered upon Seller and Escrow Agent within the time periods provided in this Section 4, as may be extended, all conditions to Purchaser's obligations under this Agreement shall be deemed to have been satisfied or waived and Purchaser's obligations to close shall be firm for all purposes under this Agreement. **THE SELLER ACKNOWLEDGES AND AGREES THAT THE PURCHASER MAY TERMINATE THIS AGREEMENT WITHIN THE DUE DILIGENCE PERIOD OR THE PERMITTING DILIGENCE PERIOD, AS MAY BE EXTENDED AS PROVIDED HEREIN, FOR ANY REASON OR NO REASON. IN ADDITION, SELLER ACKNOWLEDGES AND AGREES THAT THE PURCHASER'S PERFORMANCE HEREUNDER IS CONTINGENT UPON PURCHASER OBTAINING ALL SUCH NECESSARY PERMITS AND APPROVALS DESCRIBED HEREIN.**

Notwithstanding anything contained in this Section 4 to the contrary, with respect to any intrusive inspection or test at the Real Estate (e.g., investigation of soil and bedrock conditions, core sampling, soil and groundwater sampling, etc.) desired by Purchaser, the following terms and conditions shall apply: (a) Purchaser must obtain Seller's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed) as to the scope of the proposed inspection or test and the firm or person performing the same; (b) prior to performing any such inspection or test, Purchaser must deliver to Seller a certificate of insurance to Seller evidencing that Purchaser and its contractors, agents and representatives have in place reasonable amounts of comprehensive general liability insurance and workers compensation insurance for their activities on the Real Estate upon terms and amounts reasonably satisfactory to Seller, covering an accident arising in connection with the presence of Purchaser, its contractors, agents and representatives on the Real Estate, which insurance shall name Seller and such other Seller affiliated parties as Seller may designate as additional insureds thereunder; and (c) Purchaser shall bear the cost of all such inspections or tests and shall be responsible for and act as the generator with respect to any wastes generated by those inspections or tests. Notwithstanding the foregoing, Purchaser shall not be required to indemnify Seller or be liable to Seller for matters discovered by, as opposed to caused by, Purchaser during such intrusive investigations and sampling.

Seller shall cooperate with Purchaser, at no cost to Seller, during the Due Diligence Period, by providing one or more interviews regarding the past and current use of the Real Estate as part of Purchaser's environmental investigation.

5. Evidence of Title. The Real Estate is to be conveyed by the Deed referred to in Section 3(b) (1) above. Subject to the terms and provisions contained in this Agreement, said Deed shall convey good, clear record, marketable and insurable title to the Real Estate and the Improvements, free from all liens, municipal betterments, assessments, agreements, and encumbrances except: (a) provisions of building and zoning laws; (b) such real and personal property taxes for the then current tax period as are not yet due and payable on the Closing Date; and (c) any easements, restrictions, covenants, agreements and other matters of record, provided that none of such easements, restrictions, covenants, agreements or other matters of record interfere with or prohibit the Purchaser's intended use of the Real Estate and the Improvements as determined by Purchaser in its sole discretion. In addition, title to the Real Estate and the Improvements shall be insurable for the benefit of Purchaser by a title insurance company licensed to do business in New Hampshire in a fee owner's policy of title insurance, in an amount equal to the Purchase Price, at normal premium rates, in the American Land Title Association form currently in use, subject only to exceptions to title that are acceptable to the Purchaser.

During the Due Diligence Period, Purchaser shall, at its sole cost and expense, satisfy itself that title to the Real Estate and the Improvements is satisfactory to Purchaser and complies in each and every respect with the terms and provisions contained in the first paragraph of this Section 5. If the results of any title examination and/or survey conducted by Purchaser disclose that title to the Real Estate and the Improvements does not comply, Purchaser, on or before expiration of the Due Diligence Period, shall deliver to Seller written notice of Purchaser's objections if any, to such title, describing its objections in reasonable detail (the "Title Objection Notice"). All Purchaser's title objections properly set forth in the Title Objection Notice, together with any title exceptions arising from and after the last Title Objection Notice which are either monetary liens or cause title to the Real Estate and the Improvements to not comply with the requirements described herein, are collectively referred to as "Unpermitted Exceptions". Notwithstanding any term or provision contained in this Agreement to the contrary, any exceptions to title existing prior to the last Title Objection Notice which are not properly and timely set forth in the last Title Objection Notice, shall be conclusively deemed to have been accepted and waived by Purchaser for all purposes under this Agreement and are referred to herein as the "Permitted Exceptions."

Seller shall, prior to Closing, use reasonable efforts to cure any Unpermitted Exceptions properly and timely objected to by Purchaser, provided, however, that anything to the contrary in this Agreement notwithstanding, Seller shall have no obligation hereunder to either: (a) expend any funds and/or to incur any direct or contingent liabilities which, in the aggregate, exceed the sum of Fifty Thousand Dollars (\$50,000.00) in order to cause any Unpermitted Exceptions to be cured. Notwithstanding the foregoing, Seller shall, prior to or at Closing, pay or discharge any Unpermitted Exception consisting of a lien or encumbrance voluntarily created or assumed by Seller and not created by or resulting from the acts of Purchaser or any other party not controlled by Seller. By written notice to Purchaser at any time prior to Closing, Seller may extend the Closing Date hereunder by up to thirty (30) days in order to cure any Unpermitted Exceptions which it either elects to cure or is required to cure under the terms and provisions of this Section 5. If Purchaser properly and timely objects to any Unpermitted Exceptions, or if any Unpermitted Exceptions first arising from and after the last Title Objection Notice are found to exist prior to the Closing, and all of the same are not cured by Seller or waived by Purchaser prior to the Closing, as it may be extended, then Purchaser shall, at its election, either: (a) accept

title as it then is, without reduction of the Purchase Price; or (b) terminate this Agreement, in which event the Earnest Money shall be returned to Purchaser as Purchaser's sole remedy under this Agreement. So long as Seller has not willfully failed to perform its obligations contained in this Section 5 or elsewhere in this Agreement, Purchaser's termination of this Agreement and return of the Earnest Money shall be its sole and exclusive remedy on account of Seller's default hereunder.

6. Seller Representations. Seller represents and warrants to the Purchaser that as of the date hereof and as of the Closing Date:

- (a) Seller is a New Hampshire limited liability company, duly organized, and is in good standing under the laws of the State of New Hampshire, with the power to own real property. Seller has all requisite power and authority to enter into this Agreement and perform its obligations hereunder. The execution and delivery of this Agreement by Seller and the performance of Seller's obligations hereunder have been duly authorized. This Agreement constitutes a valid and binding obligation of Seller, enforceable in accordance with its terms against Seller, subject to bankruptcy, reorganization, insolvency and other similar laws affecting the enforcement of creditors' rights generally and to general principles of equity.
- (b) To the knowledge of Seller, as of the date hereof, there are no leases or other agreements for occupancy in effect with respect to the Real Estate, except rights of others including a lease to Gourmet Gift Basket, as it may apply to the Private Drive, a copy of which will be delivered to the Purchaser as part of Seller's Disclosure Documentation;
- (c) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereunder on the part of Seller do not and will not (i) violate any applicable law, ordinance, statute, rule, regulation, order, decree or judgment binding upon Seller, or (ii) conflict with or result in the breach of any terms or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge, or encumbrance upon any of the Real Estate by reason of the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which Seller is a party or which is or purports to be binding upon Seller or which otherwise affects Seller, which will not be discharged, terminated or released at Closing. No action by any federal, state or municipal or other governmental department, commission, board, bureau or instrumentality is necessary to make this Agreement a valid instrument binding upon Seller in accordance with its terms.
- (d) Seller has not received any written notice of and to Seller's knowledge there is no pending or contemplated condemnation, eminent domain or similar proceeding or special assessment or betterment assessment with respect to all or any portion of the Real Estate.
- (e) No person or other entity has any agreement (oral or written), right or option to acquire any interest in all or any portion of the Real Estate from or through Seller.

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- (f) No lien, other than a lien for real estate taxes not yet due and payable, encumbers or affects title to the Real Estate. There is no claim, action, litigation, arbitration or other proceeding pending or, to Seller's knowledge, threatened against Seller which relates to the Real Estate or the transactions contemplated hereby or which could result in the imposition of a lien against the Real Estate or an action against Purchaser.
- (g) There is no action, proceeding or governmental investigation or litigation pending or, to Seller's knowledge, threatened against the Real Estate or Seller, which could, in any manner, adversely affect the transactions contemplated in this agreement or affect the purchase of the Real Estate by Purchaser or the ownership by the Purchaser of the Real Estate after Closing.
- (h) Seller is not delinquent in the payment of any tax (real estate or otherwise) bills, utility bills or bills or invoices actually received from any vendor or contractor providing goods or services to the Real Estate, or otherwise arising out of the ownership, operation and/or maintenance of the Real Estate.
- (i) Seller has not, and, to Seller's knowledge, no other person or entity has, generated, stored, manufactured, processed, treated, spilled, released or disposed of any Hazardous Substances on the Real Estate, or transported Hazardous Substances to or from the Real Estate, or installed, used, abandoned in place or removed any underground or aboveground storage tanks on the Real Estate or is otherwise aware of the existence of any such tanks. Seller has not caused or to its knowledge permitted to occur, and will not permit to exist, any conditions on the Real Estate which may cause a release of Hazardous Substances at, upon, under or within the Real Estate. Neither Seller nor, to Seller's knowledge, any other party, has been, is or will be involved in operations at or adjacent to the Real Estate, which operations could lead to (1) the imposition of liability on Seller, Purchaser or any other subsequent or former owner of the Real Estate under Environmental Laws, or (2) the creation of a lien on the Real Estate under Environmental Laws. Seller has not received any notice from any governmental authority inquiring about, seeking to investigate, or claiming the existence of any Hazardous Substances on, under or about the Real Estate. "Environmental Laws" shall mean all federal, state or local laws, statutes, common law rulings, ordinances, rules or regulations relating to pollution, contamination, protection of human health or the environment, occupational safety and health or the generation, manufacture, disposal, treatment, release, use, transportation or exposure to chemicals or Hazardous Substances, including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act, as amended; the Resource Conservation and Recovery Act, as amended; the Clean Water Act, as amended; the Toxic Substances Control Act, as amended; the Clean Air Act, as amended; the Occupational Safety and Health Act of 1970, as amended and all state law analogs. "Hazardous Substances" shall mean any product, material, chemical, compound, solid, semi-solid, gas, liquid, waste, pollutant, contaminant or substance whose presence, use, storage, manufacture, disposal, transportation or release, either by itself or in combination with other

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substances (i) is potentially injurious to the public health, safety or welfare or the environment, (ii) is regulated under any Environmental Laws or by any governmental authority; or (iii) is a basis for liability or potential liability to any governmental authority or third party under any Environmental Laws. Hazardous Substances include, without limitation, hazardous waste, hazardous materials, solid waste, demolition materials, petroleum or petroleum products or fractions thereof, asbestos and asbestos containing materials, polychlorinated biphenyls, molds, pesticides, lead paint and other hazardous or toxic substances, pollutants and contaminants.

- (j) To Seller's knowledge, there currently exists no adverse subsurface conditions affecting the Real Estate such as underground mines, landfills, caves or unusual rock formations.
- (k) Seller is the owner of the Real Estate.
- (i) No petition in bankruptcy (voluntary or otherwise), assignment for the benefit of creditors, or petition seeking reorganization or arrangement or other action under federal or state bankruptcy law is pending or, to the best of Seller's knowledge, threatened against Seller.

For purposes of this Agreement, the phrases "knowledge of Seller", "to the best of Seller's knowledge" or words of like import shall mean the actual, knowledge of Thomas F. Monahan as of the date hereof. Seller shall be presumed to have knowledge of (i) any and all information regarding the real estate contained in the books and records of the Seller and (ii) any fact, matter or circumstance which any such individual, as an ordinary and prudent business person, should have known.

7. Purchaser Representations. Purchaser represents and covenants to Seller that as of the date hereof and as of the Closing Date:

- (a) Purchaser is a New Hampshire corporation duly organized, validly existing and in good standing under the laws of the State of New Hampshire. Purchaser has all requisite power and authority to enter into this Agreement and perform its obligations hereunder. The execution and delivery of this Agreement by Purchaser and the performance of Purchaser's obligations hereunder have been duly authorized. This Agreement constitutes a valid and binding obligation of Purchaser, enforceable in accordance with its terms against Purchaser, subject to bankruptcy, reorganization, insolvency and other similar laws affecting the enforcement of creditors' rights generally and to general principles of equity.
- (b) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereunder on the part of Purchaser do not and will not (i) violate any applicable law, ordinance, statute, rule, regulation, order, decree or judgment binding upon Purchaser. No action by any federal, state or municipal or other governmental department, commission, board, bureau or instrumentality, except the New Hampshire Public Utilities Commission, is necessary to make this

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Agreement a valid instrument binding upon Purchaser in accordance with its terms.

- (c) No petition in bankruptcy (voluntary or otherwise), assignment for the benefit of creditors, or petition seeking reorganization or arrangement or other action under federal or state bankruptcy law is pending or, to the best of Purchaser's knowledge, threatened against Purchaser.

The provisions of this Section 7 shall survive the delivery of the deed hereunder and shall not merge with any closing documents.

8. Seller's Covenants. Between the date of the execution of this Agreement and the Closing, Seller shall:

- (a) Maintain the Real Estate in a commercially reasonable manner. Seller will not, without the prior written approval of Purchaser, make or permit to be made any material change, alteration or modification to any part of the Real Estate;
- (b) Maintain commercially reasonable liability insurance coverage with respect to the Real Estate;
- (c) Provide to Purchaser, immediately upon the receipt thereof, any and all notices in any manner relating to the Real Estate received by Seller or its agents or representatives from any governmental or quasigovernmental authority, insurance company, or from any other person, entity or party;
- (d) Not, without the prior written consent of Purchaser, enter into any new contract or lease affecting the Real Estate or the maintenance, repair or operation thereof; and
- (e) Seller acknowledges and agrees that Purchaser will make applications necessary for the development of the Real Estate with governmental agencies and other parties. Seller will cooperate, at no cost to Seller, with Purchaser's efforts to obtain governmental and other approvals for the development of the Real Estate, such as by joining in and executing such applications and documents in providing such information as Purchaser may reasonably request.

9. Prorations and Current Use Tax. The following adjustments to the Purchase Price paid hereunder shall be made between Seller and Purchaser and shall be prorated (as applicable) on a per diem basis up to and including the Closing Date:

- (a) All real estate taxes and installments of special assessments or other municipal charges or liens, shall be adjusted as of the Closing Date. If the Closing shall occur before the tax rate or assessed valuation is fixed for the municipal fiscal year in which the closing occurs, the apportionment of real estate taxes shall be upon the basis of the tax rate for the preceding year applied to the most recent assessed valuation of the Real Estate, subject to further and final adjustment when the tax rate and/or assessed valuation is fixed.

- (b) Utility charges and deposits made by Seller with respect to utilities shall be applied to the benefit of Seller.
- (c) A portion of the Real Estate is subject to current use taxation by the Town of Exeter. The parties acknowledge that the Real Estate will come out of current use classification and there will be a land use change tax assessed either after the execution of this Agreement or after the transfer of the Real Estate to the Purchaser. The Seller shall pay fifty percent (50%) of the portion of any land use change tax assessed against the Real Estate, up to a maximum of Ten Percent (10%) of the portion of the Purchase Price allocated to land subject to current use taxation; and the Purchaser shall pay the balance of the land use change tax assessed against the Real Estate, whether the tax is assessed before or after the transfer of the Real Estate to the Purchaser. As of the Effective Date of this Agreement, Seller is negotiating the land use change tax for 20 Continental Drive with the Town of Exeter. Seller shall give Purchaser the opportunity to review any proposed agreement with the Town of Exeter concerning the land use change tax for 20 Continental Drive before such agreement is finalized. Notwithstanding anything contained in this Agreement to the contrary, Purchaser may terminate this Agreement if, in its sole discretion, it is not satisfied with the proposed land use change tax agreement with the Town of Exeter.
- (d) The Seller shall pay any other special tax/penalty on the Real Estate, as it becomes due and payable. This provision shall survive the Closing and the Purchaser shall be entitled to receive security, in a form satisfactory to the Purchaser, from the Seller for this commitment, at the time of Closing.

10. Transfer Taxes; Other Costs. Seller and Purchaser shall each pay one-half of the New Hampshire Transfer Tax. Each party shall pay its own attorneys' fees. Purchaser shall pay for any surveys, title examinations and/or title insurance required or desired by Purchaser.

11. Risk of Loss. Except as provided in any indemnity or other provisions of this Agreement, Seller shall bear all risk of loss with respect to the Real Estate until Closing. Seller may, but shall not be required, to maintain insurance on the Real Estate against fire and hazards given that the Real Estate is unimproved land; provided, however, in the event there is a fire or other hazard at the Real Estate that substantially destroys the wooded areas, if any, the Purchaser, in its discretion, may terminate this Agreement, upon written notice to the Seller, in which case the Earnest Money with any interest earned thereon shall be returned to the Purchaser and all other obligations of the parties hereto shall cease and this Agreement shall be void and without recourse to the parties hereto.

12. Condemnation. In the event between the date of this Agreement and the Closing Date, the Real Estate is subject to a potential or actual condemnation or eminent domain proceeding, Purchaser may:

- (a) terminate the obligations of the parties hereunder to purchase and sell the Real Estate by written notice to Seller as contemplated by the final paragraph of this Section 12, and upon the exercise of such option by Purchaser the obligations of

the parties hereunder to sell or purchase the Real Estate shall become null and void, the Earnest Money shall be returned to Purchaser, and neither party shall have any further liability or obligations hereunder except for Purchaser's indemnification and hold harmless obligations set forth in this Agreement; or

- (b) proceed with the Closing, in which event Seller shall assign to Purchaser all of Seller's right, title and interest in and to any award made in connection with such condemnation or eminent domain proceedings, and Purchaser shall receive no credit against or deduct from the Purchase Price incident to such taking.

Seller shall promptly notify Purchaser in writing of any threatened or actual commencement or occurrence of any condemnation or eminent domain proceedings against the Real Estate. In such event, Purchaser shall then notify Seller, within thirty (30) days of Purchaser's receipt or deemed receipt of Seller's notice, whether Purchaser elects to exercise its rights under subparagraph (a) or subparagraph (b) of this Section 12.

13. Default. If the transactions contemplated by this Agreement are not consummated due to a default by Purchaser hereunder, then Seller shall retain the Earnest Money and all interest thereon as liquidated damages and as its sole monetary remedy (it being acknowledged by Purchaser that the actual damages which will be sustained by Seller in such event are not easily quantifiable at this time, and that retention by Seller of the Earnest Money under such circumstances is reasonable under such circumstances, and does not constitute a penalty or forfeiture as concerns Purchaser), except that Seller shall additionally be entitled to exercise any rights or remedies it may have by virtue of any indemnity created or granted herein. If this transaction is not consummated due to a default by Seller hereunder, Purchaser may either: (a) declare this Agreement terminated, in which event the Earnest Money and all interest thereon shall be returned to Purchaser as its sole remedy and all further rights and obligations of the parties hereunder shall cease, other than Purchaser's indemnification and hold harmless obligations set forth at in this Agreement, which shall nonetheless survive; or (b) commence an action for specific performance of Seller's obligations under this Agreement. Under no events or circumstances shall Seller be liable to Purchaser for any indirect or consequential damages under this Agreement.

14. Indemnification.

- (a) Seller shall and does hereby indemnify and hold Purchaser, its affiliates, successors and assigns and their officers, directors, employees, agents and shareholders (the "Purchaser Indemnified Parties") harmless from and against all loss, cost, expense, damage, injury, obligation, liability, penalty, fine, suit and settlement including, without limitation, reasonable attorney and consultant fees and expenses, reasonable investigation and laboratory fees and expenses, the costs of remediation as required by any governmental authority, any response costs incurred to any other person or loss of natural resources, including reasonable

costs of assessing such injury, court costs and other litigation expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or resulting from any "Pre-Closing Environmental Conditions"; provided, however, that any such indemnification shall not apply to the extent of any losses resulting from the negligence or willful misconduct of the Purchaser or its agents and provided further that this indemnification shall terminate one (1) year after the Closing. "Pre-Closing Environmental Conditions" shall mean any Hazardous Substance present in the soil, groundwater, surface water, sediment or air at the Real Estate that were present prior to the Closing or any migration of any Hazardous Substance in soil, groundwater, surface water, sediment, air, or any of them, before or after the Closing, to a location beyond the boundaries of the Real Estate.

- (b) The right of any Purchaser Indemnified Party to indemnification pursuant to this Paragraph 14 will not be affected by any investigation conducted by, for, or on behalf of the Purchaser, or any knowledge acquired (or capable of being acquired) at any time by the Purchaser or any of the Purchaser's contractor's, representatives or agents, whether before or after the execution and delivery of this Agreement or the Closing.
- (c) Purchaser shall and does hereby indemnify and hold Seller and its agents harmless from and against all loss, cost, expense, damage, injury, obligation, liability, penalty, fine, suit and settlement including, without limitation, reasonable attorney and consultant fees and expenses, reasonable investigation and laboratory fees and expenses, the costs of remediation as required by any governmental authority, any response costs incurred to any other person or loss of natural resources, including reasonable costs of assessing such injury, court costs and other litigation expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of a new release of Hazardous Substances at the Real Estate first occurring on or after the Closing and transfer of ownership of the Real Estate to Purchaser and during the ownership of the Real Estate by Purchaser; provided, however, that any such indemnification shall terminate one (1) year after the Closing and shall not apply to the extent of any losses resulting from the negligence or willful misconduct of the Seller or its agents.

15. Notice. All notices required or permitted hereunder shall be in writing and shall be served on the parties at the following addresses:

If to Seller: Garrison Glen LLC
 141 Main Street
 Nashua, NH 03061

With a
copy to:

If to Purchaser: Unitil Energy Systems, Inc.
6 Liberty Lane West
Hampton, New Hampshire 03842
Attn: Jacquie Agel

With a copy to: Mark E. Beliveau, Esq.
Pierce Atwood, LLP
One New Hampshire Avenue, Suite 350
Portsmouth, NH 03801

Escrow Agent: Bow Street LLC
Attn: Margaret O'Brien
111 Bow Street
Portsmouth, NH 03801

Any such notices shall be: (a) sent by certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the U.S. mail, (b) sent by a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with such courier, or (c) sent by hand delivery, in which case notice shall be deemed delivered on the date of receipt. Notwithstanding the foregoing, copies of notices may be delivered by confirmed and acknowledged electronic mail or facsimile transmission. The above addresses may be changed by written notice to the other party; provided, however, that no notice of a change of address shall be effective until actual receipt of such notice.

16. Governing Law. The validity, meaning and effect of this Agreement shall be determined in accordance with the laws of the State of New Hampshire.

17. 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.

18. Captions. The captions in this Agreement are inserted for convenience of reference and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof.

19. Assignability. Purchaser may not assign its rights under this Agreement without the prior written consent of Seller, which consent may be granted, withheld, or conditioned in Seller's sole discretion. Notwithstanding the foregoing, Purchaser may, by written notice to Seller at any time at least five (5) business days in advance of Closing, designate a nominee to accept title to the Real Estate at Closing. Such nominee shall be jointly and severally liable for all Purchaser's obligations hereunder.

20. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and permitted assigns.

21. Modifications; Waiver. No waiver, modification amendment, discharge or change of this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is sought.

22. Entire Agreement. This Agreement contains the entire agreement between the parties relating to the transactions contemplated hereby and all prior or contemporaneous agreements, understandings, representations or statements, oral or written, including, without limitation, the Non-Binding Letter of Intent dated April 3, 2018, are superseded hereby.

23. Partial Invalidity. Any provision of this Agreement which is unenforceable or invalid or the inclusion of which would adversely affect the validity, legality or enforcement of this Agreement shall be of no effect, but all the remaining provisions of this Agreement shall remain in full force and effect.

24. No Third Party Rights. Nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties hereto and their respective successors and assigns, any rights or remedies under or by reason of this Agreement, nor shall any term or provision in this Agreement impair or diminish any rights or remedies Seller or Purchaser may have against any person not a party hereto, except as expressly stated herein.

25. Broker. Seller and Purchaser represent each to the other that each has had no dealings with any broker, finder or other party concerning Purchaser's purchase of the Real Estate, except Bow Street, LLC (the "Broker"). The Broker represents the Purchaser only in this transaction. The Purchaser shall be responsible for the fee/commission due Bow Street, LLC upon Closing. Seller and Purchaser each hereby agree to indemnify and hold the other harmless from all loss, cost, damage or expense (including reasonable attorney's fees) incurred by the other as a result of their breach of the foregoing representation and warranty. The representations and warranties contained in this Section 25 shall survive the Closing or the termination of this Agreement.

26. Effective Date. For purposes of calculation of all time periods within which Seller or Purchaser must act or respond as herein described, all phrases such as "the date of this Agreement," "the date of execution of this Agreement" or any other like phrase referring to the date of the Agreement, shall mean and refer to the Effective Date of this Agreement as described in the first sentence of page 1 hereof, regardless of whether or not both Seller and Purchaser may or may not have executed this Agreement on such Effective Date.

27. Exclusivity. The Seller agrees that from the Effective Date to the Closing Date or such earlier termination of this Agreement as allowed for herein, the Seller, its agents or representatives may not, directly or indirectly, (i) solicit or encourage any inquiries or proposals for, or enter into any discussions with respect to, the acquisition by any person (other than the Purchaser and its representatives) of any interest in the Real Estate; or (ii) furnish or cause to be furnished any non-public information concerning the Real Estate to any person (other than the Purchaser and its representatives), other than as required by applicable laws and regulations and in each case after prior notice to and consultation with the Purchaser. The Seller and its respective agents and representatives will promptly notify the Purchaser of any inquiry or

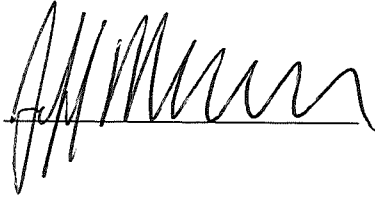
TRM 6/8/2018

proposal received by such person with respect to the acquisition by any other person of the Real Estate.

28. No Publicity. The Seller will keep strictly confidential the existence of this Agreement, the contents hereof and will not issue any press release or other public statement without the consent of the Purchaser, except for disclosures required by applicable laws and regulations, in which case, the Seller will consult with the Purchaser and cooperate to the maximum extent possible in advance of such disclosure.

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

WITNESS:



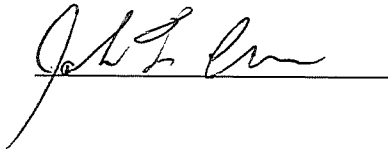
SELLER:

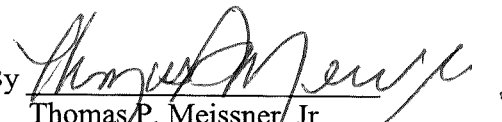
GARRISON GLEN LLC


Thomas F. Monahan, Manager

PURCHASER:

UNITIL ENERGY SYSTEMS, INC.



By 
Thomas P. Meissner, Jr.
President and CEO

BROKER (for the limited purpose of
acknowledging the provisions of Section 25
hereof):

BOW STREET LLC



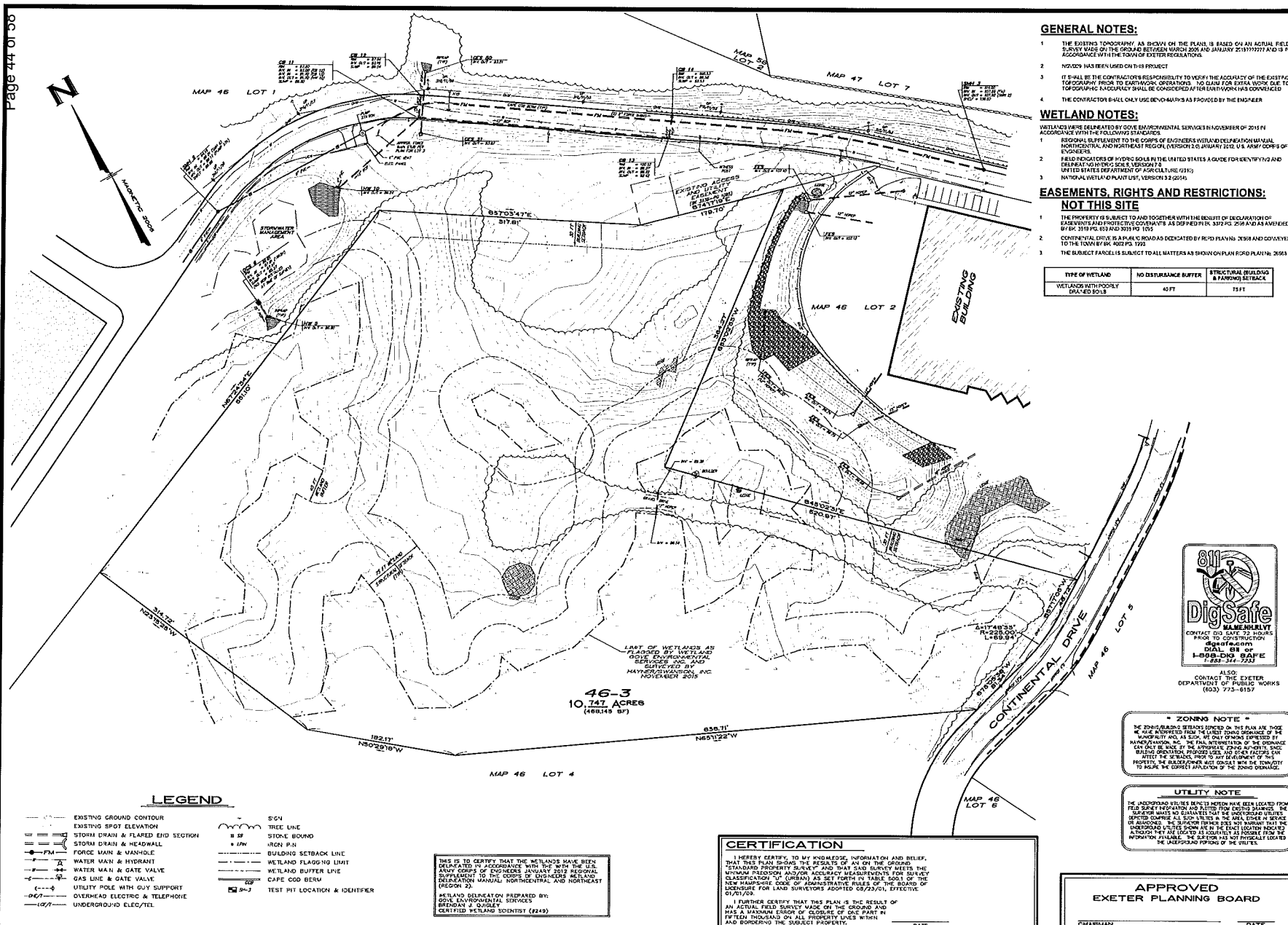
Mark Beliveau

By: Margaret O'Brien
Margaret O'Brien, Member

H:\tjleonard\Clients\Monahan, Thomas\Garrison Glen Property Development\Purchase Sale Agreement - Garrison Glen LLC redline WWF 5-21-18.docx

THU 8/8/2018

EXHIBIT A



GENERAL NOTES:

- 1 THE EXISTING TOPOGRAPHY, AS SHOWN ON THE PLANS, IS BASED ON AN ACTUAL FIELD
2 SURVEY MADE ON THE GROUND BETWEEN MARCH 2005 AND JANUARY 2015????????? AND IS IN
3 ACCORDANCE WITH THE TOWN OF EXETER REGULATIONS.
4
5 NO.029 HAS BEEN USED ON THIS PROJECT
6
7 IT IS BEING LEFT TO THE CONTRACTOR'S RESPONSIBILITY TO VERIFY THE ACCURACY OF THE EXISTING
8 TOPOGRAPHY PRIOR TO EARTHWORK OPERATIONS. NO CLAIM FOR EXTRA WORK DUE TO
9 TOPOGRAPHY INACCURACY SHALL BE CONSIDERED AFTER THE WORK HAS COMMENCED
10
11 THE CONTRACTOR SHALL ONLY USE BENCH MARKS AS PROVIDED BY THE ENGINEER

WETLAND NOTES:

WETLANDS WERE DELINEATED BY GOVE ENVIRONMENTAL SERVICES IN NOVEMBER OF 2015 IN ACCORDANCE WITH THE FOLLOWING STANDARDS:

- 1 REGIONAL SUPPLEMENT TO THE CORPS OF ENGINEERS WETLAND DELINEATION MANUAL,
NORTH-CENTRAL AND NORTHEAST REGION, (VERSION 2.0), JANUARY 2012, U.S. ARMY CORPS OF
ENGINEERS.
- 2 FIELD INDICATORS OF HYDRIC SOILS IN THE UNITED STATES: A GUIDE FOR IDENTIFYING AND
DELINATING HYDRIC SOILS, VERSION 7.0
UNITED STATES DEPARTMENT OF AGRICULTURE (2010)
- 3 NATIONAL WETLAND PLANT LIST, VERSION 3.2 (2011)

EASEMENTS, RIGHTS AND RESTRICTIONS:

NOT THIS SITE

- 1 THE PROPERTY IS SUBJECT TO AND TOGETHER WITH THE BENEFIT OF DECLARATION OF
EASEMENTS AND PROTECTIVE COVENANTS AS DEFINED IN BK. 3372 PG. 259 AND AS AMENDED
BY BK. 3319 PG. 653 AND 3035 PG. 1015
- 2 CENTRAL DRIVE IS A PUBLIC ROAD AS DEDICATED BY RECD PLAN No. 2658 AND CONVEYED
TO THE TOWN BY BK. 4032 PG. 1793
- 3 THE SUBJECT PARCELS IS SUBJECT TO ALL MATTERS AS SHOWN ON PLAN RECD PLAN No. 2658

TYPE OF WETLAND	NO DISTURBANCE BUFFER	STRUCTURAL (BUILDING & FARMING) SETBACK
WETLANDS WITH POORLY DRAINED SOILS	45 FT	75 FT



811
Dig Safe
 MAKE IT RIGHT
 CONTACT DIG SAFE 72 HOURS
 PRIOR TO CONSTRUCTION
digsafe.com
 DIAL 811 or
 1-888-DIG SAFE
 1-888-344-7233

*** ZONING NOTE ***

THE ZONING-BUILDING SEPARATORS SHOWN ON THIS PLAN ARE THOSE WE HAVE INTERPRETED FROM THE LATEST ZONING ORDINANCE OF THE MUNICIPALITY AND, AS SUCH, ARE ONLY OPINIONS EXPRESSED BY PLANNERS/ANALYSTS. THE FINAL INTERPRETATION OF THE ORDINANCE CAN ONLY BE MADE BY THE APPROPRIATE ZONING AUTHORITY. SINCE BUILDING ORIENTATION, PROPOSED USES, AND OTHER FACTORS CAN AFFECT THE SEPARATORS PRIOR TO ANY DEVELOPMENT OF THIS PROPERTY, THE BUILDER/OWNER MUST CONSULT WITH THE TOWN/CITY TO ASSURE THE CORRECT APPLICATION OF THE ZONING ORDINANCE.

UTILITY NOTE

THE UNDERGROUND UTILITIES DEPICTED HEREON HAVE BEEN LOCATED FROM FIELD SURVEY INFORMATION AND PLOTTED FROM EXISTING DRAWINGS. THE SURVEYOR MAKES NO GUARANTEE THAT THE UNDERGROUND UTILITIES DEPICTED COMPRISE ALL SUCH UTILITIES IN THE AREA, EITHER IN SERVICE OR ABANDONED. THE SURVEYOR FURTHER DOES NOT WARRANT THAT THE UNDERGROUND UTILITIES SHOWN ARE IN THE EXACT LOCATION INDICATED, ALTHOUGH THEY ARE LOCATED AS ACCURATELY AS POSSIBLE FROM THE INFORMATION AVAILABLE. THE SURVEYOR HAS NOT PHYSICALLY LOCATED THE UNDERGROUND PORTIONS OF THE UTILITIES.

CERTIFICATION


I HEREBY CERTIFY, TO MY KNOWLEDGE, INFORMATION AND BELIEF, THAT THIS PLAN SHOWS THE RESULTS OF A N ON THE GROUND "STANDARD PROPERTY SURVEY" AND THAT SAID SURVEY MEETS THE MINIMUM PRECISION AND/OR ACCURACY MEASUREMENTS FOR SURVEYING CLASSIFICATION (A) AND (B) SET FORTH IN TABLE 600.1 OF THE NEW HAMPSHIRE CODE OF ADMINISTRATIVE RULES OF THE BOARD OF LICENSEE FOR LAND SURVEYORS ADOPTED 08/23/01, EFFECTIVE 01/01/02.

I FURTHER CERTIFY THAT THIS PLAN IS THE RESULT OF AN ACTUAL FIELD SURVEY MADE ON THE GROUND AND HAS A MAXIMUM ERROR OF CLOSURE OF ONE PART IN FIFTY THOUSAND ON ALL PROPERTY LINES WITHIN AND BORDERING THE SUBJECT PROPERTY.

APPROVED
EXETER PLANNING BOARD

CHAIRMAN

DATE _____

 HESI Engineering, Inc. Civil Engineering & Surveying 2 Commercial Highway, Suite 200 Andover, MA 01810 Phone: 978.686.0000 Fax: 978.686.0003 E-mail: info@hesiinc.com Website: www.hesiinc.com		EXISTING CONDITIONS PLAN MAP 45 LOT 3 PROPOSED OPERATIONS FACILITY 80 CONTINENTAL DRIVE EXETER, NEW HAMPSHIRE		
DATE	2 OF 18	4491-J	DATE	10-1-03
FILE NO.	100-100-100-100	100-100-100-100	FILE NO.	100-100-100-100

W-1 1800328

- GGB -
-/-

22.903 ACRES
(997,652 SF)

CURRENT AREA:

10 FRONT STREET
EXETER, NH 03833
BK 3373 PG 306
ZONE: CT-1
USE: CONSERVATION

EXHIBIT B

EASEMENT
FRC

1. THE PRI
EASEME
BY BK.:
2. CONTIN
TO THE
3. THE

000329

TRM 6/8/2018

AREA OF TRANSFER:
up to 1-Acre

MAP 47 LOT 7
KEVIN M. KING, SR.
REVOCABLE TRUST
KEVIN M. KING, JR. TRUSTE
PO BOX 216
STRATHAM, NH 03885
BK 2882 PG 601
ZONE: C-3
USE: UNDEVELOPED

-3-
CURRENT AREA: 10.747 ACRES
(468,145 SF)

SKETCH PLAN
LOT LINE RELOCATION
16 MAY 2018
SCALE: 1"=120'

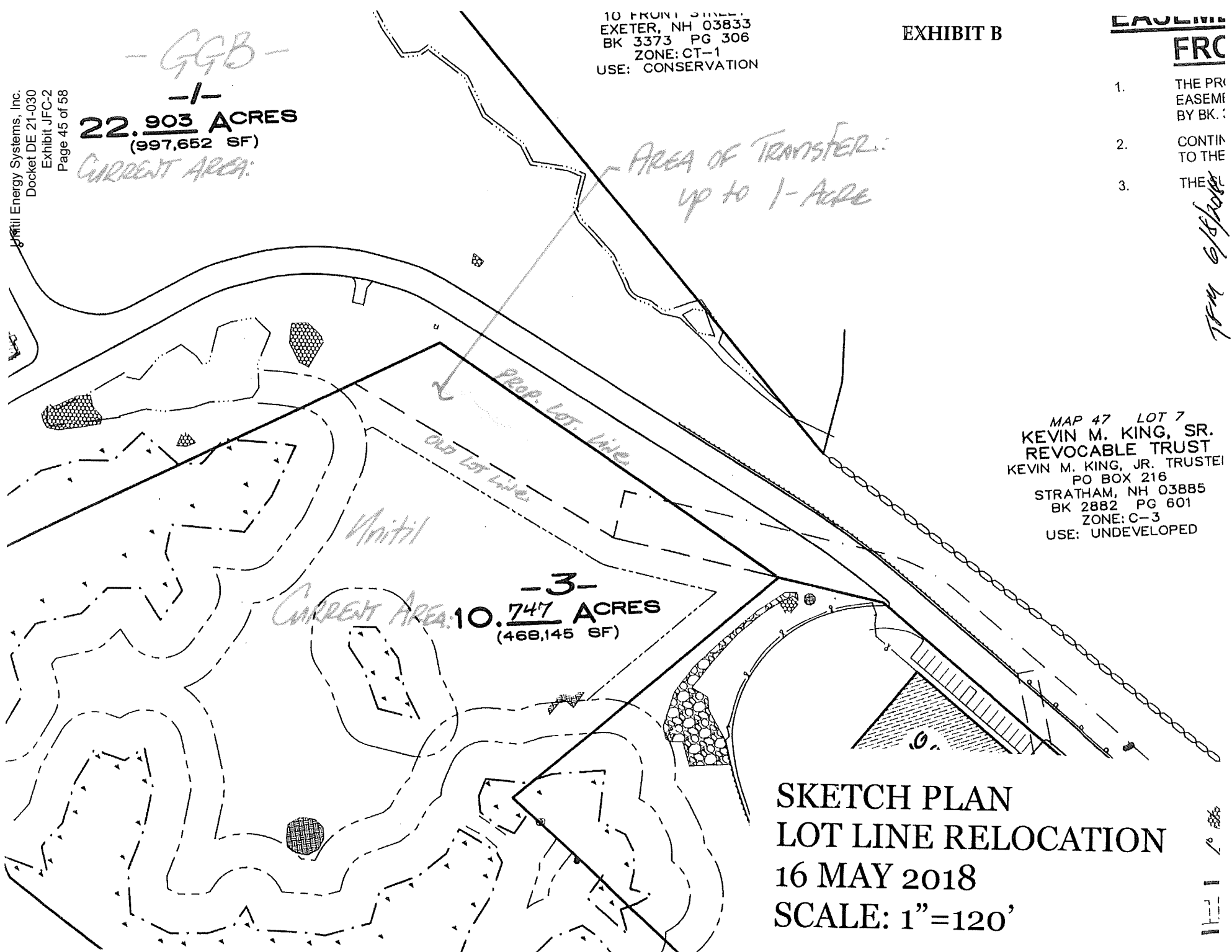


EXHIBIT C

ESCROW AGREEMENT

EXHIBIT D

List of Seller's Disclosure Documentation

1. Copy of an Owner's Policy of Title Insurance, Policy No. A75-0892783 dated December 3, 2004 showing the Seller as Owner of Lot 6 as shown on Plan D-26568 which lot is also known as Map 46, Lot 3 of the Assessor's Maps for the Town of Exeter, New Hampshire and which lot is a apportion of the Real Estate,;
2. Copies of financial data related to the Real Estate, including the most recent real property tax bills, any special assessments, and any correspondence relating thereto, received by Seller in connection with the Real Estate;
3. Copies of any and all engineering studies, wetland studies, topographical studies, and soil boring test results;
4. Copies of any and all existing, proposed or proffered conditions and agreements accepted and agreed to by Seller (or any predecessor in title to Seller if such documents are in the possession of Seller) as a condition to development of the Real Estate;
5. Copies of all environmental reports, studies, permits and all other documents pertaining to any use or presence of Hazardous Substances (as defined in the Agreement) in, on, under or about the Real Estate or pertaining to any other environmental matter with respect to conditions in, on, under or about the Real Estate, or operations and businesses conducted thereon, if any;
6. Copies of all subdivision and site plans, and all approvals, permits and licenses related to the Real Estate;
7. Copies of all leases, service agreements, and contracts of agreements affecting the Real Estate; and
8. Copies of all other documents, instruments and agreements relating to the Real Estate which are reasonably requested in writing by Purchaser.

If Purchaser terminates this Agreement pursuant to any of Purchaser's rights to do so under this Agreement, Purchaser will return to Seller all the documents provided by Seller hereunder.

EXHIBIT C

ESCROW AGREEMENT

THIS AGREEMENT is entered into by and among Garrison Glen LLC ("Seller"), Unitil Energy Systems, Inc. ("Purchaser"), and Bow Street LLC, ("Escrow Holder").

WITNESSETH, WHEREAS

A. Seller and Purchaser have entered into a Purchase and Sale Agreement dated as of June 15, 2018 ("Purchase Agreement") pursuant to which Seller has agreed to sell to Purchaser the real estate and improvements therein described located in Exeter, NH, and Purchaser, subject to the terms of the Purchase Agreement, has agreed to deliver into escrow with Escrow Holder, the sum totaling Thirty Thousand Dollars (\$30,000.00) ("Earnest Money"), which Earnest Money is to be held and disbursed by Escrow Holder, or paid directly to Seller, as the case may be, in accordance with the terms and conditions of this Agreement and the Purchase Agreement, which Earnest Money and any interest or earnings thereon shall hereinafter be referred to as the "Fund." Capitalized terms used and not otherwise defined herein shall have the meaning ascribed to such terms in the Purchase Agreement.

B. Purchaser has deposited the Earnest Money with Escrow Holder on June 15, 2018 concurrently with the execution of this Agreement.

C. Purchaser has advised Escrow Holder that Purchaser's taxpayer identification number is 02-0121400

D. Escrow Holder agrees to act as escrow holder to hold, administer, invest and disburse the Fund on the terms and conditions herein set forth.

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual covenants of the parties herein contained, and in further consideration of the sum of Ten Dollars (\$10.00), which each of the parties acknowledges as adequate and sufficient, the parties hereto agree as follows:

1. Definitions.

All terms used herein, unless otherwise herein defined, shall have the meanings set forth in the Purchase Agreement.

2. Acknowledgment of Receipt.

Escrow Holder hereby acknowledges receipt of the Earnest Money from Purchaser pursuant to the Agreement, consisting of \$30,000.00.

3. Administration and Investment of Fund.

Escrow Holder hereby agrees to hold, administer and disburse the Fund pursuant to this Agreement, and in accordance with the Purchase Agreement. Escrow Holder shall deposit the funds in a federally insured financial institution without interest Earned thereon.

4. Termination by Seller or Purchaser.

If at any time hereafter either Seller or Purchaser shall deliver to the other ("Recipient") and to Escrow Holder a written notice (given in accordance with Paragraph 8 hereof) asserting that the party giving the notice ("Notice Party") is entitled to receive and retain the Fund pursuant to the terms of the Purchase Agreement, Escrow Holder shall, not less than ten (10) business days after receipt of such notice, deliver the Fund to Notice Party unless within said period of ten (10) business days Recipient shall give written notice to Escrow Holder and Notice Party that it disputes Notice Party's claim to the Fund, in which case Escrow Holder shall either: (a) retain the Fund until it receives written instructions executed by both Seller and Purchaser as to the disposition and disbursement of the Fund, or until ordered by final court order, decree or judgment, which has not been appealed, to deliver the Fund to a particular party, in which event the Fund shall be delivered in accordance with such notice, instruction, order, decree or judgment; or (b) transfer the Fund either to a party mutually agreeable to Purchaser and Seller to serve as a substitute escrow holder to hold the deposit and such interest pending the resolution of dispute between Purchaser and Seller, or into a court of competent jurisdiction if the parties are unable to agree upon a substitute escrow agent.

In the event Seller or Purchaser notifies Escrow Holder that it is entitled to release of the Fund as hereinabove permitted, Purchaser's or Seller's notice to Escrow Holder shall include a copy of the notice to the Recipient and a statement on which Escrow Holder may rely, that Purchase or Seller has notified the other party that the requesting party is entitled to the Fund.

5. Disbursement at Closing or Termination.

Subject to Paragraph 4 hereof, Escrow Holder shall, at Closing, apply the Fund to the Purchase Price to be paid by Purchaser to Seller, in accordance with the Purchase Agreement. At the Closing, the full amount of the Earnest Money shall be applied to the Purchase Price or disbursed as otherwise contemplated by this Agreement.

6. Escrow Holder.

(a) Escrow Holder shall directly or indirectly hold possession of and keep all of the Fund subject to the terms and conditions of this Agreement, and shall deliver and dispose of the same according to the terms and conditions hereof, and shall deal with the parties hereto in relation to the sums so escrowed fairly and impartially according to the intent of the parties as herein expressed, provided however that Escrow Holder is to be considered as a depository only, shall not be deemed to be a party to any document other than this Agreement, and shall not be responsible or liable in any manner whatsoever for the sufficiency, manner of execution, or validity of any written instructions, certificates or any other documents received by it, nor as to

the identity, authority or rights of any persons executing the same. Escrow Holder shall be entitled to rely at all times on instructions given by Seller and/or Purchaser, as the case may be and as required hereunder, without any necessity of verifying the authority therefor. Notices given (i) by counsel to and on behalf of Purchaser, shall be deemed given by Purchaser, and (ii) by counsel to and on behalf of Seller, shall be deemed given by Seller, provided that in each case such notices recite the authority of such counsel to so act.

(b) Escrow Holder shall not at any time be held liable for actions taken or omitted to be taken in good faith and without negligence. Seller and Purchaser agree to save and hold Escrow Holder harmless from any loss and from any claims or demands arising out of its actions hereunder and hereby agree to indemnify Escrow Holder from any claims or demands for losses arising out of its activities hereunder.

(c) It is further understood by Seller and Purchaser that if, as the result of any disagreement between them or adverse demands and claims being made by any of them upon Escrow Holder, or if Escrow Holder otherwise shall become involved in litigation or proceedings with respect to this Agreement or the Purchase Agreement, such parties agree that they, jointly and severally, are and shall be liable to Escrow Holder and shall reimburse Escrow Holder on demand for all costs, expenses and counsel fees it shall incur or be compelled to pay by reason of such litigation.

(d) In taking or omitting to take any action whatsoever hereunder, Escrow Holder shall be protected in relying upon any notice, paper, or other document believed by it to be genuine, or upon evidence deemed by it to be sufficient, and in no event shall Escrow Holder be liable hereunder for any act performed or omitted to be performed by it hereunder in the absence of negligence or bad faith. Escrow Holder may consult with counsel in connection with its duties hereunder and shall be fully protected in any act taken, suffered or permitted by it in good faith and without negligence in accordance with the advice of such counsel.

(e) Purchaser agrees that Escrow Holder shall not, by virtue of its serving as Escrow Agent, be disqualified from representing Purchaser as Broker in connection with this Agreement and/or the Purchase Contract.

7. Term of Agreement.

The term of this Agreement shall be from and after the date of this Agreement as hereinafter set forth to and including the earliest to occur of (i) any of the events set forth in Paragraphs 4, 5 and 6 hereof; (ii) the termination or cancellation of the Purchase Agreement in accordance with its terms; or (iii) the termination hereof by written agreement of the parties hereto.

8. Notices.

Any notices under this Agreement shall be: (a) sent by certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the U.S. mail, (b) sent by a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with such courier, or (c)

sent by hand delivery, in which case notice shall be deemed delivered on the date of receipt, in each case to the parties at their respective addresses as follows:

If to Seller:	Garrison Glen, LLC 141 Main Street Nashua NH 03061 Attn: Thomas F. Monahan
With a copy to:	Welts, White & Fontaine, P.C. Attn: Thomas J. Leonard, Esq. 29 Factory Street P.O. Box 507 Nashua, NH 03061
If to Purchaser:	Unitil Energy Systems, Inc. 6 Liberty Lane West Hampton, New Hampshire 03842 Attn: Jacquie Agel
With a copy to:	Mark E. Beliveau, Esq. Pierce Atwood, LLP One New Hampshire Avenue, Suite 350 Portsmouth, NH 03801
Escrow Agent:	Bow Street LLC Attn: Margaret O'Brien 11/Bow Street Portsmouth, NH 03801

The above addresses may be changed by written notice to the other party; provided, however, that no notice of a change of address shall be effective until actual receipt of such notice. Courtesy copies of notices are for informational purposes only, and a failure to give or receive copies of any notice shall not be deemed a failure to give notice.

9. Miscellaneous.

(a) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, representatives, successors and assigns.

(b) This Agreement shall be construed under and governed by the laws of the State of New Hampshire, and, in the event that any provision hereof shall be deemed illegal or unenforceable, said provision shall be severed herefrom and the remainder of this Agreement shall be enforced in accordance with the intentions of the parties as herein expressed.

(c) This Agreement may not be amended or altered except by an instrument in writing executed by all the parties hereto.

(d) This Agreement may be executed in counterparts, all of which taken together shall constitute one agreement.

10. Counterparts.

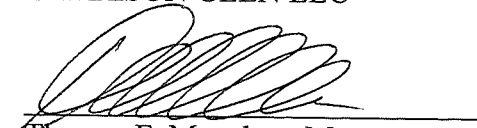
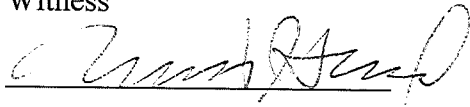
This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

WITNESS WHEREOF, the parties hereto have executed this Agreement as of June ___, 2018. In the event of a conflict between the terms hereof and the terms of the Purchase Agreement, the Purchase Agreement shall govern.

SELLER:

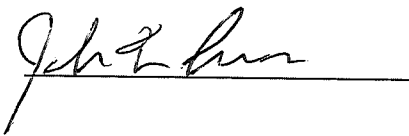
GARRISON GLEN LLC

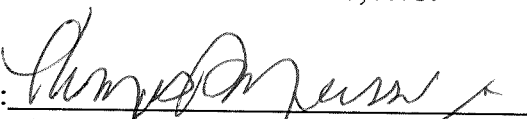
Witness


Thomas F. Monahan, Manager

PURCHASER:

UNITIL ENERGY SYSTEMS, INC.

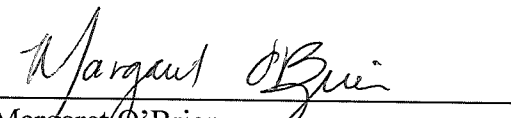


By: 
Thomas P. Meissner, Jr.
President and CEO

ESCROW HOLDER:

BOW STREET LLC



By: 
Margaret O'Brien

FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT is dated as of the 5 day of September, 2018, by and between GARRISON GLEN LLC, a New Hampshire limited liability company with a usual place of business at 141 Main Street, Nashua NH 03061, ("Seller"), and UNITIL ENERGY SYSTEMS, INC., or its nominee, a New Hampshire corporation having an address of c/o Unitil, 6 Liberty Lane West, Hampton, NH 03842, ("Purchaser").

RECITALS

WHEREAS, by Purchase and Sale Agreement dated June 15, 2018 (the "Agreement") Seller agreed to sell and Purchaser agreed to purchase the "Real Estate" as defined in the Agreement.

WHEREAS, the Seller and Purchaser now wish to amend the Agreement as more particularly described herein.

NOW, THEREFORE, in consideration of the mutual covenants, promises and undertakings set forth below, the parties hereto agree as follows:

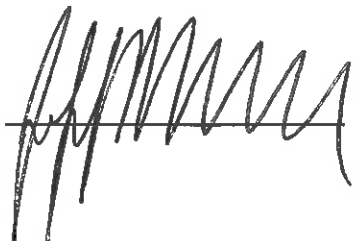
1. Section 4(a) of the Agreement is hereby amended by increasing the duration of the Due Diligence Period from ninety (90) days to one hundred fifty (150) days. As a result, the Due Diligence Period will now end at 5:00 p.m. on November 12, 2018.
2. Section 9(c) of the Agreement is hereby amended in its entirety and replaced with the following:

A land use change tax has been assessed against 20 Continental Drive by the Town of Exeter in the amount of Thirty-Seven Thousand Five Hundred (\$37,500.00) Dollars (the "Tax"). The Seller and Purchaser shall each pay fifty percent (50%) of the Tax. Purchaser shall deliver its share in the amount of Eighteen Thousand Seven Hundred Fifty (\$18,750.00) Dollars to Seller within thirty (30) days of the complete execution of this First Amendment to Purchase and Sale Agreement. The Seller shall be responsible for delivering full payment of the Tax to the Town of Exeter promptly thereafter (if the Tax has not already been paid by Seller) and provide Purchaser with proof of payment. Payment of the Tax to the Town by Seller is a condition precedent to Purchaser's obligation to purchase the Real Estate. If Purchaser timely delivers a Purchaser's Termination Notice to Seller, Seller shall, within ten (10) days of receipt of Purchaser's Termination Notice, reimburse Purchaser for its share of the Tax in the amount of Eighteen Thousand Seven Hundred Fifty (\$18,750.00) Dollars.

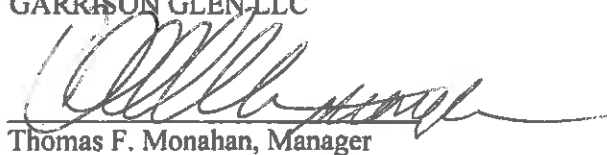
3. The Agreement, as amended hereby, is ratified and confirmed and is, as of the date hereof, in full force and effect.

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

WITNESS:

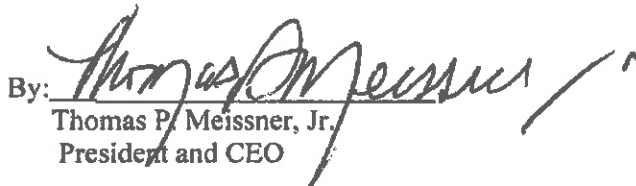


SELLER:
GARRISON GLEN-LLC


Thomas F. Monahan, Manager

PURCHASER:
UNITIL ENERGY SYSTEMS, INC.



By: 
Thomas P. Meissner, Jr.
President and CEO



MARK E. BELIVEAU

Pease International Tradeport
1 New Hampshire Ave. #350
Portsmouth, NH 03801

PH 603.373.2002
FX 603.433.6372
mbeliveau@pierceatwood.com
www.pierceatwood.com

Admitted in: NH

SENT BY ELECTRONIC MAIL AND OVERNIGHT MAIL

April 5, 2019

Garrison Glen, LLC
c/o Thomas J. Leonard
Welts, White & Fontaine, PC
29 Factory Street
PO Box 507
Nashua, NH 03061

Re: Garrison Glen, LLC to Unitil Energy Systems, Inc. - Purchase and Sale
Agreement dated June 15, 2018

Dear Jay,

Pursuant to the Purchase and Sale Agreement between Garrison Glen, LLC and Unitil Energy Systems, Inc. (Unitil), please accept this letter as written notice of the election of Unitil to extend the initial Permitting Diligence Period by One Hundred Eighty (180) days. The initial Permitting Diligence Period ends on May 11, 2019. With this extension, the Permitting Diligence Period will now end no later than November 7, 2019.

As you know, under the Purchase and Sale Agreement, the Permitting Diligence Period is that period of time that Unitil has to apply for and obtain all of the final and non-appealable permits and approvals for its project. Unitil is making good progress in this regard and is currently before the Exeter planning board for site plan review, lot line adjustment and road dedication. Unitil met with Exeter DPW earlier this week regarding the condition of Gourmet Place in continuation of the effort to have the road approved by the planning board and then approved and accepted by the Exeter Select Board or Town Meeting as a town road.

Please contact me if you have any questions. Thank you.

Very truly yours,

Mark E. Beliveau

MEB/tak

cc: Jacquie Agel, Unitil

**New Seacoast Region Facility
 Space Allocation Schedule**

Level	Area Name	User	Area #	Area
1st	DOC Open Office & Private Offcs	DOC	1a	2,629
1st	Electric Ops Open Office Area	DOC	1a	481
			1a Subtotal:	3,110
1st	Warehouse, RRs, Labs, WrkRms	DOC	1b	9,678
1st	Electric Ops RR & Work Rm	DOC	1b	933
			1b Subtotal:	10,611
1st	Garage (Includes Storage Areas)	DOC	1c	16,516
1st	Vehicle Wash Bay	DOC	1d	1,196
1st	Locker Rms	DOC	9	1,413
			1c, 1d + 9 Subtotal:	19,125
1st	Engineering Lab	USC	6	194
1st	Common Areas	DOC	7	5,787
1st	Conf Rm 103	DOC	7	157
			7 Subtotal:	5,944
1st	Kitchen & Dng/Mtg Rms & HR (143 sf)	SHARED	9	2,647
2nd	CED + CED Mgr	USC	2	1,111
2nd	Gas Control & Field Services	USC	3	271
2nd	OQ Testing & Training Rms	USC	4	1,334
2nd	Eng Offices & File Rm	USC	5	3,042
2nd	Common Areas	USC	8	3,256
2nd	Conf Rm 203	USC	8	159
			8 Subtotal:	3,415
			Grand Total:	50,804

*Common Areas: Rest/Locker Rms, Conf Rms, Production, Corridors, IT Rm, Stairs, Lobbies....

Rentable Area Legend

1a	DOC office
1b	Warehouse, labs, Workroom
1c	Garage
1d	Wash Bay
6	Engineering Lab
7	1st Level Common: Rest Rooms, Conf Rms, Production, IT Closet, Corridors, Lobby, Stairs (other?)
9	Shared Common: Kitchen & Dng/Mtg Rms (3), Locker Room

Rentable Area Legend

2	CED (+Mgr's Office)
3	Gas Control and Field Services
4	OQ Testing & Training Room
5	Engineering Office, include file room
8	2nd Level Common: Rest Rooms, Conf Rms, Production area, IT Rm, Corridors, Lobby, Stairs (other?)

	Sq Ft	Split
DOC:	38,790	80.5%
USC:	9,367	19.5%
Subtotal:	48,157	100.0%
SHARED:	2,647	
DOC Allocation of Shared:	2,132	
USC Allocation of Shared:	515	
SHARED Subtotal:	2,647	
Grand Total:	50,804	
DOC + SHARED:	40,922	
USC + SHARED:	9,882	
Grand Total:	50,804	
Total Bldg:	53,940	(From PB Application)
DOC&USC Grand Total:	50,804	
Difference:	3,136	
DOC Allocation of Diff:	2,526	80.5%
USC Allocation of Diff:	610	19.5%
DOC:	43,448	
USC:	10,492	
Grand Total:	53,940	

000340

Unitil Energy Systems, Inc – Occupancy Category

May 30, 2019

The Occupancy Category designates the nature of the occupancy and how it needs to perform under extreme environmental conditions. The different categories signify different design loads for the structure based on flood, wind, snow, earthquake and ice loads. The appropriate reference for this project is IBC 2009 section 1604.5 (Table 1604.5). The table is broken into four categories, with Category I having the least structural loading requirements and Category IV having the most restrictive structural loading requirements. The table below provides a reference for how the types of structures can be designated into which categories.

TABLE 1604.5
OCCUPANCY CATEGORY OF BUILDINGS AND OTHER STRUCTURES

OCCUPANCY CATEGORY	NATURE OF OCCUPANCY
I	Buildings and other structures that represent a low hazard to human life in the event of failure, including but not limited to: <ul style="list-style-type: none"> • Agricultural facilities. • Certain temporary facilities. • Minor storage facilities.
II	Buildings and other structures except those listed in Occupancy Categories I, III and IV
III	Buildings and other structures that represent a substantial hazard to human life in the event of failure, including but not limited to: <ul style="list-style-type: none"> • Buildings and other structures whose primary occupancy is public assembly with an occupant load greater than 300. • Buildings and other structures containing elementary school, secondary school or day care facilities with an occupant load greater than 250. • Buildings and other structures containing adult education facilities, such as colleges and universities, with an occupant load greater than 500. • Group I-2 occupancies with an occupant load of 50 or more resident patients but not having surgery or emergency treatment facilities. • Group I-3 occupancies. • Any other occupancy with an occupant load greater than 5,000^a. • Power-generating stations, water treatment facilities for potable water, waste water treatment facilities and other public utility facilities not included in Occupancy Category IV. • Buildings and other structures not included in Occupancy Category IV containing sufficient quantities of toxic or explosive substances to be dangerous to the public if released.
IV	Buildings and other structures designated as essential facilities, including but not limited to: <ul style="list-style-type: none"> • Group I-2 occupancies having surgery or emergency treatment facilities. • Fire, rescue, ambulance and police stations and emergency vehicle garages. • Designated earthquake, hurricane or other emergency shelters. • Designated emergency preparedness, communications and operations centers and other facilities required for emergency response. • Power-generating stations and other public utility facilities required as emergency backup facilities for Occupancy Category IV structures. • Structures containing highly toxic materials as defined by Section 307 where the quantity of the material exceeds the maximum allowable quantities of Table 307.1(2). • Aviation control towers, air traffic control centers and emergency aircraft hangars. • Buildings and other structures having critical national defense functions. • Water storage facilities and pump structures required to maintain water pressure for fire suppression.

a. For purposes of occupant load calculation, occupancies required by Table 1004.1.1 to use gross floor area calculations shall be permitted to use net floor areas to determine the total occupant load.

In addition to specific loading requirements outlined above, the occupancy category is used for a number of additional purposes, including the determination of importance factor in ASCE 7, the requirements for structural integrity for exit and elevator hoistway enclosures, glazing for wind design, determination of Seismic Design Category and special inspection and structural observation, among other items.

In June of 2013 the Division of Fire Safety issued an informational bulletin to help define Essential Facilities associated with division 1604.5. Below is a portion of that memo. It indicates that a Category 4 facility, an

Essential Facility, is required to have very specific uses that need to remain operational in the event of extreme environmental loading.

BULLETIN #	TITLE			DATE ISSUED
2013-06	Designation of Essential Facilities and Critical Operations Power Systems (COPS)			May 29, 2013
SUPERSEDES	RELEASED BY	APPROVED BY	SOURCE	SUPERSEDED BY
	MTL	JWD	Brc 303.01, Brc 307.01	

DESIGNATION of ESSENTIAL FACILITIES and CRITICAL OPERATIONS POWER SYSTEMS (COPS)

ESSENTIAL FACILITIES

The term "Essential Facility" is limited to a reference in the IBC and found in Section 1604.5 as Occupancy Category IV to include very specific uses such as hospitals, fire and police stations, designated shelters, critical national defense functions, etc. It is not a reference to a use group type. A definition is also provided that states "...remain operational in the event of extreme environmental loading from flood, wind, snow or earthquakes". The sole purpose for this designation in the IBC is to provide for enhanced structural loading factors for wind, seismic and snow loads.

While the IBC references the Building Official as the person who makes this designation, the code specifically requires that *"This designation would only be made with consideration of broader public policy, as well as emergency preparedness planning within the jurisdiction in question"*. **Prior to making a determination, the Building Official is therefore obligated to take full consideration of input from all applicable federal, state and municipal authorities.**

Costs:

The current structural design for the Seacoast DOC is based on a Category 2 occupancy. PROCON reached out to Canam to determine what the potential impact would be to move from a Category 2 to a Category 4. They indicated that it would be an increase of 10-15% for the steel. This would result in an approximate increase of \$150,000. Other trades, building materials, engineering, etc. with related costs for the potential change in a Category 2 to 4 building upgrade have not been determined at this time. 6/17/19 jda: Included \$200K to the "Estimated Construction Costs" in Attachment F.

Determining Occupancy Category:

When there are multiple facilities in one geographical region the facilities as a whole should be considered when determining the occupancy category. In the event of one facility going down, could other facilities provide adequate coverage for the region in question? This holistic approach provides a greater understanding of the risk associated with extreme environmental conditions to a regional response and not just a single facility.

In addition, the occupancy category will need to be reviewed by the Building Inspector to confirm whether they interpret the decision in the same manner.

**New NH Seacoast Region Facility
Buildings and Land Search Locations Matrix**

Unitil Energy Systems, Inc.
DE 21-030
Exhibit JFC-3
Page 1 of 2

Prepared: 4/13/17 Margaret O'Brien (Commercial Real Estate Broker)

Sites w/Buildings		Town	BLDG SF	Acres	Asking	Cost	Notes
	Address				Price	SF	
#1	22 Industrial Drive	Exeter	65,760	10.2	\$ 5,700,000.00	\$ 86.68	Unitil: This option was pursued for approximately 1 year on and off but an agreement could not be reached with the owner. Broker: Footprint 58,500 2nd floor 5,942 office 4850 mezzanine storage Total approved SF = 65,760 Owner of property has permits for an additional curb cut, increased parking spaces by 61 spaces to 172 spaces and increase the building footprint by 25,000 SF
#2	239 Walton Road	Seabrook	54,600	26	\$ 2,650,000.00	\$ 48.53	Unitil: Not a central location in service territory. Pass on this one. Track for a comp Broker: Located next to a elementary school in a residential area. Building is under agreement. Will track sale as a comparable for the Kensington DOC.
#3	185 South Main Street	Newton	11,152	11.42	\$ 950,000.00	\$ 85.19	Unitil: Not a central location in service territory. Pass on this one. Broker: Sale is subject to Wells Fargo short sale requirements. Site is actually two lots, 10.14 and 1.22 acres.
#4	143/145A Route 125	Plaistow	10,124	Two parcels 18.10 and 1.78	\$ 3,500,000.00	\$ 345.71	Unitil: Not a central location in service territory. Pass on this one. Higher price range. Broker: Three existing buildings are on the 1.78 acre lot which abuts the 18.10 acre site.
Land Only		Town	BLDG SF	Acres	Asking	Cost	Notes
	Address				Price	Acre	
#5	Garrison Glen Continental Drive	Exeter	n/a	Three parcels all contiguous 20.69 ,21.12 and 10.75 acres	varies	Ask sale price \$125,000 per acre.	Unitil: Entered into a P&S for the 20 Continental Drive parcel in 2018. Purchased land in 2019 following approximately 12 months of due diligence including the permitting process with the Town of Exeter. Unitil: Issued a letter of intent for 19 Continental Drive. A P&S agreement was not reached. Broker: Most recent transaction was for the 22.9 acre site for GiftBaskets.com (now named Gourmet Place). Land owner built to suit for GiftBaskets with a 10 year lease with options. Building approx. 120,000 +/- SF warehouse/distribution facility. Starting lease rate was \$9.75 PSF, NNN.
#6	5 Continental Drive	Exeter	n/a	15.89	undetermined	undetermined	Unitil: TBD. Not on market. Broker: Purchased for \$500,000 on 9/29/2014. This parcel was intended to be used to build a home fashions showroom. Owners decided not to build. May be interested in a sale.
#7	Off Holland Way	Exeter	n/a	20.15	\$600,000.00	\$ 29,776.67	Unitil: Passed on this due to wetlands and building footprint limitations. Broker: Developer bought this excess land with the Tyco buildings on Holland Way. Saxe Investments, Bill Steinberg. Just listed by CBRE site appears to have a large amount of wetlands. Conceptual for a 31,800 SF medical building (footprint approx. 10,000 SF)
#8	Off Holland Way	Exeter	n/a	21.69	\$600,000.00	\$ 27,662.52	Unitil: Passed on this due to wetlands and building footprint limitations. Broker: Developer bought this excess land with the Tyco buildings on Holland Way. Saxe Investments, Bill Steinberg. Just listed by CBRE site appears to have a large amount of wetlands. Conceptual for a 15,000 SF medical building (footprint approx. 5,000 SF)
#9	319 New Zealand Road	Seabrook	n/a	75	\$ 6,500,000.00	\$ 86,666.67	Unitil: Passed on this due to non-central location in service territory, land tends to be wet, and close to the coast - concerns about storms. Broker: Former Yankee Dog Track. We can explore the potential of a 10 acre subdivision of the property at the right hand side of the entrance.
#10	Joanne Drive	Plaistow	n/a	25.81	\$ 450,000.00	\$ 17,435.10	Unitil: Passed on this due to non-central location in service territory. Broker: Zoned general commercial industrial 14 + acres are usable. Pending sale
#11	4 East Way	Kingston	n/a	11.21	\$ 988,000.00	\$ 88,135.59	Unitil: Passed on this due to location within service territory Broker: Vacant Land - pending sale listed with KW Commercial NE Janet Faulkner
#12	Route 125/Rte 107	Kingston	n/a	16.98	\$ 995,000.00	\$ 58,598.35	Unitil: Passed on this due to location within service territory Broker: Vacant Land - pending sale listed with The Merrill Bartlett Group Lyne Bartlett Merrill
#13	Route 125/Rte 107	Kingston	n/a	42.18	\$ 995,000.00	\$ 23,589.38	Unitil: Passed on this due to location within service territory Broker: Vacant Land - pending sale listed with The Merrill Bartlett Group Lyne Bartlett Merrill
#14	231 Route 125	Kingston	n/a	38	\$ 695,000.00	\$ 18,289.47	Unitil: Passed on this due location within service territory. Broker: Undetermined as to usable acreage. Vacant land - listed with Masiello Group Greg Schena
#15	Route 125	Kingston	n/a	38	\$ 695,000.00	\$ 18,289.47	Unitil: Passed on this due location within service territory. Broker: Undetermined as to usable acreage. Vacant land - listed with Masiello Group Greg Schena

000343

Sites w/Buildings					Asking	Cost	Notes
							Unitil: Not on market. Broker: Owned by John Wolters. This 170,000 SF industrial building is sited on approx. 87 acres, leaving 87 excess acres. Building has been leased long term to Sears Logistics occupying approx. 70,000 SF. Leasing the rest of the space has been historically challenging. Owner may consider a sale of a portion of the excess land and/or of the existing building.
#16	266 Route 125	Kingston	n/a	112	undetermined	undetermined	Unitil: Passed on this due to non-central location in service territory. Broker: Large flat corner lot at lighted intersection of 111 and 111A. Site is currently an active horse farm. Listed with Doug Martin KW Commercial.
#17	14 Olde Road	Danville	n/a	16.5	\$ 495,000.00	\$ 30,000.00	Unitil: Passed on this due to location within service territory. Broker: Located on Route 1 in Hampton Falls, this is the former Faro Gardens site. Zoned Business district. Property looks like it has a fair amount of wetland area. It is currently being marketed as a retail or residential redevelopment.
#18	12 Lafayette Road	Hampton Falls	n/a	12.9	undisclosed	undisclosed	

000344

**Seacoast Electric Operations
Outage Response Time Comparison
Kensington, NH vs. Exeter, NH**

Fault Location By Town - 1/1/2013 to 12/31/2016			
Town	Number of Incidents	Customers Interrupted	Customer-Minutes of Interruption
Hampton	231	35,391	3,150,736
Stratham	195	20,697	1,751,772
Atkinson	175	12,812	1,035,102
Kingston	159	29,797	2,546,096
Seabrook	154	21,056	1,822,288
Plaistow	149	24,535	2,288,286
Exeter	139	35,853	2,532,578
Newton	120	8,533	886,648
East Kingston	98	16,479	1,479,133
Hampton Falls	95	3,743	266,246
Danville	84	7,940	750,343
Kensington	81	5,325	493,997
South Hampton	43	2,038	261,307
Hampstead	4	66	5,381
North Hampton	1	4	302

UES Seacoast Construction Authorization

AUTH: **191060**
Date: **8/22/2019**
Budgeted Amount: **\$5,000,000.00**

Budget Item No: **GPBE02**
Budget Year: **2019**
Description: **Construction - New DOC Facility**
Project Supervisor: **Agel, Jacquie**
Crew Days: **0**
Start Date:
Completion Date:

Type: **Original**
Sequence: **1**
Status: **Completed**
Initiated Date: **8/22/2019 11:47:27 AM**
Initiated By: **Doucette, George**
Finalized Date: **9/12/2019 9:46:20 AM**
Finalized By: **Lydon, Lisa**

APPROVALS

Action Date	Approved	Approver/Title
9/10/2019	YES	Lydon, Lisa <i>Plant Accountant</i>
9/10/2019	YES	Bickford, Tressa <i>Manager Utility Accounting and Budgeting</i>
9/10/2019	YES	Agel, Jacquie <i>Manager, Fleet & Facilities</i>
9/11/2019	YES	Closson, John <i>VP, People, Shared Services & Org. Effectiveness</i>
9/11/2019	YES	Bonazoli, John <i>Manager Distribution Engineer</i>
9/11/2019	YES	Sprague, Kevin <i>VP, Engineering</i>
9/11/2019	YES	Main, Dan <i>Manager of Regulatory Services and Corporate Compliance</i>
9/12/2019	YES	Brock, Laurence <i>Senior Vice President & Chief Financial Officer</i>
9/12/2019	YES	Vaughan, Christine <i>SVP, CFO and Treasurer</i>

ESTIMATED COST SUMMARY

Description	Amount
Total Project Cost:	\$15,931,474.00
Less Customer Contribution:	\$0.00
Net Authorized Cost:	\$15,931,474.00
Retirement:	\$0.00
Cost Of Removal:	\$0.00
Salvage:	\$0.00
CWO Total:	\$15,931,474.00

DESCRIPTION/SCOPE

Construct a new NH Seacoast Region Facility, in Exeter NH, to include space for the following business needs; NH Seacoast's Electric Distribution Operations Center (DOC), Business Continuity for Gas Control & Field Services, System Emergency Operating Center (S-EOC), Central Electric Dispatch (CED), OQ Testing, Training, Offices and lab for Electric Engineering Department.

Scope to include:

Preliminary Survey cost including:

- Preconstruction, engineering & design, construction management pre-construction services, geo-tech, civil/survey, environmental survey, legal fees, permitting, insurance, etc.

Construction: site work, utilities (electric, gas, comm, sewer/water), construction to include:

- 53,940 sf +/- sf for office areas, warehouse, enclosed vehicle storage area with a wash bay, etc.
- Bermed outside transformer & other storage
- Outside material laydown areas
- Emergency back-up Generator
- Construction Administration: Construction Manager and engineers & designers field observations, RFIs, Submittals review and other miscellaneous construction phase documentation.
- Project Close Out: Commissioning, As-Builts, etc.
- Furniture/Furnishings/Equipment: Office, warehouse, operations areas, building electronic access control and security systems, and Information Technology infrastructure.
- Move

This is a multi-year project:

Q3 2019 Break ground/begin construction
2020 Completion, Commissioning and Occupancy

JUSTIFICATION

The current Distribution Operations Center (DOC) is 60+ years old and no longer adequately supports the present day operational needs of UES/Seacoast. The current DOC was constructed in the 1950s. Since that time the customer base has grown as has the requirement to stock more materials (inside and out) including transformers and poles. The transformers take up a great deal of space in a stockyard that was designed for operations 60+ years ago when utility trucks were much smaller. The current day line trucks barely fit into the 1950s garage. In addition, this building will solve space constraints at other company facilities, in connection with business continuity for the company's Gas Control, Field Services and Central Electric Dispatch (CED) functions, Electric Engineering department including lab space for functional testing of equipment as well as, provide space for a Prometric certified Operator Qualifications (OQ) testing.

NOTES

Preliminary Survey costs need to be transferred into individual CWO's.

AUTHORIZATION COMMENTS

000346

CWO Summary

CWO	Description	Amount
20192718	Construction - New DOC Facility	\$13,681,559.00
20192719	Engineering & Architectural Services	\$933,415.00
20192720	Legal . Insurance, Permitting & Misc	\$36,500.00
20192721	Internal Project Management	\$150,000.00
20192722	Office: Furniture/Equip./Appliances & Furnishings	\$825,000.00
20192723	Warehouse & Ops: Equipment & Furnishings	\$20,000.00
20192724	IT / Data / Tel / Misc Equipment & Travel	\$160,000.00
20192725	Move to 20 Continental Drive & Clean Out of 114 DWR Building	\$125,000.00
	Total	\$15,931,474.00

UES Seacoast Construction Authorization

AUTH: **191035**
Date: **2/8/2019**
Budgeted Amount: **\$1,200,000.00**

Budget Item No: **GPBE03**
Budget Year: **2019**
Description: **Acquisition of New DOC & Sale of Existing DOC**
Project Supervisor: **Agel, Jacquie**
Crew Days: **0**
Start Date:
Completion Date:

Type: **Original**
Sequence: **1**
Status: **Completed**
Initiated Date: **2/8/2019 2:59:19 PM**
Initiated By: **Doucette, George**
Finalized Date: **3/28/2019 8:34:19 AM**
Finalized By: **Lydon, Lisa**

APPROVALS

Action Date	Approved	Approver/Title
3/1/2019	YES	Lydon, Lisa <i>Plant Accountant</i>
3/1/2019	YES	Bickford, Tressa <i>Manager Utility Accounting and Budgeting</i>
3/21/2019	YES	Agel, Jacquie <i>Manager, Fleet & Facilities</i>
3/22/2019	YES	Closson, John <i>VP, People, Shared Services & Org. Effectiveness</i>
3/28/2019	YES	Bonazoli, John <i>Manager Distribution Engineer</i>
3/12/2019	YES	Sprague, Kevin <i>VP, Engineering</i>
3/20/2019	YES	Main, Dan <i>Manager of Regulatory Services and Corporate Compliance</i>
3/22/2019	YES	Vaughan, Christine <i>SVP, CFO and Treasurer</i>
3/21/2019	YES	Brock, Laurence <i>Senior Vice President & Chief Financial Officer</i>

ESTIMATED COST SUMMARY

Description	Amount
Total Project Cost:	\$1,200,000.00
Less Customer Contribution:	\$0.00
Net Authorized Cost:	\$1,200,000.00
Retirement:	\$900,000.00
Cost Of Removal:	\$0.00
Salvage:	\$0.00
CWO Total:	\$1,200,000.00

DESCRIPTION/SCOPE

Purchase land for a new Seacoast DOC facility.

Sale of existing DOC Seacoast facility @ 114 Drinkwater Road, Kensington, NH

Includes preliminary survey and due diligence costs to vet existing building and land acquisition opportunities, as well as, the sale of 114 Drinkwater Rd.

A P&S agreement for the purchase of a parcel of land in Exeter, NH was entered into in June 2018 with approx. 12 months of due diligence prior to closing on the transaction. \$1.2M (includes land purchase \$1M, closing costs, broker's fee, current use tax, PSI costs)

JUSTIFICATION

The current facility is nearing 70+ years old, windows are original and need to be replaced and the garage height does not allow adequate clearance for new and taller bucket trucks.

NOTES

AUTHORIZATION COMMENTS

CWO Summary

CWO	Description	Amount
20192713	Acquisition of New DOC & Sale of Existing DOC	\$0.00
20192714	Acquisition of New DOC	\$1,175,000.00
20192715	Sale of Existing DOC	\$25,000.00
	Total	\$1,200,000.00

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