



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES
 25 Capitol Street - Room 120
 Concord, New Hampshire 03301

Charles M. Arlinghaus
 Commissioner
 (603) 271-3201

Joseph B. Bouchard
 Assistant Commissioner
 (603) 271-3204

Catherine A. Keane
 Deputy Commissioner
 (603) 271-2059

October 6, 2021

His Excellency, Governor Christopher T. Sununu
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Administrative Services to enter into a real estate services agreement with CBRE, Inc. of 650 Elm Street, Manchester, NH 03101 ("CBRE") to provide real estate consulting, marketing, and brokerage services to the Department with regard to the proposed sale of the Lakes Region Facility in Laconia, New Hampshire. Effective upon Governor and Council approval for up to 24 months. 100% General Funds.

Fees to be paid under the proposed agreement take two forms. A commission for brokerage services will be the greater of: a traditional commission of five percent (5%) of the contract sale price of the real property to be sold, or fifty thousand dollars (\$50,000), to be paid at closing out of the gross sale proceeds, except to the extent that said fee exceeds gross sale proceeds. A flat fee for pre-marketing and consulting services is to be paid out of the account designated below upon the commencement of CBRE's active marketing of the property. Funding is available in the following account titled **Lakes Region Campus - 01-14-14-141510-21990000-103-502507** – Program Contracts for SFY 2022 and SFY 2023, with the authority to adjust encumbrances between fiscal years within the price limitation through the Budget Office, if needed and justified.

Lakes Region Campus - 01-14-14-141510-21990000

| | SFY2022 | SFY2023 | SFY2024 |
|---|---------------------|--|---|
| 01-14-14-141510-21990000-103-502507 – Program Contracts | \$50,000, as earned | \$50,000, if not already paid, plus any portion of an earned commission, exceeding gross sale proceeds, up to \$50,000 | Any portion of an earned commission exceeding gross sale proceeds, up to \$50,000 |

EXPLANATION

The Department seeks to enter into a real estate services agreement with CBRE to provide real estate consulting, marketing, and brokerage services to the Department with regard to the proposed sale of the Lakes Region Facility campus property in Laconia (the "Property"). With the assistance of CBRE, the Department hopes to identify and engage with a suitable buyer/developer to purchase the entire Property in its current condition pursuant to RSA 10:11, which became effective July 1, 2021.

The Department selected CBRE through a competitive proposal process with heavy emphasis on demonstrating relevant success in past projects similar in size, character, scope, and complexity to the proposed sale and redevelopment of the Property. In response to a Request for Qualifications and Proposal issued at the end of July 2021 (the "RFP"), each firm submitted a written response and proposal to the Department's selection committee, which scored the submissions and awarded the highest score to CBRE. Proposed fees were not a factor in the selection process and varied insignificantly among the top contenders.

The proposed real estate services agreement provides that CBRE will, among other duties, advertise and directly market the Property and collaborate with the Department to develop a "call for offers" process through which CBRE and the Department will solicit and evaluate offers to purchase the Property. Other duties include: reviewing the extensive existing due diligence materials already possessed by the Department and the Lakeshore Redevelopment Planning Commission and conducting further due diligence investigations and analyses of the Property; performing market analyses based on various likely uses of the Property; developing a market valuation of the property that accounts for likely buyer costs of substantial demolition, zoning changes, land use permits, subdivision, and associated investments in utility infrastructure; creating a target buyer list; developing a marketing and direct solicitation plan to attract the best and highest quality offers; developing an offering memorandum and other marketing and buyer due diligence materials for the Property; advertising and actively marketing the Property on a local, regional, and national basis; and assisting the Department with assessing, analyzing, and comparing offers. The term of the proposed agreement is two years, in anticipation of the extensive buyer contingencies expected in any purchase and sale agreement that may result, but the Department has the right to unilaterally terminate the agreement for any or no reason after one year.

As indicated above, the proposed agreement provides that CBRE will be paid a commission for brokerage services equal to five percent (5%) of the contract sale price or fifty thousand dollars (\$50,000), whichever is greater, upon any sale of the Property. The agreement also provides for the separate payment of a flat fee in the amount of fifty thousand dollars (\$50,000) upon the commencement of CBRE's active marketing of the Property, which will be marked by the public release of an offering memorandum or other formal Property marketing and due diligence materials (to be preceded and informed by the completion of most of the "other duties" listed in the foregoing paragraph). Such a flat fee is intended to compensate CBRE for the extraordinary front-loaded investment of time, effort, and expense required under the proposed agreement in full acknowledgment of the risk that CBRE could be unable to earn a commission under the agreement due to non-market reasons outside of CBRE's control. The Department notes that the RFP specifically encouraged respondents to propose "compensation arrangements that do not rely solely on a percentage commission to be paid only out of any sale

proceeds but rather allow both for cost recovery in the event of inadequate or non-existent sale proceeds and for a profit incentive in the event of a successful sale” regardless of the sale price, which due to the numerous aging and likely unusable buildings remaining on the Property and various other encumbrances and unique characteristics contributing to its overall complexity, is likely to be much lower than the market value of the unencumbered land. In the Department’s experience from past attempts to dispose of the Property, both of which ultimately were curtailed prematurely for reasons outside of the Department’s control (a point which has not been forgotten by the participating brokers), the allowance of such a flat “cost recovery” or “loss prevention” fee was necessary to induce the participation of qualified real estate firms of sufficient caliber to competently and effectively market and sell the Property.

Based on the foregoing, I respectfully request authorization of the proposed real estate services agreement with CBRE.

Respectfully submitted,



Charles M. Arlinghaus
Commissioner

Request for Qualifications and Proposal to Provide Real Estate Consulting and Marketing Services
RFP FMA 2022-01
Evaluation Summary

| | Total Score |
|--------------------|--------------------|
| CBRE | 87.67 |
| Colliers | 76.33 |
| NAI Norwood | 70.67 |
| KW Coastal | 53.67 |

Maximum Total Score = 100

NOTE: Response scoring above is based entirely on qualifications and proposed services.

REAL ESTATE BROKER PROPOSAL
EVALUATION COMMITTEE MEMBERS

JARED NYLUND

Current Position: Real Property Asset Manager, Department of Administrative Services

Background: Jared Nylund has served as Real Property Asset Manager in the Department of Administrative Services since 2011. His current responsibilities include managing the disposal of surplus State real property and a wide range of other types of real property transactions and projects for the State of New Hampshire. Prior to State employment, Mr. Nylund was engaged in the private practice of law in New Hampshire for 8 years with a focus on real estate, bankruptcy, and general business and transactional matters. Mr. Nylund has remained an active member of the New Hampshire Bar Association since 2001.

SARAH LINEBERRY

Current Position: Administrator, Bureau of Court Facilities, Department of Administrative Services

Background: Sarah Lineberry has been employed by the Bureau of Court Facilities since 2009. Her current responsibilities include the management and oversight of all courthouse facilities owned or leased by the state. Prior to State employment, Ms. Lineberry held a New Hampshire Real Estate Broker's License and operated her own real estate firm.

THOMAS KEHR

Current Position: Policy and Procedures Administrator, Department of Administrative Services

Background: Thomas F. Kehr serves as Policy and Procedures Administrator for the Department of Administrative Services. He is a 35-year New Hampshire attorney and former resident of the southern Lakes/northern Merrimack County region. Prior to his employment with the State, Mr. Kehr was in general private practice in Concord, New Hampshire. He is familiar with both state contracting procedures and the law of real property.

STATE OF NEW HAMPSHIRE
REAL ESTATE SERVICES AGREEMENT

1. The STATE OF NEW HAMPSHIRE, acting by and through its Department of Administrative Services, having an address of 25 Capitol Street, Concord, New Hampshire 03301 ("SELLER"), hereby grants to the undersigned CBRE, INC., a Delaware corporation having an address of 650 Elm Street, Manchester, New Hampshire 03101 ("AGENT"), effective as of _____, 2021, the date upon which this Agreement was authorized by the Governor and Executive Council of the State of New Hampshire (the "EFFECTIVE DATE") and shall expire on the TERMINATION DATE (as hereinafter defined), in consideration of AGENT'S agreement to list, market, promote, and provide additional services specified herein in support of the proposed sale of real property known as the State of New Hampshire Lakes Region Facility (formerly known as the "Laconia State School" and the "Laconia Correctional Facility") located along **the northerly side of New Hampshire Route 106 and the westerly side of Meredith Center Road in Laconia, New Hampshire**, owned by SELLER, primarily consisting of approximately 216.90 acres of land in two parcels, the larger of which (Tax Map 318, Block 155, Lot 1) includes approximately 199.78 acres of land bounded on the southeast by Route 106, on the northeast by Meredith Center Road, on the northwest by Eastman Road, on the west by Ahern State Park, and on the south by the smaller parcel (Tax Map 318, Block 538, Lot 1.1), which includes approximately 17.12 acres of land abutting Ahern State Park along Route 106, together with all buildings, structures, and other improvements situated on both parcels, and appurtenant easements across adjacent lands (the "PROPERTY"), the exclusive right to market, list, and solicit proposals to purchase and redevelop said PROPERTY at such price **and on such terms and conditions as are acceptable to SELLER**. SELLER and AGENT specifically agree that the PROPERTY shall be advertised and marketed without any asking or list price, and that SELLER has not and does not intend to establish any asking or list price for the PROPERTY. If, during the term of this Agreement, an individual or entity is procured who is ready, willing and able to purchase the PROPERTY at such price and on such terms and conditions as are acceptable to SELLER, then SELLER agrees to pay AGENT a commission of the larger of five percent (5%) of the contract sale price or fifty thousand dollars (\$50,000). Any commission due under this paragraph shall be paid out of gross sale proceeds at closing, up to the extent of available gross sale proceeds. To the extent that any commission due under this paragraph exceeds gross sale proceeds, the excess amount shall be payable at closing from a general fund expense account to be designated by SELLER. SELLER retains complete discretion to accept or reject any buyer or offer, and to close, or not close, or to otherwise act as SELLER chooses with respect to the sale of the PROPERTY. SELLER shall not pay any portion of any amount due to AGENT under this Agreement directly to any other party, commission or otherwise. It shall be the sole responsibility of the AGENT to pay any amount due under any agreement into which AGENT may enter to share or split any commission or fee earned hereunder by AGENT in its sole discretion.

2. THIS AGREEMENT SHALL BE IN EFFECT for two (2) years, commencing on the EFFECTIVE DATE and ending on the date two (2) years thereafter (the "TERMINATION DATE"), unless the PROPERTY is sold sooner. SELLER shall have the right to terminate this Agreement at the end of the first year for any or no reason, in its sole discretion, by providing written notice to the AGENT at least thirty (30) days prior to the first anniversary of the

EFFECTIVE DATE. Upon full execution of a contract for sale and purchase of the PROPERTY, all of the terms and provisions of this Agreement shall extend through the date of closing as specified in such purchase and sale agreement. The commission as provided above shall also be due if the PROPERTY is contracted to be or has been sold, leased, conveyed, exchanged or otherwise transferred within one hundred eighty (180) days after the expiration or rescission of this Agreement to any party procured by AGENT. "Procurement" by AGENT shall include directly and individually providing substantive information about the PROPERTY, personally showing the PROPERTY, or directly presenting proposals to purchase and redevelop the PROPERTY to the ultimate purchaser, provided that anyone so procured must be identified to SELLER by AGENT in writing not later than fifteen (15) days after the termination of this Agreement.

3. DUTIES OF AGENT. AGENT shall appoint Roger Dieker ("Listing Agent") to fulfill the fiduciary duties set forth hereunder. AGENT, through the Listing Agent, owes SELLER the fiduciary duties of loyalty, obedience, disclosure, candor, confidentiality, reasonable care, diligence, and accounting. AGENT shall not make any announcements, press releases, or other public statements regarding the PROPERTY without the express prior approval of SELLER.

4. DUTIES OF SELLER. SELLER acknowledges a duty to disclose to AGENT all known pertinent information about the PROPERTY, adverse or otherwise, upon request, and SELLER understands that all such information will be disclosed by AGENT to potential purchasers. If any pertinent fact, event or information about the PROPERTY comes to SELLER'S attention between the EFFECTIVE DATE and a closing, then SELLER will immediately notify the potential purchaser and AGENT of the same in writing. SELLER agrees to cooperate with AGENT in listing, marketing, and soliciting proposals to purchase and redevelop the PROPERTY and to refer all inquiries of interested parties to AGENT. Unless otherwise directed by SELLER, AGENT shall be the default point of contact for all inquiries, offers, or proposals regarding the PROPERTY.

5. COOPERATION WITH OTHER BROKERS; NO DUAL REPRESENTATION. SELLER authorizes the following forms of cooperation:

- (a) AGENT may cooperate with other brokers or other real estate firms who will represent the interest of the buyer(s).
- (b) AGENT may cooperate with other brokers or other real estate firms who are not acting on behalf of a client or customer as either a seller agent or buyer agent.
- (c) Except as otherwise provided herein, AGENT may only represent SELLER in the marketing and sale of the PROPERTY. AGENT shall not represent any buyer, prospective buyer, or any party other than SELLER with respect to the PROPERTY unless and until: (1) this Agreement has been terminated; and (2) AGENT has waived in writing any further right to any commission or fee that could potentially come due hereunder after such termination. The parties agree that this covenant shall survive the termination of this Agreement.

6. SPECIAL CONDITIONS. SELLER hereby agrees that:
- (a) AGENT may place "For Sale" signs on the PROPERTY.
 - (b) The PROPERTY will be advertised at AGENT'S discretion in a manner consistent with the plan to market the PROPERTY to be developed by AGENT in consultation with SELLER.
 - (c) Access to any building(s) on the PROPERTY must be arranged with SELLER in advance. Due to potentially hazardous conditions inside many of the buildings on the PROPERTY, interior access to any building may be prohibited or conditioned upon the prior execution and delivery of a waiver and release prepared by SELLER of all claims against SELLER or AGENT by each person desiring to enter, including, without limitation, any employee, agent, principal, or representative of AGENT. Either AGENT or a principal or employee of AGENT holding a current "Broker" or "Salesperson" license issued by the New Hampshire Real Estate Commission shall be personally present at every showing of the PROPERTY, regardless of whether any buyer's broker or employee of SELLER may be present.
 - (d) AGENT may take exterior pictures of the PROPERTY.
 - (e) AGENT may take interior pictures of the PROPERTY.
 - (f) Video/virtual tour photography, including unmanned aerial vehicle (UAV) or drone footage, is allowed with SELLER'S express approval. AGENT covenants that any UAVs or drones used to create video or still photography of the PROPERTY shall be operated strictly in accordance with all applicable federal, state, and local laws, ordinances, and regulations, and that any photography or video footage containing a recognizable image of any individual person shall not be retained or used without the express written consent of the person whose image is to be retained.
 - (g) With approval from SELLER, AGENT may disclose the existence of other proposals to purchase and redevelop the PROPERTY but not the details of such other proposals or the identities of the prospective buyer/developers.
 - (h) AGENT may submit the PROPERTY listing data to a multiple listing service (MLS) or Co-Star, and it may be used for comparables.
 - (i) The PROPERTY address and information may be displayed on public web sites.
 - (j) SELLER'S name may be submitted to any electronic database or MLS that may be accessed by persons other than SELLER'S broker.
 - (k) AGENT is authorized to accept and hold in a segregated escrow account a deposit submitted with any proposal to purchase and redevelop the PROPERTY.

- (l) Any and all reports, studies, appraisals, test results, opinions of value, marketing materials, plans, and any other written work product, information about the PROPERTY, or deliverables developed or provided hereunder or in connection with this Agreement, shall be the property of the SELLER. Following the later of a sale of the PROPERTY or the termination of this Agreement, AGENT may use certain materials referenced in this section (l) with the prior written approval of SELLER.

7. TERMS OF ENGAGEMENT; ADDITIONAL SERVICES REQUIRED; NON-COMMISSION FEE FOR SERVICE. AGENT hereby acknowledges and accepts the relationship of trust and confidence between SELLER and AGENT, and AGENT agrees to exercise professionally appropriate judgment in performing the services to be provided hereunder in furthering the interests of the SELLER and to furnish in a timely manner all information required of AGENT hereunder. All services performed by AGENT hereunder shall be performed in a diligent manner, consistent with the highest standards of professional skill and care. AGENT shall perform all services typical of a real property transaction of the character, complexity, and magnitude of the transaction(s) contemplated hereby, including, but not limited to:

- i. Reviewing SELLER's existing due diligence materials and conducting due diligence investigations and analyses of the PROPERTY, including with regard to environmental conditions, inventory and condition of buildings and other improvements, title encumbrances, historical or archeological resources on site; demolition requirements, land use and zoning, utilities, remaining state and local government tenants and users, and their relocation needs. Notwithstanding the foregoing, SELLER acknowledges that AGENT shall under no circumstances be liable to SELLER for any environmental conditions on the PROPERTY, including any hazardous materials and SELLER shall not rely on AGENT with respect thereto;
- ii. Performing market analyses based on various likely uses of the PROPERTY;
- iii. Analyzing the highest and best use(s) of the PROPERTY;
- iv. Developing a market valuation of the PROPERTY that accounts for likely buyer costs of demolition, zoning changes, land use permits, subdivision, and associated investments in utility infrastructure (SELLER agrees that such market valuation shall not be deemed to be an appraisal);
- v. Creating a target buyer list;
- vi. Developing an offering memorandum and other marketing and buyer due diligence materials for the PROPERTY;
- vii. Developing a marketing and direct solicitation plan to attract the highest quality offers;

- viii. Advertising and actively marketing the PROPERTY on a local, regional, and national basis;
- ix. Assisting SELLER with comparing and analyzing offers and assessing the organizational and financial strength of prospective buyers and their offers;
- x. Collaborating with SELLER on the design and execution of a buyer/developer offer/proposal solicitation and selection process, which may take the form of a "call for offers" or a request for proposals, and act as the default primary point of contact for the solicitation and receipt of all buyer/developer offers or proposals;
- xi. Soliciting proposed draft transaction documents from select buyer/developers; and
- xii. Performing other related services as reasonably requested by SELLER.

Upon the commencement of the active marketing period of the engagement contemplated by this Agreement, to be marked by the public release of an offering memorandum or other formal PROPERTY marketing materials, a flat fee in the amount of fifty thousand dollars (\$50,000) shall be due and payable by SELLER to AGENT in full compensation for AGENT's pre-marketing services to be provided hereunder. Said flat fee also shall fully reimburse AGENT for all travel expenses as may be incurred by AGENT in furtherance of the purposes of this Agreement. Such flat fee amount is intended to compensate AGENT for the extraordinary front-loaded investment of time, effort, and expense required hereunder, in acknowledgment of the risk that AGENT could be unable to earn a regular commission under this Agreement for non-market reasons outside of AGENT's control, and thus to induce AGENT to perform all of the services required hereunder in a suitably thoughtful, thorough, and diligent manner.

8. **ADDITIONAL RESPONSIBILITIES OF AGENT.** AGENT acknowledges and agrees that as a state government entity SELLER's actions regarding the PROPERTY are subject to certain government processes and procedures, including, without limitation, potential internal review and approval by statutory and/or legislative committees. AGENT further acknowledges and agrees that the contemplated redevelopment of the PROPERTY by the successful buyer/developer likely will require the review and/or approval of various aspects of the contemplated project by various local, state, and federal government boards, committees, and agencies having jurisdiction over the PROPERTY or certain proposed changes in the uses thereof, and that in light of the contemplated structure of the proposed sale of the PROPERTY, some such reviews and approvals may be required prior to closing, which could result in an unusually lengthy contingency period under any purchase and sale agreement regarding the PROPERTY. Upon SELLER's request, AGENT agrees to advise, assist, and support SELLER in all governmental review and approval processes, to attend meetings and hearings, and to participate directly as a representative of SELLER as needed.

9. AGENT shall be fully responsible and primarily liable to SELLER for the actions of any other party with which AGENT may contract, excluding any brokers who represent the buyer (but only to the extent that AGENT has contracted with such brokers to split or share fees or commissions), to the extent that such actions are taken in partial or complete satisfaction of any

obligations or responsibilities of AGENT hereunder. AGENT hereby agrees to disclose to SELLER the identity of any such party prior to formalizing its engagement therewith, and SELLER reserves the right to approve or reject such party in SELLER's reasonable discretion.

10. AGENT'S DEFAULT; TERMINATION BY SELLER. In the event that AGENT defaults in the observation or performance of any covenant, agreement, or obligation hereunder, and such default is not corrected or cured to the satisfaction of SELLER within thirty (30) days of SELLER providing written notice to AGENT specifying such default, SELLER may then terminate this Agreement immediately upon providing written notice to AGENT. Upon such termination, notwithstanding anything to the contrary provided herein, AGENT agrees that it shall have no further right to receive payment of any commission or fee contemplated herein that did not become due and payable under this Agreement prior to such termination. Nothing contained in this Section 10 restricts the right of SELLER to terminate this AGREEMENT at the end of the first year in accordance with Section 2 above.

11. CONDITIONAL OBLIGATIONS OF SELLER. Notwithstanding any provisions of this Agreement to the contrary, it is hereby expressly understood and agreed by AGENT that all obligations of SELLER hereunder, specifically including, without limitation, payment of the flat fee for pre-marketing services pursuant to Section 7 hereof, are contingent upon the availability and continued appropriation of state government funds, and in no event shall SELLER be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, SELLER shall have the right to withhold any payment due until such funds become available, if ever, and shall have the right to terminate this Agreement in whole or in part immediately upon giving AGENT notice of such termination. SELLER shall not be required to transfer funds from any other account in the event that funding for the account from which any payments by SELLER are to be made hereunder is terminated or reduced. In the event that SELLER decides during the term of this Agreement not to proceed further with the marketing and sale of the PROPERTY as contemplated herein, regardless of the continued availability of appropriated funds, then: in the event that the flat fee payable pursuant to Section 7 hereof has already been paid in full to AGENT, SELLER shall have the right to terminate this Agreement immediately upon providing written notice to AGENT; in the event that the flat fee payable pursuant to Section 7 hereof has not been paid, SELLER shall negotiate with AGENT a reasonable pro rata proportion of the total flat fee contemplated hereby as liquidated damages to compensate AGENT for partial pre-marketing services provided hereunder.

12. AGENT shall not assign or otherwise transfer any interest in this Agreement, and any attempt to accomplish such assignment or transfer shall be null and void and shall constitute a default of AGENT for purposes of Section 10 hereof. For purposes of this section, a Change of Control of AGENT shall be deemed an assignment. "Change of Control" means: (a) a merger, consolidation, transaction, or series of related transactions in which a new party, or a new group of affiliated parties, consolidates fifty percent (50%) or more of the voting shares or equity ownership interests of a business entity, or fifty percent (50%) or more of the total combined voting power to direct the management of the business entity, or (b) the sale or transfer of all or substantially all of the assets of a business entity.

13. ADDITIONAL PROVISIONS.

- (a) AGENT acknowledges and agrees that this Agreement and any obligation of SELLER to pay a non-commission fee for service pursuant to Section 7 hereof shall be subject to the prior authorization of this Agreement by the Governor and Executive Council of the State of New Hampshire. AGENT further acknowledges and agrees that in accordance with New Hampshire RSA 10:11, any sale, lease, or exchange of the PROPERTY and any obligation of SELLER to pay a commission under this Agreement shall be subject to further final authorization prior to closing by the Governor and Executive Council of the State of New Hampshire.
- (b) AGENT has obtained a current State Vendor Code from the State of New Hampshire Bureau of Purchase and Property and provided it to SELLER. If AGENT is a corporation, limited liability company, or other business entity required to register with the New Hampshire Secretary of State, then AGENT has provided to SELLER a current original Certificate of Good Standing issued by the New Hampshire Secretary of State. If AGENT is a foreign corporation or other business entity organized under the laws of another state, then AGENT has further provided to SELLER a current original Certificate of Good Standing issued by AGENT'S state of organization.
- (c) If AGENT is a business entity other than a sole proprietor, then AGENT certifies that it has all requisite authority to enter into this Agreement and to perform its obligations thereunder, and that the undersigned officer or representative of AGENT is duly authorized to execute this Agreement on behalf of AGENT.
- (d) AGENT certifies that it is duly licensed to sell real estate by the New Hampshire Real Estate Commission.
- (e) This Agreement may not be amended, extended, or renewed except by a written instrument signed by all parties and only after authorization by the Governor and Executive Council of the State of New Hampshire.
- (f) Unless otherwise exempted by law, AGENT shall indemnify and hold harmless SELLER, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against SELLER, its officers or employees, by third parties, to the extent they are attributable to the negligent, reckless, or intentional conduct or omission of AGENT. SELLER shall not be liable for any costs incurred by AGENT arising from AGENT'S negligent, reckless or intentional conduct or omission. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of SELLER, which immunity is hereby reserved. This covenant shall survive the termination of this Agreement. Under no circumstances shall AGENT be liable to SELLER for: any lost or prospective profits; diminution in value; any indirect, consequential, business interruption, special, incidental, punitive or exemplary losses or damages, in each

case whether based in contract, warranty, negligence, strict liability or other tort or otherwise, regardless of the foreseeability or cause thereof.

- (g) AGENT agrees that at all times during the effective term of this Agreement AGENT shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor to obtain and maintain in force, the following types and minimum amounts of insurance coverage:
 - (i) Commercial general liability coverage against all insurable claims of bodily injury, death, or property damage in amounts of \$250,000 per claim and \$2,000,000 per incident, or \$1,000,000 per occurrence and \$1,000,000 umbrella coverage;
 - (ii) Professional liability coverage in an amount of \$1,000,000 per occurrence and in the aggregate (if coverage is "claims made," then the period to report claims shall extend for not less than three (3) years from the date of substantial completion of the contract); and
 - (iii) Workers' compensation insurance and employers' liability insurance as required by law.
- (h) This Agreement shall be governed, interpreted, and construed in accordance with the laws of the State of New Hampshire. Any actions or disputes arising out of or related to this Agreement shall be brought and maintained in the New Hampshire Superior Court, which shall have exclusive jurisdiction thereof. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be unenforceable, invalid, or contrary to any state or federal law, the remaining provisions of this Agreement shall remain in full force and effect.
- (i) Solely for the limited purpose of enabling AGENT's strict compliance with the language of Rea 404.04(b)(2) of the Administrative Rules of the New Hampshire Real Estate Commission, the statutory purpose of which cited rule as applied in this instance is to regulate the conduct of real estate brokers licensed in New Hampshire specifically with regard to the contents of a so-called "listing contract" in order "to ensure that [AGENT] meet[s] and maintain[s] minimum standards which promote public understanding and confidence in the business of real estate brokerage" (Rea 404.04(b)(2) and RSA 331-A:1; *see* RSA 331-A:25, 1), and in full acknowledgment of the fact that SELLER has not and does not intend to establish an asking price and currently has no relevant appraisal or any other clear basis for establishing a reasonable asking price for the PROPERTY, SELLER and AGENT agree to arbitrarily designate Twenty Million Dollars (\$20,000,000) as an asking price for the PROPERTY and further agree that the foregoing asking price is wholly fictitious and serves no purpose under this Agreement other than to demonstrate AGENT's compliance with Rea 404.04(b)(2).

- (j) Subject to SELLER's prior approval, which approval shall not be unreasonably withheld, AGENT may include in or with the offering memorandum, and/or any other marketing or due diligence materials to be provided to prospective buyers, written statements indicating the source(s) of included information regarding the PROPERTY and that the recipient is solely and fully responsible for conducting its own due diligence with regard to the PROPERTY and should not rely solely on the information provided by AGENT, and appropriate written disclaimers of AGENT's responsibility or liability with regard to the PROPERTY or the accuracy or completeness of any information provided by AGENT regarding the PROPERTY of which AGENT is not the original source.

STATE OF NEW HAMPSHIRE ("SELLER")
By and through its
DEPARTMENT OF ADMINISTRATIVE SERVICES

By: 
Charles M. Arlinghaus, Commissioner

Date: 10/5/21

CBRE, INC. ("AGENT")

By: 
Roger Dieker, Senior Vice President/Managing Broker

Date: 10/5/21

*Attorney General's Office (form, substance, execution)
10/4/2021*

Delaware

Page 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "CBRE, INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE FIRST DAY OF JULY, A.D. 2021.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.



777218 8300

SR# 20212607657

You may verify this certificate online at corp.delaware.gov/authver.shtml

A handwritten signature in black ink, appearing to read "JBULLOCK", is written over a horizontal line. Below the line, the text "Jeffrey W. Bullock, Secretary of State" is printed in a small font.

Authentication: 203583581

Date: 07-01-21

State of New Hampshire

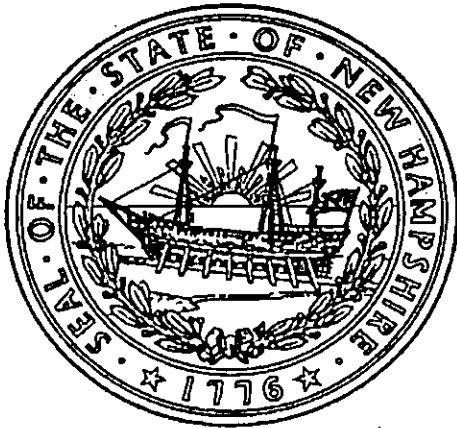
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that CBRE, INC. is a Delaware Profit Corporation registered to transact business in New Hampshire on June 02, 1980. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 1308

Certificate Number: 0005445922



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 21st day of September A.D. 2021.

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

**UNANIMOUS WRITTEN CONSENT
OF THE
BOARD OF DIRECTORS
OF
CBRE, INC.**

May 8, 2019

The undersigned, being all of the members of the Board of Directors (the "Board") of CBRE, Inc., a Delaware corporation (the "Company"), acting without a meeting pursuant to Section 141(f) of the Delaware General Corporation Law and in accordance with the Company's by-laws, hereby take the following actions as of the date set forth above:

RESOLVED, that all Managing Directors and their designees are hereby authorized to execute all agreements to which the Company is or will be a party (such as commission, listing, representation, services, management or co-brokerage agreements) and all transactional documents drafted, prepared, revised or signed by a real estate licensee for any transaction for which a real estate license is required, as permitted or required by the laws, rules and regulations of the jurisdiction in which the office is located, subject to receipt of any prior approvals required under the internal policies of the Company.

IN WITNESS WHEREOF, the undersigned have signed this consent as of the date first set forth above.

DocuSigned by:

Dara Bazzano

812725D86AE5425...

Dara A. Bazzano

Pasha Zargarof

Pasha Zargarof



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
09/21/2021

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

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

| | | | |
|--|---|--|---------------|
| PRODUCER Aon Risk Services Northeast, Inc. Stamford CT Office 1600 Summer Street Stamford CT 06907-4907 USA | CONTACT NAME: PHONE (A/C. No. Ext.): (866) 283-7122 FAX (A/C. No.): (800) 363-0105 | | |
| | E-MAIL ADDRESS: | | |
| INSURED CBRE Group, Inc. and Subsidiaries 2100 McKinney Avenue Suite 1250 Dallas TX 75201 USA | INSURER(S) AFFORDING COVERAGE | | NAIC # |
| | INSURER A: Zurich American Ins Co | | 16535 |
| | INSURER B: American Zurich Ins Co | | 40142 |
| | INSURER C: ACE Property & Casualty Insurance Co. | | 20699 |
| | INSURER D: Navigators Insurance Co | | 42307 |
| | INSURER E: | | |

COVERAGES CERTIFICATE NUMBER: 570089288306 REVISION NUMBER:

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

Limits shown are as requested

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|----------|---|-----------|----------|--|-------------------------|-------------------------|--|-------------|
| A | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER: | | | GL0838419919 | 03/01/2021 | 03/01/2022 | EACH OCCURRENCE | \$5,000,000 |
| | | | | | | | DAMAGE TO RENTED PREMISES (Ea occurrence) | \$50,000 |
| | | | | | | | MED EXP (Any one person) | \$10,000 |
| | | | | | | | PERSONAL & ADV INJURY | \$5,000,000 |
| | | | | | | | GENERAL AGGREGATE | \$5,000,000 |
| | | | | | | | PRODUCTS - COMPROP AGG | \$5,000,000 |
| | AUTOMOBILE LIABILITY | | | | | | COMBINED SINGLE LIMIT (Ea accident) | |
| | <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY | | | | | | BODILY INJURY (Per person) | |
| | | | | | | | BODILY INJURY (Per accident) | |
| | | | | | | | PROPERTY DAMAGE (Per accident) | |
| C | <input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10,000 | | | G27952501006 | 03/01/2021 | 03/01/2022 | EACH OCCURRENCE | \$5,000,000 |
| | | | | | | | AGGREGATE | \$5,000,000 |
| B | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY | | | WC838419522 | 03/01/2021 | 03/01/2022 | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER | |
| A | ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below | Y/N | N/A | All Other States WC914173615 Wisconsin | 03/01/2021 | 03/01/2022 | E.L. EACH ACCIDENT | \$1,000,000 |
| | | | | | | | E.L. DISEASE-EA EMPLOYEE | \$1,000,000 |
| | | | | | | | E.L. DISEASE-POLICY LIMIT | \$1,000,000 |

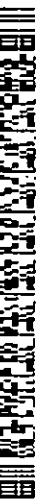
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 RE: RFP FMA 2022-01 (Real Estate Consulting and Marketing Services). State of New Hampshire is included as Additional Insured in accordance with the policy provisions of the General Liability policy.

| | |
|--|--|
| CERTIFICATE HOLDER State of New Hampshire Lakes Region Facility 1 Right way Path Laconia NH 03246 USA | CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Northeast Inc</i> |
|--|--|

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Holder Identifier :

Certificate No : 570089288306





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
09/23/2021

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

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

| | | |
|--|--|---------------------------------------|
| PRODUCER Willis Towers Watson Northeast, Inc. c/o 26 Century Blvd P.O. Box 305191 Nashville, TN 372305191 USA | CONTACT NAME: Willis Towers Watson Certificate Center | |
| | PHONE (A/C. No. Ext): 1-877-945-7378 | FAX (A/C. No.): 1-888-467-2378 |
| E-MAIL ADDRESS: certificates@willis.com | | |
| INSURER(S) AFFORDING COVERAGE | | NAIC # |
| INSURER A: Zurich American Insurance Company | | 16535 |
| INSURER B: | | |
| INSURER C: | | |
| INSURER D: | | |
| INSURER E: | | |
| INSURER F: | | |


INSURED
CBRE Group, Inc. and its subsidiaries
2100 McKinney Avenue, Suite 1250
Dallas, TX 75201

COVERAGES **CERTIFICATE NUMBER:** W22218058 **REVISION NUMBER:**

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

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS |
|----------|--|-----------|----------|----------------|-------------------------|-------------------------|--|
| | COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: | | | | | | EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$ |
| A | AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY | | | BAP 8384200-19 | 03/01/2021 | 03/01/2022 | COMBINED SINGLE LIMIT (Ea accident) \$ 5,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ |
| | UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$ | | | | | | EACH OCCURRENCE \$ AGGREGATE \$ \$ |
| | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below | | N/A | | | | <input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$ |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
State of New Hampshire Lakes Region Facility - RFP FMA 2022-01 (Real Estate Consulting and Marketing Services)

| | |
|---|---|
| CERTIFICATE HOLDER State of New Hampshire Lakes Region Facility 1 Right Way Path Laconia, NH 03246 | CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. |
| | AUTHORIZED REPRESENTATIVE  |