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Over \$1.5 billion to education

GOVERNOR Margaret Wood Hassan
CHAIRMAN Debra M. Douglas
COMMISSIONER Paul J. Holloway
COMMISSIONER Doug Scamman
EXECUTIVE DIRECTOR Charles R. McIntyre

January 22, 2013

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

100% Lottery Funds

REQUESTED ACTION

1. Authorize the NH Lottery Commission to enter into a renewal lease agreement in an amount not to exceed \$2,041,224.24 with Bert R. Whittemore Revocable Trust, (VC#177117B002), 4 Park Street, Concord, NH for the purpose of providing 24,300 square feet of office and warehouse space at 14 Integra Dive, Concord NH, for the period of May 1, 2013 through April 30, 2018.
2. Authorize the NH Lottery Commission to make an additional one-time payment in an amount not to exceed \$4,100.00 to Bert R. Whittemore Revocable Trust, (VC#177117B002) 4 Park Street, Concord, NH for the purpose of reimbursing construction of two new offices to be located in the current open office area.

Funding is available from account #10290000-500248, NH Lottery Commission, contingent upon availability and continued appropriations. 100% non-general funds

022-500248 Rent to Owners Non State Space:

FY 2014 \$405,810.00	FY 2016 \$405,810.00	FY 2018 \$411,897.12
FY 2015 \$405,810.00	FY 2017 \$411,897.12	
	Total Rent Amount	\$2,041,224.24

022-500248 Payment to Owners Non State Space:

FY 2014 \$4,100.00

Total Fiscal Amount: \$2,045,324.24

EXPLANATION

1. The NH Lottery Commission is seeking approval to enter into a five (5) year renewal lease commencing May 1, 2013 and ending April 30, 2018 for the continued provision of approximately 24,300 square feet of office and warehouse space for their operations at 14 Integra Drive, Concord NH. The total five year cost will be \$2,041,224.24 with the lease payable at a "gross" annual rent of \$405,810.00 (\$16.70 per square foot) year one through three which maintains the current rate at 0% escalation, with 1.5% escalation to \$411,897.12 (\$16.95 per square foot) year four, which will be held for year five. The rental rate includes the Landlord's provision of heat, sewer & water, electricity, real estate taxes, insurance, snow plowing & removal, building & site maintenance, and re-carpeting & re-painting of worn areas in the office space.



Live Free or Die

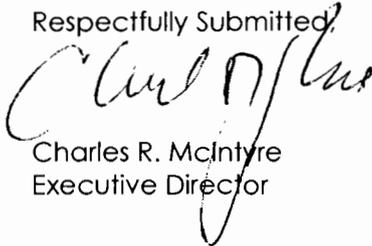
New Hampshire Lottery Commission 14 Integra Drive Concord, New Hampshire 03301
TEL 603.271.3391 FAX 603.271.1160 TDD 1.800.735.2964 www.nhlottery.com

As required by Administrative Rule Adm. 610.06 "Public Notice," the NH Lottery Commission conducted a search for rental space by soliciting "letters of interest" for leased space in the greater Concord NH area for a term of up to five (5) years through publication of a "Request for Proposal" in the Concord Monitor on August 17, 2012 and August 24, 2012, concurrently the Department of Administrative Services "Bureau of Planning and Management" posted the RFP specifications on their website. The space search produced only one proposal, the incumbent landlord, Bert R. Whittemore offering renewal of the current 24,300 square foot location at 14 Integra Drive, Concord, NH. The initial renewal offer proposed 3.0% escalation applied towards each year of the term, therefore year one rent would have been \$417,984.30 (\$17.20 per square foot), and the proposed five year total rent would have been \$2,219,134.81. The State subsequently negotiated the proposed renewal to 0% escalation year one through three, 1.5% applied towards year four, 0% escalation year five, with resulting total five year rent of \$2,041,224.24; which is a negotiated savings of \$177,910.57 over the term.

2. The NH Lottery Commission also seeks approval to make an additional one-time payment of \$4,100.00 to the Landlord reimbursing the cost of constructing two new rooms within the "open office" area of the building. The two new rooms will provide a supplemental conference room and a room for auditors which typically occupy the Lottery Commission at least nine months of the year. Payment shall be made after the renovations are successful completed, which shall be no later than six (6) months after commencement of the renewal term.

The Office of the Attorney General has reviewed and approved this lease agreement; your favorable consideration is requested.

Respectfully Submitted,



Charles R. McIntyre
Executive Director

STATE OF NEW HAMPSHIRE
DEPARTMENT OF ADMINISTRATIVE SERVICES
BUREAU OF PLANNING AND MANAGEMENT
STANDARD LEASE AGREEMENT

1. Parties to the Lease:

This indenture of Lease is made this 9TH day of DEC. 2012, by the following parties:

1.1 The Lessor (who is hereinafter referred to as the "Landlord") is:

Name: Bert R. Whittemore Revocable Trust

(individual or corporate name)

State of Incorporation: _____

(if applicable)

Business Address: 4 Park Street

Street Address (principal place of business)

Concord NH 03301 (603) 224-0126
City State Zip Telephone number

1.2 The Lessee (who is hereinafter referred to as the "Tenant") is: THE STATE OF NEW HAMPSHIRE, acting by and through its Director or Commissioner of:

Department Name: New Hampshire Lottery Commission

Address: 14 Integra Drive

Street Address (official location of Tenant's business office)

Concord NH 03301 (603) 271-3391
City State Zip Telephone number

WITNESSETH THAT:

2. Demise of the Premises:

For and in consideration of the rent and the mutual covenants and agreements herein contained, the Landlord hereby demises to the Tenant, and the Tenant hereby leases from the Landlord, the following premises (hereinafter called the "Premises") for the Term, (as defined herein) at the Rent, (as defined herein) and upon the terms and conditions hereinafter set forth:

Location of Space to be leased: 14 Integra Drive; a stand-alone single/ground floor level building
(street address, building name, floor on which the space is located, and unit/suite # of space)

Concord NH 03301
City State Zip

The demise of the premises consists of: 24,300 square feet of office and warehouse space
(provide square footage of the leased space, attach floor plan as "Exhibit A")

Demise of this space shall be together with the right to use in common, with others entitled thereto, the hallways, stairways and elevators necessary for access thereto, and the lavatories nearest thereto. A floor plan depicting the premises and delineating the extent of the leased space, is attached as Exhibit A hereto, and made a part hereof.

3. Effective Date; Term; Delays; Extensions; and Conditions upon Commencement:

3.1 Effective Date: The effective dates of Agreement shall be:

Commencing on the 1st day of May, in the year 2013, and ending on the 30th day of April, in the year 2018, unless sooner terminated in accordance with the Provisions hereof.

3.2 Occupancy Term: Occupancy of the Premises and commencement of rentals payments shall be for a term (hereinafter called the "Term") of 5 year(s) commencing on the 1st day of MAY, in the year 2013, unless sooner terminated in accordance with the Provisions hereof.

Landlord Initials: BRW

Date: 11 5 2012

3.3 Delay in Occupancy and Rental Payment Commencement: In the event of the Effective Date of the Agreement being prior to that which is set forth for Occupancy Term in 3.2. herein, commencement of the Tenant's occupancy of the Premises and payment of rent shall be delayed until construction and/or renovation of the Premises is complete and a copy of the "Certificate of Occupancy" (if said certificate is required by the local code enforcement official having jurisdiction) for the Premises has been delivered to the Tenant; the parties hereto agree this shall be upon the date set forth in 3.2 Occupancy Term herein. Upon this date the Tenant shall commence payment of rent in conformance with the terms and conditions herein and as set forth in the Schedule of Payments included and attached hereto as "Exhibit B". Notwithstanding the foregoing, commencement of occupancy and rental payments shall be further conditioned upon all other terms and conditions set forth in the Agreement herein.

A) **"Completion" defined as "Substantial Completion":** Notwithstanding anything contained in the Agreement to the contrary, it is understood and agreed by both Parties that "complete" shall mean "substantially completed". "Substantial Completion" is defined as no leasehold improvement deficiencies that would unreasonably adversely affect the Tenant's occupancy and/or business operations, nor would the installation or repairs of such deficiencies unreasonably adversely affect the Tenant's business operation. Notwithstanding the foregoing, nothing shall relieve the Landlord from their responsibility to fully complete all agreed renovations set forth or attached hereto as Exhibit D herein.

3.4 Extension of Term: The Tenant shall have the option to extend the Term for (*number of options*) N/A Additional term(s) of N/A year(s), upon the same terms and conditions as set forth herein. Notice from the Tenant exercising their option to extend the term shall be given by the Tenant delivering advance Written notice to the Landlord no later than thirty (30) days prior to the expiration of the Term, or any extensions thereof.

3.5 Conditions on the Commencement and Extension of Term:

Notwithstanding the foregoing provisions, it is hereby understood and agreed by the parties hereto that this lease and the commencement of any Term, and any amendment or extension thereof, is conditioned upon its' approval by the Governor and Executive Council of the State of New Hampshire and, in the event that said approval is not given until after the date for commencement of the Term, the Term shall begin on the date of said approval. In the event that said approval request is denied, then this Lease shall thereupon immediately terminate, and all obligations hereunder of the parties hereto shall cease.

4. Rent:

4.1 Rent: During the Term hereof and any extended Term, the Tenant shall pay the Landlord annual rent (hereinafter called the "Rent") payable in advance at the Landlord's address set forth in Section 1 above, in twelve equal monthly installments. The first such installment shall be due and payable on the following date: (*insert month, date and year*) May 1st, 2013

The rent due and payable for each year of the term, and any supplemental provisions affecting or escalating said rent or specifying any additional payments for any reason, shall be as set forth in a Schedule of Payments made a part hereto and attached herein as "Exhibit B".

4.2 Taxes and other Assessments: The Landlord shall be responsible for, and pay for, all taxes and other assessment(s) applicable to the Premises.

Landlord Initials: 
Date: _____

5. Conditional Obligation of the State:

Notwithstanding any provisions of this Lease to the contrary, it is hereby expressly understood and agreed by the Landlord that all obligations of the Tenant hereunder, including without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the Tenant be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the Tenant shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Lease in whole or in part immediately upon giving the Landlord notice of such termination. The State shall not be required to transfer funds from any other account in the event funding for the account from which the "rent" specified for the lease herein is terminated or reduced. It is further expressly understood and agreed by the Landlord that in the event the State of New Hampshire makes available State owned facilities for the housing of the Tenant the Tenant may, at its' option, serve thirty (30) days written notice to the Landlord of its intention to cancel the Lease in whole or in part. Whenever the Tenant decides to cancel the Lease in whole or in part under this Section the Tenant shall vacate all or part of the Premises within a thirty (30) day period. The Lease to the portion of the Premises vacated shall henceforth be canceled and void, while the Lease to the portion of the Premises still occupied shall remain in effect, with a pro rata abatement of the rent made by the parties hereto.

6. Utilities: *Select one of the following standard clauses specifying the party(s) responsible for the provision of utilities indicating the applicable clause with an "x". If neither clause provides an adequate or accurate explanation provide a detailed explanation as a "Special Provision" in "Exhibit E" herein.*

The Landlord shall furnish all utilities and the Tenant shall remit reimbursement for their provision no later than thirty (30) days after receipt of Landlord's copy of the utility invoice(s). Any exceptions to the forgoing specifying certain utilities which the Landlord will provide with no reimbursement payment from the Tenant shall be listed in the space below:

Exceptions: _____

OR:

The Landlord shall at their own and sole expense furnish all utilities, the Tenant shall make no reimbursement. Any exceptions to the forgoing specifying certain utilities that the Tenant shall be responsible for arranging and making direct payment to the provider thereof shall be listed in the space below:

Exceptions: The Tenant shall be responsible for provision of and direct payment to, the providers of Telecommunications and information technology services in the Premises

6.1 General Provisions: The Landlord agrees to furnish heat, ventilation and air-conditioning to the Premises in accordance with current industry standards as set forth by the American Industrial Hygiene Association or AIHA and the American Society of Heating, Refrigeration and Air-Conditioning Engineers, Inc. or ASHRAE during the Tenant's business hours, the indoor air temperature of the Premises shall range from 68° F to 75° F during the winter, and 69° F to 76° F in the summer; if humidity control is provided relative humidity in the Premises shall range from 30% to 60%. During the Tenant's business hours heating, ventilation and air-conditioning shall also be provided to any common hallways, stairways, elevators and lavatories which are part of the building to which the Premises are a part. The Tenant agrees that provision of heating, ventilation and air-conditioning is subject to reasonable interruptions due to the Landlord making repairs, alterations, maintenance or improvements to the system, or the infrequent occurrence of causes beyond the Landlord's control. All Heating and Ventilation Control systems and filters shall be cleaned and maintained by the Landlord in accordance with ASHRAE and AIHA standards, and in conformance with the provisions of Section 8 "Maintenance and Repair" herein, and in a manner sufficient to provide consistent compliance with the State of New Hampshire's Clean Indoor Air Standards" (RSA 10:B). If the premises are not equipped with an air handling system that provides centralized air-conditioning or humidity control the provisions set forth herein regarding these particular systems shall not apply.

6.2 Sewer and Water Services: The Landlord shall provide and maintain in good and proper working order all sewer and water services to the Premises. Provision of said services shall include payment of all charges, expenses or fees incurred with provision of said services. All sewer and water services shall be provided and maintained in conformance with all applicable regulatory laws and ordinances.

Landlord Initials: TPM
Date: _____

6.3 Electrical and Lighting: The Landlord shall furnish all electrical power distribution, outlets and lighting in compliance with the most current National Electrical Code standards. Lighting fixtures throughout the Premises shall be capable of providing illumination levels in accordance with ANSI/IES Standards for Office Lighting in effect on the date of commencement of the term herein. Lighting for exterior areas and other applications shall conform to the recommended levels in the current IES Lighting Handbook in effect on the date of commencement of the term herein.

7. Use of Premises:

The Tenant shall use the premises for the purpose of:

Providing office, sales, warehouse and distribution space for the NH Lottery Commission

and for any other reasonable purposes that may arise in the course of the Tenant's business.

8. Maintenance and Repair by the Landlord:

8.1 General Provisions: The Landlord shall at its own expense, maintain the exterior and interior of the Premises in good repair and condition, including any "common" building spaces such as parking areas, walkways, public lobbies, and restrooms, and including all hallways, passageways, stairways, and elevators which provide access to the Premises. The Landlord agrees to make any and all repairs and perform all maintenance to the Premises or any appurtenance thereto, which may become necessary during the Term or any extension or amendment of the Term. These repairs and maintenance requirements shall be fulfilled whether they are ordered by a public authority having jurisdiction, requested by the Tenant, or are dictated by reasonable and sound judgment, and include but are not limited to: The repair, and if necessary the replacement of any existent roof, walls, floors, doors and entry ways, interior finishes, foundations, windows, sidewalks, ramps and stairs, heating, air-conditioning and ventilation systems, plumbing, sewer, and lighting systems, and all operating equipment provided by the Landlord. Maintenance shall also include timely and consistent provision of any and all pest control which may become necessary within the Premises. Maintenance to areas or equipment which provide compliance with the Federal "American's with Disabilities Act" (ADA) and/or any State or Municipal codes or ordinances specifying requirements for architectural barrier-free access shall be performed regularly and with due diligence, in order to ensure continuity of compliance with all applicable regulations. The Landlord shall meet with the Tenant upon request and as necessary to review and discuss the condition of the Premises.

8.2 Maintenance and Repair of Broken Glass: The Landlord shall replace any and all structurally damaged or broken glass the same day that they are notified by the Tenant, or the damage is observed. In the event that the Landlord is unable to procure and/or install the replacement glass within the same day, they shall notify the Tenant in writing prior to the close of business that day, providing an explanation as to the cause of the delay and the date the damage will be corrected. In the instance of delayed repair, the Landlord shall remove the damaged or broken glass the same day it is noticed or reported, and secure the opening and/or damaged area to the satisfaction of the Tenant.

8.3 Recycling: The Landlord shall cooperate with the Tenant to meet the requirements for waste reduction and recycling of materials pursuant to all Federal, State, and Municipal laws and regulations which are or may become effective or amended during the Term.

8.4 Window Cleaning: The Landlord shall clean both the exterior and interior surfaces of all windows in the Premises annually. Window cleaning shall be completed no later than July 1st of every year.

8.5 Snow Plowing and Removal: The Landlord shall make best efforts to provide for rapid and consistent ice and snow plowing and/or removal from all steps, walkways, doorways, sidewalks, driveway entrances and parking lots, including accessible parking spaces and their access aisles, providing sanding and/or salt application as needed. Plowing and/or removal shall be provided prior to Tenant's normal working hours, however, additional work shall be provided as needed during the Tenant's working hours if ice accumulates or if more than a 2" build-up of snow occurs. Best efforts shall be made to provide and maintain bare pavement at all times. In addition to the foregoing, the Landlord shall provide plowing and/or ice and snow removal service with diligence sufficient to maintain availability of the number of Tenant parking spaces designated in the Agreement herein for the Tenant's use, clearing said spaces within twelve (12) hours of snow and/or ice accumulations. The Landlord shall sweep and remove winter sand and salt deposited in the above referenced areas by no later than June 1st of each year.

Landlord Initials: ARW

Date: _____

8.6 Parking Lot Maintenance: Landlord shall maintain and repair all parking lot areas, walks and access ways to the parking lot; maintenance shall include paving, catch basins, curbs, and striping. Provision of parking lot maintenance shall include but not be limited to the following:

- A) Inspect pavement for cracks and heaves semi-annually. Monitor to identify source of cracking, if excessive moisture is found under pavement surfaces due to poor drainage, remove pavement, drain properly, and replace with new pavement.
- B) Re-stripe the parking lot at least once every three (3) years or as necessary to maintain clear designation of spaces, directional symbols and access aisles.
- C) Maintain all parking lot and exterior directional signage, replacing signs as necessary when substantially faded, damaged or missing.

8.7 Site Maintenance: Landlord shall maintain and provide as follows:

- A) The Landlord shall maintain all lawns, grass areas and shrubs, hedges or trees in a suitable, neat appearance and keep all such areas and parking areas free of refuse or litter. Any graffiti shall be promptly removed.
- B) The Landlord shall maintain and repair all exterior lighting fixtures and bulbs, providing same day maintenance and repair when possible.
- C) The Landlord shall clean and wash all exterior cleanable/washable surfaces and repaint all painted surfaces, including remarking painted lines and symbols in the parking lot and access lanes thereto, once every three years, except where surfaces are in disrepair in advance of this time frame, which case it shall be required on a more frequent basis.
- D) The Landlord shall regularly inspect and maintain the roof, including cleaning of roof drains, gutters, and scuppers on a regular basis, and timely control of snow and ice build-up. Flashings and other roof accessories shall be observed for signs of deterioration with remedy provided prior to defect. If interior leaks are detected, the cause shall be determined and a solution implemented as quickly as possible to prevent damage to interior finishes and fixtures. Landlord shall inspect roof seams annually, especially at curbs, parapets, and other places prone to leaks, investigate any ponding, etc. All work on the roof shall be conducted so as to maintain roof warranty.

8.8 Heating Ventilation and Air Conditioning (HVAC): The HVAC system in the Premises shall be maintained regularly and with due diligence in order to ensure continuous compliance with the standards set forth by the State of New Hampshire NH "Clean Indoor Air" act (RSA 10:B) and in accordance with current industry standards set forth by the "American Industrial Hygiene Association" (AIHA) and the "American Society of Heating, Refrigeration and Air-Conditioning Engineers, Inc." (ASHRAE). All HVAC air filters shall be replaced on a semi-annual basis; and the air filters used in the HVAC system shall provide the greatest degree of particulate filtration feasible for use in the Premise's air handling system. All HVAC condensate pans shall be emptied and cleaned on a semi-annual basis. The Landlord shall keep a written record of the dates the required semi-annual HVAC maintenance is provided, submitting a copy of this record to the Tenant on the annual anniversary date of the agreement herein. Any moisture incursions and/or leaks into the Premises shall be repaired immediately, this shall include the repair and/or replacement of any HVAC component which caused the incursion, and the replacement of any and all interior surfaces which have become moisture laden and cannot be dried in entirety to prevent possible future growth of mold.

- A) **Maintenance of Air Quality Standards:** In the event that the referenced statutory requirements for indoor air quality are not met at any time during the term, the Landlord agrees to undertake corrective action within ten (10) days of notice of deficiency issued by the Tenant. The notice shall contain documentation of the deficiency, including objective analysis of the indoor air quality.
- B) Landlord and Tenant agree to meet as requested by either party and review concerns or complaints regarding indoor air quality issues. In the event of any issue not being resolved to the mutual satisfaction of either party within thirty (30) days of such meeting, an independent qualified and licensed professional shall be retained to prepare an objective analysis of air quality, mechanical systems and operations/maintenance procedures. Should the analysis support the complaint of the Tenant, the cost of the report and corrective actions shall be borne by the Landlord. Should the report fail to support any need for corrective action or be the result of changes in occupancy count or space uses by the Tenant from the time of initial occupancy, the cost of the independent consultant shall be borne by the Tenant.

Landlord Initials: MRW
Date: _____

9. Manner of Work, Compliance with Laws and Regulations: All new construction, renovations and/or alterations to existing buildings, hereinafter known as "work" shall conform to the following:

All work, whether undertaken as the Landlord's or Tenant's responsibility, shall be performed in a good workmanlike manner, and when completed shall be in compliance with all Federal, State, or municipal statute's building codes, rules, guidelines and zoning laws. Any permits required by any ordinance, law, or public regulation, shall be obtained by the party (Tenant or Landlord) responsible for the performance of the construction or alteration. The party responsible shall lawfully post any and all work permits required, and if a "certificate of occupancy" is required shall obtain the "certificate" from the code enforcement authority having jurisdiction prior to Tenant occupancy. No alteration shall weaken or impair the structure of the Premises, or substantially lessen its value. All new construction, alterations, additions or improvements shall be provided in accordance with the Tenant's design intent plans, specifications and schedules, which shall be attached to and made a part of the Agreement herein as Exhibit D.

9.1 Barrier-Free Accessibility: No alteration shall be undertaken which decreases, or has the effect of decreasing, architecturally Barrier-free accessibility or the usability of the building or facility below the standards and codes in force and applicable to the alterations as of the date of the performance. If existing elements, (such as millwork, signage, or ramps), spaces, or common areas are altered, then each such altered element, space, or common area shall be altered in a manner compliant with the Code for Barrier-Free Design (RSA 275 C:14, ABFD 300-303) and with all applicable provisions for the Americans with Disabilities Act Standards for Accessible Design, Section 4.4.4 to 4.1.3 "Minimum Requirements" (for new construction).

9.2 Work Clean Up: The Landlord or Tenant, upon the occasion of performing any alteration or repair work, shall in a timely manner clean all affected space and surfaces, removing all dirt, debris, stains, soot or other accumulation caused by such work.

9.3 State Energy Code: New construction and/or additions that add 25% or greater to the gross floor area of the existing building to which the Premises are a part and/or that are estimated to exceed one million (\$1,000,000) in construction costs, or renovations that exceed 25% of the existing gross floor area, shall conform to all applicable requirements of the State of New Hampshire Energy Code.

9.4 Alterations, etc.: The Tenant may, at its own expense, make any alterations, additions or improvements to the premises; provided that the Tenant obtains prior written permission from the Landlord to perform the work. Such approval shall not be unreasonably withheld.

9.5 Ownership, Removal of Alterations, Additions or Improvements: All alterations, additions or improvements which can be removed without causing substantial damage to the Premises, and where paid for by the Tenant, shall be the property of the Tenant at the termination of the Lease. This property may be removed by the Tenant prior to the termination of the lease, or within ten (10) days after the date of termination. With the exception of removal of improvements, alterations or renovations which were provided under the terms of the Agreement herein, the Tenant shall leave the Premises in the same condition as it was received, ordinary wear and tear excluded, in broom clean condition, and shall repair any damages caused by the removal of their property.

10. New construction, Additions, Renovations or Improvements to the Premises:

The following provisions shall be applicable to the Agreement herein if new construction, improvements or renovations are provided by the Landlord: The Tenant and Landlord have agreed that prior to Tenant occupancy and the commencement of rental payments the Landlord will complete certain new construction, additions, alterations, or improvements to the Premises, (hereinafter collectively referred to as "Improvements") for the purpose of preparing the same for the Tenant's occupancy. Such improvements shall be provided in conformance with the provisions set forth in Section 9 herein and in conformance with the Tenant's schematic and design intent specifications and plans set forth and/or attached hereto as Exhibit D. It shall be the Landlord's responsibility to provide any and all construction drawings and/or specifications, inclusive (if required for conformance with applicable permitting process) of provision of licensed architectural or engineering stamp(s), and abiding by all review and permitting processes required by the local code enforcement official having jurisdiction. In connection with these improvements the Landlord warrants, represents, covenants and agrees as follows:

Landlord Initials:
Date:

10.1 Provision of Work, etc.: Unless expressly otherwise agreed by both parties, all improvements shall be made at the Landlord's sole expense, with said provision amortized into the Rent set forth herein.

A) In the event Tenant has agreed to the Landlord making certain improvements that are not included within those provided at the sole expense of Landlord or not amortized within the Rent, payment shall either be paid in total after Landlord has successfully completed all agreed improvements, or be paid in accordance with a payment schedule which shall withhold a proportion of the total payment until after Landlord has successfully completed the agreed improvements. Tenant's total additional payment and agreed payment schedule shall be set forth in the Agreement herein as a provision within Exhibit B "Schedule of Payments" herein and be listed as a separate section to the Schedule of Payments.

10.2 Schedule for Completion: All improvements shall be completed in accordance with the specifications, plans and schedules attached as Exhibit D hereto, and shall be completed on or before the date set forth in section 3.2 herein for commencement of the "Occupancy Term".

10.3 Landlord's Delay in Completion; Failure to Complete, Tenant's Options: If by reason of neglect or willful failure to perform on the part of the Landlord improvements to the Premises are not completed in accordance with Exhibit D, or any other provisions of the agreement herein, or the Premises are not completed within the agreed time frame, the Tenant may at its' option:

A) **Termination of Lease:** Terminate the Lease, in which event all obligations of the parties hereunder shall cease; or

B) **Occupancy of Premises "As is":** Occupy the Premises in its current condition, provided a "certificate of occupancy" has been issued for the Premises by the code enforcement official having jurisdiction, in which event the rent hereunder shall be decreased by the estimated proportionate cost of the scheduled improvements, reflecting the Landlord's failure to complete the improvements. The decreased rent shall remain in effect until such time the landlord completes the scheduled improvements; or

C) **Completion of Improvements by Tenant:** Complete the improvements at Tenant's own expense, in which case the amount of money expended by the Tenant to complete the improvements shall be offset and withheld against the rent to be paid hereunder; or

D) **Delay Occupancy:** The date for Tenant occupancy and commencement of rental payments set forth in Section 3.2 herein, shall at the Tenant's option, be postponed until possession of the Premises is given. In such instance the "Schedule of Payments" set forth in Exhibit B herein shall be amended to reflect the delayed inception date of the Tenant's rental and occupancy, with the date for termination also revised to expire the same number or years and/or months thereafter as originally set forth in the Agreement herein. Commencement of the amended Agreement shall be subject to the provisions of paragraph 3.5 herein.

11. Quiet Enjoyment: Landlord covenants and agrees the Tenant's quiet and peaceful enjoyment of the Premises shall not be disturbed or interfered with by the Landlord, or any person claiming by, through or under the Landlord. Routine maintenance or inspection of the Premises shall be scheduled with Tenant at least one week in advance, to occur during a mutually agreeable time frame, and to be negotiated in good faith by both parties. Notwithstanding the provisions of this section, the Tenant agrees and covenants that in the event of an emergency requiring the Landlord to gain immediate access to the Premises, access shall not be denied.

12. Signs: Tenant shall have the right to erect a sign or signs on the Premises identifying the Tenant, obtaining the consent of the Landlord prior to the installation of the signs; such consent shall not be unreasonably denied. All signs that have been provided by the Tenant shall be removed by them, at their own expense, at the end of the Term or any extension thereof. All damage due to such removal shall be repaired by the Tenant if such repair is requested by the Landlord.

Landlord Initials: 

Date: _____

13. **Inspection:** Three (3) months prior to the expiration of the Term, the Landlord or Landlord's agents may enter the Premises during all reasonable working hours for the purpose of inspecting the same, or making repairs, or for showing the Premises to persons interested in renting it, providing that such entrance is scheduled at least 24 hours notice in advance with the Tenant. Six (6) months prior to the expiration of the term, the Landlord may affix to any suitable part of the Premises, or of the property to which the Premises are a part, a notice or sign for the purpose of letting or selling the Premises.

14. **Assignment and Sublease:** This lease shall not be assigned by the Landlord or Tenant without the prior written consent to the other, nor shall the Tenant sublet the Premises or any portion thereof without Landlord's written consent, such consent is not to be unreasonably withheld or denied. Notwithstanding the foregoing, the Tenant may sublet the Premises or any portion thereof to a government agency under the auspices of the Tenant without Landlord's prior consent.

Section 15 Insurance is deleted; see "Exhibit E" for text replacing the standard insurance provisions.

15. **Insurance:** ~~During the Term and any extension thereof, the Landlord shall at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance with respect to the Premises and the property of which the Premises are a part: comprehensive general liability insurance against all claims of bodily injury, death or property damage occurring on, (or claimed to have occurred on) in or about the Premises. Such insurance is to provide minimum insured coverage conforming to: General Liability coverage of not less than one million (\$1,000,000) per occurrence and not less than three million (\$3,000,000) general aggregate; with coverage of Excess/Umbrella Liability of not less than one million (\$1,000,000). The policies described herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance and issued by insurers licensed in the State of New Hampshire. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Tenant no less than ten (10) days prior written notice of cancellation or modification of the policy. The Landlord shall deposit with the Tenant certificates of insurance for all insurance required under this Agreement, (or for any Extension or Amendment thereof) which shall be attached and are incorporated herein by reference. During the Term of the Agreement the Landlord shall furnish the Tenant with certificate(s) of renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the policies.~~

~~**15.1 Workers Compensation Insurance:** To the extent the Landlord is subject to the requirements of NH RSA chapter 281-A, Landlord shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Landlord shall furnish the Tenant proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The Tenant shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for the Landlord, or any subcontractor of the Landlord, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.~~

16. **Indemnification:** Landlord will save Tenant harmless and will defend and indemnify Tenant from and against any losses suffered by the Tenant, and from and against any and all claims, liabilities or penalties asserted by, or on behalf of, any person, firm, corporation, or public authority:

16.1 **Acts or Omissions of Landlord:** On account of, or based upon, any injury to a person or loss or damage to property, sustained or occurring, or which is claimed to have been sustained or to have occurred on or about the Premises, on account of or based upon the act, omission, fault, negligence or misconduct of the Landlord, its agents, servants, contractors, or employees.

16.2 **Landlord's Failure to Perform Obligations:** On account of or resulting from, the failure of the Landlord to perform and discharge any of its covenants and obligations under this Lease and, in respect to the foregoing from and against all costs, expenses (including reasonable attorney's fees) and liabilities incurred in, or in connection with, any such claim, or any action or proceeding brought thereon; and in the case of any action or proceeding being brought against the Tenant by reason of any such claim, the Landlord, upon notice from Tenant shall at Landlord's expense resist or defend such action or proceeding.

16.3 **Tenant's Acts or Omissions Excepted:** Notwithstanding the foregoing, nothing contained in this section shall be construed to require the Landlord to indemnify the Tenant for any loss or damage resulting from the acts or omissions of the Tenant's servants or employees. Notwithstanding the foregoing, nothing herein

BRW
12/10/12

19. Surrender of the Premises: In the event that the Term, or any extension thereof, shall have expired or terminated, the Tenant shall peacefully quit and deliver up the Premises to the Landlord in as good order and condition, reasonable wear, tear, and obsolescence and unavoidable casualties excepted, as they are in at the beginning of the term of this lease, and shall surrender all improvements, alterations, or additions made by the Tenant which cannot be removed without causing damage to the Premises. The Tenant shall remove all of its' personal property surrendering the Premises to the Landlord in broom clean condition.

20. Hazardous Substances:

20.1 Disclosure: The Landlord warrants that to their knowledge and belief, the Premises are free of present or potential contamination which may impact the health or safety of the occupants; examples include but are not limited to: hazardous substances such as asbestos, lead and/or mold.

20.2 Maintenance/Activity Compliance: In the event hazardous materials are present, the Landlord further warrants that all custodial, maintenance or other activities on the Premises will be conducted in compliance with applicable statues, regulations and/or accepted protocols regarding the handling of said materials.

20.3 Action to Remove/Remediate: The Landlord shall promptly take all actions that may be necessary to assess, remove, and/or remediate Hazardous Substances that are on, or in the Premises or the building to which the Premises is a part. Said action shall be to the full extent required by laws, rules, accepted industry standard protocols and/or other restrictions or requirements of governmental authorities relating to the environment, indoor air quality, or any Hazardous Substance. Notwithstanding the foregoing, the provisions of 20.5 herein regarding Asbestos shall prevail.

20.4 Non-Permitted Use, Generation, Storage or Disposal: The Tenant shall not cause or permit Hazardous Substances to be used, generated, stored or disposed of in the Premises or the building to which it is a part. The Tenant may, however, use minimal quantities of cleaning fluid and office or household supplies that may constitute Hazardous Substances, but that are customarily present in and about premises used for the Permitted Use.

20.5 Asbestos:

- A) No later than thirty (30) days after the inception of the term herein, the Landlord shall provide the Tenant with the results of an asbestos inspection survey of the Premises and any common areas of the building which may affect the Tenant occupants or its clients. The inspection shall identify all accessible asbestos in these areas of the building and shall be preformed by a person certified in accordance with State law and satisfactory to the Tenant. The results of the inspection shall be made a part of the Agreement herein.
- B) In the event that asbestos containing material are identified which are in the status of "significantly damaged" or "damaged" (as described in "40 CFR 763") these materials shall be abated in a manner satisfactory to the Tenant, including provision of acceptable air monitoring using Phase Contrast Microscopy.
- C) In the event that asbestos containing materials are identified, but which are not damaged, the Landlord shall install an operations and maintenance program satisfactory to the Tenant which is designed to periodically re-inspect asbestos containing materials and to take corrective action as specified in 20.5 (b) above when appropriate. Results of such re-inspections and all air quality monitoring shall be provided to the Tenant within 14 (fourteen) days of completion.

20.6 Material Safety Data Sheets (MSDS)

- A) The Landlord shall submit MSDS for any and all materials, including cleaning products, introduced to the Premises to the Tenant prior to use. This will enable the Tenant to review submittals for possible adverse health risks associated with the products.
- B) At time of occupancy by the Tenant, the Landlord shall provide the Tenant with MSDS for all products incorporated into the Work. This submittal shall be provided in duplicate form presented in three ring binders, categorized in Construction Standards Institute (CSI) format.

Landlord Initials: MBW
Date: 1/20/10

21. Broker's Fees and Indemnification: The Landlord agrees and warrants that the Tenant owes no commissions, fees or claims with any broker or finder with respect to the leasing of the Premises. All claims, fees or commissions with any broker or finder are the exclusive responsibility of the Landlord, who hereby agrees to exonerate and indemnify the Tenant against any such claims.

22. Notice: Any notice sent by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by registered or certified mail, postage prepaid, in a United States Post Office, addressed to the parties at the addresses provided in Section I herein.

23. Required Property Management and Contact Persons: During the Term both parties shall be responsible for issuing written notification to the other if their contact person(s) changes, providing updated contact information at the time of said notice.

23.1 Property Management: Notwithstanding the provisions of Section "22 Notice", the Landlord shall employ and/or identify a full time property manager or management team for the Premises who shall be responsible for addressing maintenance and security concerns for the Premises and issuing all reports, testing results and general maintenance correspondence due and required during the Term. The Landlord shall provide the Tenant with the information listed below for the designated management contact person for use during regular business hours and for 24-hour emergency response use.

LANDLORD'S PROPERTY MANAGEMENT CONTACT:

Name: Bert R. Whittemore

Title: Owner

Address: 4 Park Street, Concord NH 03301 Phone: (603) 224-0126

Email Address: Bertw1956@aol.com

23.2 Tenant's Contact Person: Notwithstanding the provisions of Section "22 Notice", the Tenant shall employ and/or identify a designated contact person who shall be responsible for conveying all facility concerns regarding the Premises and/or receiving all maintenance reports, testing results and general correspondence during the term. The Tenant shall provide the Landlord with the information listed below for the designated contact person.

TENANT'S CONTACT PERSON:

Name: Leonard Mannino

Title: Director of Security, NH Lottery Commission

Address: NH Lottery Commission, 14 Integra Drive, Concord, NH Phone: (603) 27-3391 ext 309

Email Address: Leonard.mannino@nh.gov

24. Landlord's Relation to the State of New Hampshire: In the performance of this Agreement the Landlord is in all respects an independent contractor, and is neither an agent nor an employee of the State of New Hampshire (the "State"). Neither the Landlord nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

25. Compliance by Landlord with Laws and Regulations/Equal Employment Opportunity:

25.1 Compliance with Laws, etc: In connection with the performance of the Services set forth herein, the Landlord shall comply with all statutes, laws, regulations and orders of federal, state, county or municipal authorities which impose any obligations or duty upon the Landlord, including, but not limited to, civil rights and equal opportunity laws. In addition, the Landlord shall comply with all applicable copyright laws.

A) The Tenant reserves the right to offset from any amounts otherwise payable to the Landlord under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

25.2 Discrimination: During the term of this Agreement, the Landlord shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

25.3 Funding Source: If this Agreement is funded in any part by monies of the United States, the Landlord shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulation of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines of the State of New Hampshire or the United States issued to implement these regulations. The Landlord further agrees to permit the State or United States access to any of the Landlord's

Landlord Initials: BRW

Date: _____

books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

26. Personnel:

The Landlord shall at its' own expense provide all personnel necessary to perform any and/or all services which they have agreed to provide. The Landlord warrants that all personnel engaged in the services shall be qualified to perform the services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

27. Bankruptcy and Insolvency: If the Landlord's leasehold estate shall be taken in execution, or by other process of law, or if any receiver or trustee shall be appointed for the business and property of the Landlord, and if such execution or other process, receivership or trusteeship shall not be discharged or ordered removed within sixty (60) days after the Landlord shall receive actual notice thereof, or if Landlord shall be adjudicated a bankrupt, or if Landlord shall make a general assignment of its leasehold estate for the benefit of creditors, then in any such event, the Tenant may terminate this lease by giving written notice thereof to the Landlord.

28. Miscellaneous:

28.1 Extent of Instrument, Choice of Laws, Amendment, etc.: This Lease, which may be executed in a number of counterparts, each of which shall have been deemed an original but which shall constitute one and the same instrument, is to be construed according to the laws of the State of New Hampshire. It is to take effect as a sealed instrument, is binding upon, inures to the benefit of, and shall be enforceable by the parties hereto, and to their respective successors and assignees, and may be canceled, modified, or amended only by a written instrument executed and approved by the Landlord and the Tenant.

28.2 No Waiver or Breach: No assent by either party, whether express or implied, to a breach of covenant, condition or obligation by the other party, shall act as a waiver of a right for action for damages as a result of such breach, nor shall it be construed as a waiver of any subsequent breach of the covenant, condition, or obligation.

28.3 Unenforceable Terms: If any terms of this Lease, or any application thereof, shall be invalid or unenforceable, the remainder of this Lease and any application of such terms shall not be affected thereby.

28.4 Meaning of "Landlord" and "Tenant": Where the context so allows, the meaning of the term "Landlord" shall include the employees, agents, contractors, servants, and licensees of the Landlord, and the term "Tenant" shall include the employees, agents, contractors, servants, and licensees of the Tenant.

28.5 Headings: The headings of this Lease are for purposes of reference only, and shall not limit or define the meaning hereof.

28.6 Entire Agreement: This Lease embodies the entire agreement and understanding between the parties hereto, and supersedes all prior agreements and understandings relating to the subject matter hereof.

28.7 No Waiver of Sovereign Immunity: No provision of this Lease is intended to be, nor shall it be, interpreted by either party to be a waiver of sovereign immunity.

28.8 Third Parties: The parties hereto do not intend to benefit any third parties, and this agreement shall not be construed to confer any such benefit.

28.9 Special Provisions: The parties' agreement (if any) concerning modifications to the foregoing standard provisions of this lease and/or additional provisions are set forth in Exhibit E attached and incorporated herein by reference.

28.10 Incompatible Use: The Landlord will not rent, lease or otherwise furnish or permit the use of space in this building or adjacent buildings, or on land owned by or within the control of the Landlord, to any enterprise or activity whereby the efficient daily operation of the Tenant would be substantively adversely affected by the subsequent increase in noise, odors, or any other objectionable condition or activity.

Landlord Initials: 
Date: _____

IN WITNESS WHEREOF; the parties hereto have set their hands as of the day and year first written above.

TENANT: The State of New Hampshire, acting through its' Department of _____

NEW HAMPSHIRE LOTTERY COMMISSION

Authorized by: (full name and title) Celia P. Luce, Executive Director

LANDLORD: (full name of corporation, LLC or individual) Bert R. Whittemore Revocable Trust

Authorized by: (full name and title) Bert R. Whittemore, Trustee DSW/12/10/2012
Signature

Print: Bert R. Whittemore, Trustee
Name & Title

NOTARY STATEMENT: As Notary Public and/or Justice of the Peace, REGISTERED IN THE STATE

OF: Concord COUNTY OF: Merrimack

UPON THIS DATE (insert full date) December 5, 2012, appeared before

me (print full name of notary) Susan W. Chrabolowski the undersigned officer personally

appeared (insert Landlord's signature) Bert R. Whittemore

who acknowledged him/herself to be (print officer's title, and the name of the corporation) Trustee of the Bert R. Whittemore Revocable Trust and that as such

Officer, they are authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing him/herself in the name of the corporation.

In witness whereof I hereunto set my hand and official seal. (provide notary signature and seal)
Susan W. Chrabolowski SUSAN W. CHRABOLOWSKI
Notary Public - New Hampshire
Commission Expires October 26, 2016

APPROVALS:

Recommendation(s) regarding the approval of the Agreement herein issued by the "Architectural Barrier-Free Design Committee" of the "Governors' Commission on Disability" have been set forth in a "Letter of Recommendation" which has been attached hereto and made part of the Agreement herein by reference.

Approved by the Department of Justice as to form, substance and execution:

Approval date: 1-2-13

Approving Attorney: Rosmary A. At

Approved by the Governor and Executive Council:

Approval date: _____

Signature of the Deputy Secretary of State: _____

Landlord Initials: BRW
Date: _____

DEC 10 2012

The following Exhibits shall be included as part of this lease:

**EXHIBIT A
DEMISE OF TENANT PREMISES**

Part I Floor Plan of the Demised Premises: *insert or attach hereto an accurate architecturally drafted floor plan(s) of the Premises. Illustrate and/or note within the plans the extent of the premises designated for the Tenant's exclusive use, as well as any "shared" space(s) to which the Tenant shall have use and access, such as shared entrance lobbies, stairs, elevators and rest rooms. Floor plan(s) shall include depiction of the location of the Premises within the building to which it is a part, depiction of public and staff entrances, windows, rest rooms, and description of the basic functional areas such as office, storage, conference, or reception spaces.*

The demised premises are a stand-alone 24,300 square foot single/ground floor level building configured as shown in the attached floor plan titled "Exhibit A Demise of Tenant Premises".

Part II Parking Layout: *attach hereto a site plan, sketch or detailed description of any parking areas designated for the use of the Tenant during the Term herein. Illustrate and/or note all parking spaces designated for the Tenant's exclusive use, or shared use in common with others, and/or spaces which may be used by the general public. Specify all parking spaces, access aisles and accessible paths of travel provided for conformance with barrier-free access requirements for the Premises and/or the building to which the Premises is a part.*

The Tenant and the Tenant's invitee's, clients and visitors shall have the right to shared use of all parking space areas serving the Premises are a part; such use shall be at no additional charge to the Tenant.

Landlord Initials: _____
Date: _____



Exhibit A Demise of Tenant Premises

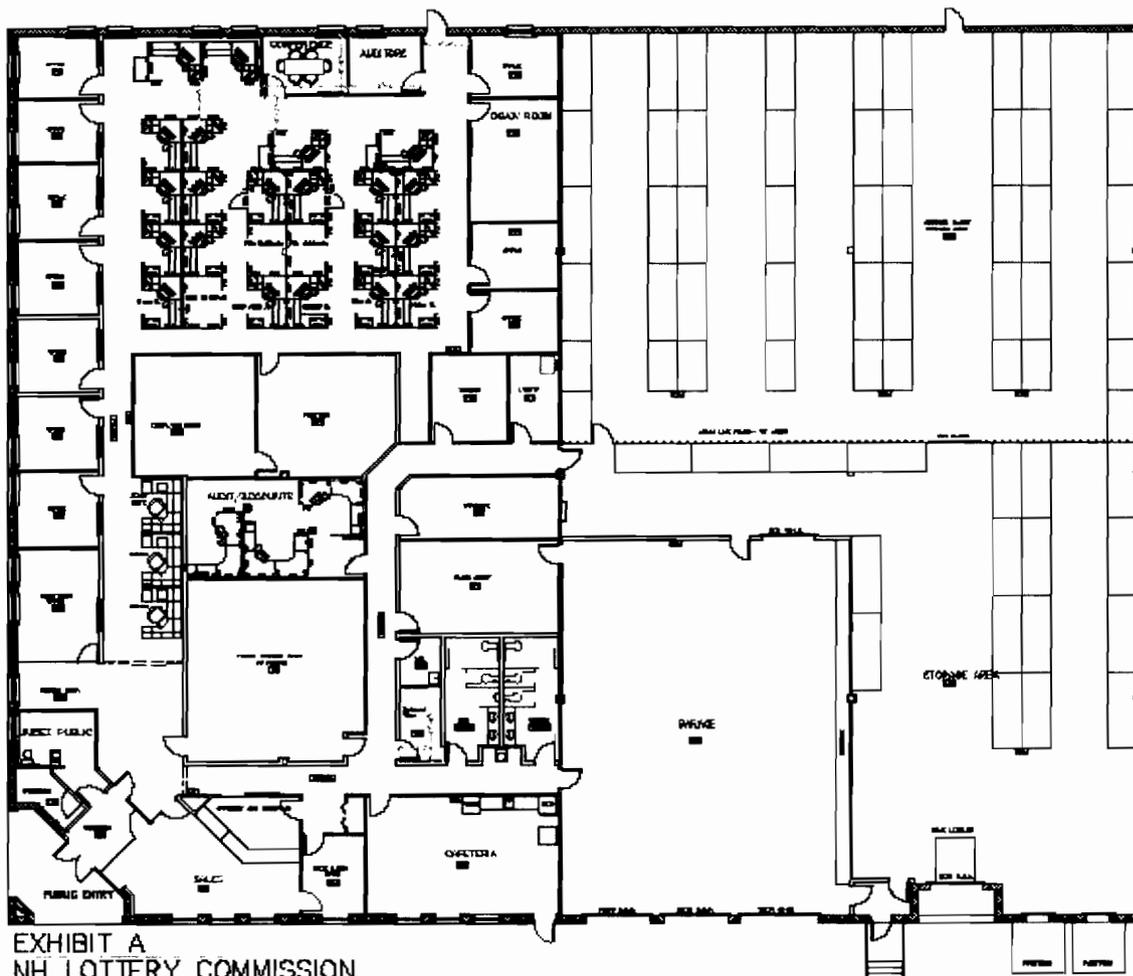


EXHIBIT A
NH LOTTERY COMMISSION
14 Integra Drive, Concord NH
Tenant Space: approx. 24,300 sq. ft.

Landlord Initials: MBW
Date: 11 DEC 05

**EXHIBIT B
SCHEDULE OF PAYMENTS**

Part I: Rental Schedule: *Insert or attach hereto a schedule documenting all rental payments due during the initial Term and during any extensions to the Term. Specify the annual rent due per year, the resulting approximate cost per square foot, monthly rental payments due, and the total rental cost of the Term. Define and provide methodology for any variable escalation (such as Consumer Price Index escalation) clauses which may be applied towards the annual rent, setting forth the agreed maximum cost per annum and term.*

The rent due for the Tenant's 24,300 square foot Premises during the FIVE -YEAR Term shall be in accordance with the following rental schedule:

Rental Schedule:

Year	Lease Dates	Approx. Sq. Ft Cost	Monthly Rent	Annual Rent	Approx.% Increase per year
1	May 1, 2013 – April 30, 2014	\$16.70	\$33,817.50	\$405,810.00	0%
2	May 1, 2014 – April 30, 2015	\$16.70	\$33,817.50	\$405,810.00	0%
3	May 1, 2015 – April 30, 2016	\$16.70	\$33,817.50	\$405,810.00	0%
4	May 1, 2016 – April 30, 2017	\$16.95	\$34,324.76	\$411,897.12	1.5%
5	May 1, 2017 – April 30, 2018	\$16.95	\$34,324.76	\$411,897.12	0%
Total for five-year term:				\$2,041,224.24	

Part II: Additional Costs: *Disclose and specify any additional Tenant costs or payments which are not part of the "rent" set forth in "Part I" above but due and payable under the terms of the Agreement herein. Disclosure to include the dates or time frames such payments are due, and if applicable a "schedule of payments" for any installments to be paid towards the total additional payment.*

Tenant shall make an additional one-time payment not exceeding \$4,100 to the Landlord upon Landlords' completion of two "New Rooms" conforming to the specifications set forth in "Exhibit D Part III, Item 1: New Rooms" and as further described in the "Exhibit D Floor Plan" attached herein. Upon completion of work the Landlord shall send the Tenant an invoice for a one-time payment reimbursing the cost; the Tenant shall remit payment for \$4,100 or for the actual invoiced sum if it is lower, however in no instance shall payment exceed \$4,100. Payment shall be made no later than thirty (30) days after receipt of the invoice.

Notwithstanding the foregoing, all other improvements or work described in the Agreement herein, as set forth in "Exhibit D", shall be at no additional cost to the Tenant, included in the annual rent.

Landlord Initials:
Date:

DEC 05 2012

**DEPARTMENT OF ADMINISTRATIVE SERVICES
SYNOPSIS OF ENCLOSED LEASE CONTRACT**

FROM: Mary Belec, Administrator II
Department of Administrative Services
Bureau of Planning and Management

DATE: January 31, 2013

SUBJECT: Attached Lease;
Approval respectfully requested.

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

LESSEE: NH Lottery Commission, 14 Integra Drive, Concord NH 03301

LESSOR: Bert R. Whittemore Revocable Trust, 4 Park Street, Concord NH 03301

DESCRIPTION: Lease Renewal. Approval of the enclosed will authorize renewal of the Lottery Commission's current location providing approximately 24,300 square feet of office and warehouse space in a single/ground floor level building at 14 Integra Drive, Concord NH. This agreement also authorizes an additional one-time payment to the landlord as reimbursement for construction of two new offices in the current "open office" area; these new rooms will accommodate auditors and an additional conference room; areas of worn carpeting and paint will be replaced at no additional charge to Tenant.

TERM: Five (5) years, commencing May 1, 2013 ending April 30, 2018.
OPTIONS: None

RENT: Year One -Three: 0% escalation at \$405,810.00 (\$16.70 per SF) annually
Year Four: 1.5% escalation at \$411,897.12 (\$16.95 per SF) annual
Year Five: 0% escalation at \$411,897.12 (\$16.95 per SF) annual
TTL RENT: \$2,041,224.24

ADDITIONAL: One-time payment of \$4,100.00 to be made after completion of renovations

JANITORIAL: Additional cost, approximately \$8,460.00 (approx. \$.35 per SF) annually
UTILITIES: Provision included in annual rent

TOTAL 5-YEAR COST: \$2,045,324.24 rent + approx. \$42,300 janitorial = \$2,087,624.24 ttl cost

PUBLIC NOTICE: Completed RFP process however only one offer was received, current landlord who offered five-year renewal with 3% annual escalation. This initial proposal was negotiated downward as shown above, providing a saving of \$177,910.57 over the term

CLEAN AIR PROVISIONS: The office space will be re-tested for conformance with clean air standards after inception of the renewal term

BARRIER-FREE DESIGN COMMITTEE: Reviewed by Committee, approval recommended

OTHER: Approval of the enclosed lease is recommended
The enclosed contract complies with the State of NH Division of Plant and Property Rules
And has been reviewed & approved by the Department of Justice.

Reviewed and recommended by:
Bureau of Planning and Management


Mary Belec, Administrator II

Approved by:
Division of Plant and Property MGMT

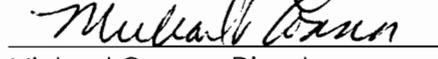

Michael Connor, Director

EXHIBIT C

JANITORIAL SERVICES: *specify which party shall be responsible for provision of janitorial services to the Premises (and/or portions of the Premises) during the Term. Specify what those services shall include, and how often they shall be provided. Provide any additional information required for clarification of duties and scheduling.*

1. The Tenant shall be responsible for and pay for provision of all janitorial services to the Premises. The Tenant shall keep all areas of the Premises reasonable clean and orderly, having all office rubbish and/or other trash removed from the Premises for either disposal or recycling in a timely manner.
2. The Landlord shall be responsible for the timely provision of all services specified herein as "Maintenance".

Landlord Initials: _____

Date: _____

EXHIBIT D

Provisions for Architecturally Barrier – Free Accessibility, "Clean Air" compliance, Improvements and Recycling

Part I Architecturally Barrier-Free access to the Premises conforming with all applicable codes and regulations which are in effect as of the date of inception of the Term shall be provided unless otherwise agreed by the parties hereto and agreed by the "Architectural Barrier-Free Design Committee". If Barrier-Free access is deficient it shall be provided after the inception of the Term herein by making certain renovations and/or alterations to the Premises which shall include all recommendations set forth by the State of New Hampshire's "Architectural Barrier-Free Design Committee" (AB Committee) in their "Letter of Recommendation" which has been attached hereto and made part of the Agreement herein by reference. *Specify in text and/or illustrate the manner in which all renovations recommended by the AB Committee will be provided at the Premises. Define which party, the Landlord or Tenant, shall be responsible for providing and funding said renovations and the time frame allowed for completion.*

No renovations or alternations for the purpose of providing improved barrier-free access are required therefore none shall be made.

Part II Certification from the State of New Hampshire Department of Environmental Services ("Environmental Services") stating the Premises comply with the requirements of State of New Hampshire RSA 10:B "Clean Indoor Air in State Buildings" ("clean air") as defined by Chapter Env-A 2200 has either been obtained and a copy of said certification attached herein, or shall be obtained in accordance with the following:

No later than thirty (30) days after the commencement of the Term herein the air quality of the Premises shall be tested in conformance with requirements set forth in Chapter Env-A 2200 in accordance with the requirements of the Agreement herein. No later than ten (10) calendar days after the "clean air" testing results are received by the Landlord they shall be submitted to "Environmental Services" in a manner which conforms to their requirements requesting their review and certification of compliance with "clean air" standards. *Specify which party – the Landlord or the Tenant- shall schedule and pay for the required testing. In the event of testing results demonstrating the Premises do not conform with all or part of the requirements of Chapter Env-A 2200, specify which party will be responsible for providing and paying for the alterations and repairs necessary to remedy the non-conformity. Specify the time frame to be allowed for providing remedy, and which party shall bear the subsequent cost of re-testing and repair which shall be required until such time a "certification of compliance" is issued.*

Not later than thirty (30) days after the inception of the term the Landlord (at their sole expense) shall hire technicians (who meet "Environmental Services" criteria of professional accreditation) to perform the State of New Hampshire "Clean Air" renewal tests (which are a less extensive and therefore less expensive set of testing criteria) as set forth in "Environmental Services" Administrative Rules Chapter Env – A2200. In accordance with Env-A2204.03 upon receipt of the testing results the Landlord shall provide a signed and notarized statement (conforming to required language in Env-Asso4.03) certifying the results, and send them along with the statement to the "State of New Hampshire, Department of Environmental Services, "Indoor Air Quality Program", Hazen Drive, P.O. Box 95, Concord, NH 03302-0095 requesting their review and official (final) certification of compliance. After reviewing the testing results "Environmental Services" will either issue a "certificate of compliance" (which shall be sent to the Landlord and Tenant) or send a letter delineating the deficiencies found. In the event any deficiencies are found the Landlord shall be solely responsible for providing remedy through repair and/or renovations. Any and all repairs or renovations shall be completed within a reasonable time frame, which shall in no instance exceed four (4) months after the initial deficiency findings. After completion of any and all repairs the Landlord shall conduct re-testing of any sections of the "clean air" test that initially failed to conform thereby proving remedy has been successfully completed.

Landlord Initials: _____
Date: _____

Exhibit D: continued

Part III Improvements, Renovations or New Construction ("work"): In the instance the Agreement herein includes provisions for such "work" to be provided, the Tenant's schematic and design intent specifications and plans depicting all "work" have been attached hereto and made part of the Agreement herein by reference.

The Landlord shall, at the Landlords' sole expense, provide the following repairs, alterations and renovations (the "Work") to the Premises. Scheduling for each project shall be coordinated with the Tenant in advance; the Tenant shall make reasonable accommodations to accommodate the Landlords' proposed schedule as an effort to avoid causing Work performance during "premium time" such as weekends or holidays. All Work shall be completed no later than six (6) months after commencement of the Term. All Work shall be provided as described herein and as further described in the attached plans titled: "Exhibit D – Renovations" and "Exhibit D –Scope of Carpet Replacement.

1. Two New Rooms: Landlord shall provide two (2) new full height drywall partition rooms located and demised as described in the attached floor plan.
 - a. Provide and install new (or reused) doors and frames matching existing in locations shown.
 - b. Light fixtures, HVAC components and sprinkler heads: relocate or provided supplemental as required
 - c. Lights switches: Provide new light switch controlling the lighting in each room at the interior latch side of each of the two new doors
 - d. Ceiling: New walls shall extend at least 12" above the existing ceiling grid. Cut and patch existing ceiling grid and tiles, patching and adding materials as necessary to accomplish work. All new materials shall match existing.
 - e. Tape and sand all drywall seams, prime with at least one coat of paint, apply minimum two finish coats of paint.
2. Replace existing carpet as shown in the floor plan titled Exhibit D "Scope of Carpet Replacement" attached herein, as shown in this plan the carpet shall be replaced in the open office areas, corridors, and lottery drawing room. Replacement of carpet shall conform with the following:
 - a. Landlord to temporarily move Tenants' furniture – including all open office "cubes" – to accommodate work. Utilization of a mechanized system that "jacks up" the cubes to provide access to the carpet below will be acceptable to the Tenant; however the open office area shall be, if needed, re-carpeted in phases in order to avoid lengthy disruption to Tenant work process.
 - i. Work to be performed during regular business hours
 - b. Remove and lawfully dispose of or recycle all existing carpet in the areas of work
 - c. Remove existing cove vinyl base in the areas of work preparatory to installation of new carpet
 - d. Provide and install replacement carpet with either direct glue-down broadloom carpet or replace with minimum 24" square carpet tiles
 - i. Tenant to select color of replacement carpet from the manufacturer's standard/full offering of available colors.
 - e. Provide and install replacement vinyl cove base in all areas of new carpet

Landlord Initials: 
Date: _____

Exhibit D: continued

3. Repair areas of the roof and/or HVAC systems that have caused chronic water leaks – particularly in and around the staff rest room area - which have caused an area of continuously wet and stained ceiling tiles.
4. Replace all existing water stained or otherwise damaged ceiling tiles with new tiles that matching existing.
5. Provide new/revised light switching in one room to accommodate Tenants' safe use of primary entry door.
6. Provide a minimum of one coat of fresh paint on all existing office area (warehouse and garage areas excluded) walls, door and window frames.
 - a. Paint provided on all walls shall be washable latex satin finish, color to match existing.
 - b. Paint provided on all door and window frames to be washable latex low sheen semi-gloss finish , color to be selected by the Tenant
 - c. Provide a minimum of one coat primer and two coats of finish washable latex satin finish paint on all newly constructed walls; color to be selected by the Tenant
7. Provide "Privacy lock" on latch set hardware at the entry door to the newly designated "Maternal Care" room.

Part IV Recycling: The manner in which recycling at the Premises will be implemented and sustained is either documented below or as specified in the attachment hereto titled "Recycling" which shall be made part of the Agreement by reference.

1. The Landlord shall cooperate with the Tenant's efforts to recycle waste products for which markets are available; the recyclable products will be gathered by the Tenant – or the Tenant's janitorial provider - from the Premises.
2. The Tenant and/or the Tenant's janitorial provider shall bag and remove items for recycling, conveying and depositing them in a community recycling center. Recycled products shall be collected by the Tenant in the following manner:
 - a. Approximately once (one time) per week the Tenant's janitorial service provider ("Provider") or staff members shall gather waste products for recycling from the Premises, these items shall be properly sorted and deposited into garbage bags;
 - b. The Provider shall ascertain the weight of such bags documenting the approximate average weight of full or partially full bags per commodity.
 - c. Upon each collection the Provider shall document via notation ("tick marks on a clipboard will suffice) the number of bags collected per commodity and whether the bags are full or partially full.
 - d. At the end of each month the Provider shall tally the number of bags (detailed by full or partially full) collected per commodity and multiply that sum by the average weight of such bags.
 - i. On a Quarterly basis the Provider shall send the results of these monthly volume tallies to the Tenant's "Contact Person" (listed in section 23.2 herein) in order to provide conformance with State of New Hampshire recycling reporting requirements.

Landlord Initials: ARW
Date: _____

REC 05 2012

Exhibit D
Floor Plan: Renovations

Landlord to construct NEW Conf rm and Auditor's rm with full height drywall partitions, adjusting lighting, HVAC, and sprinklers as needed

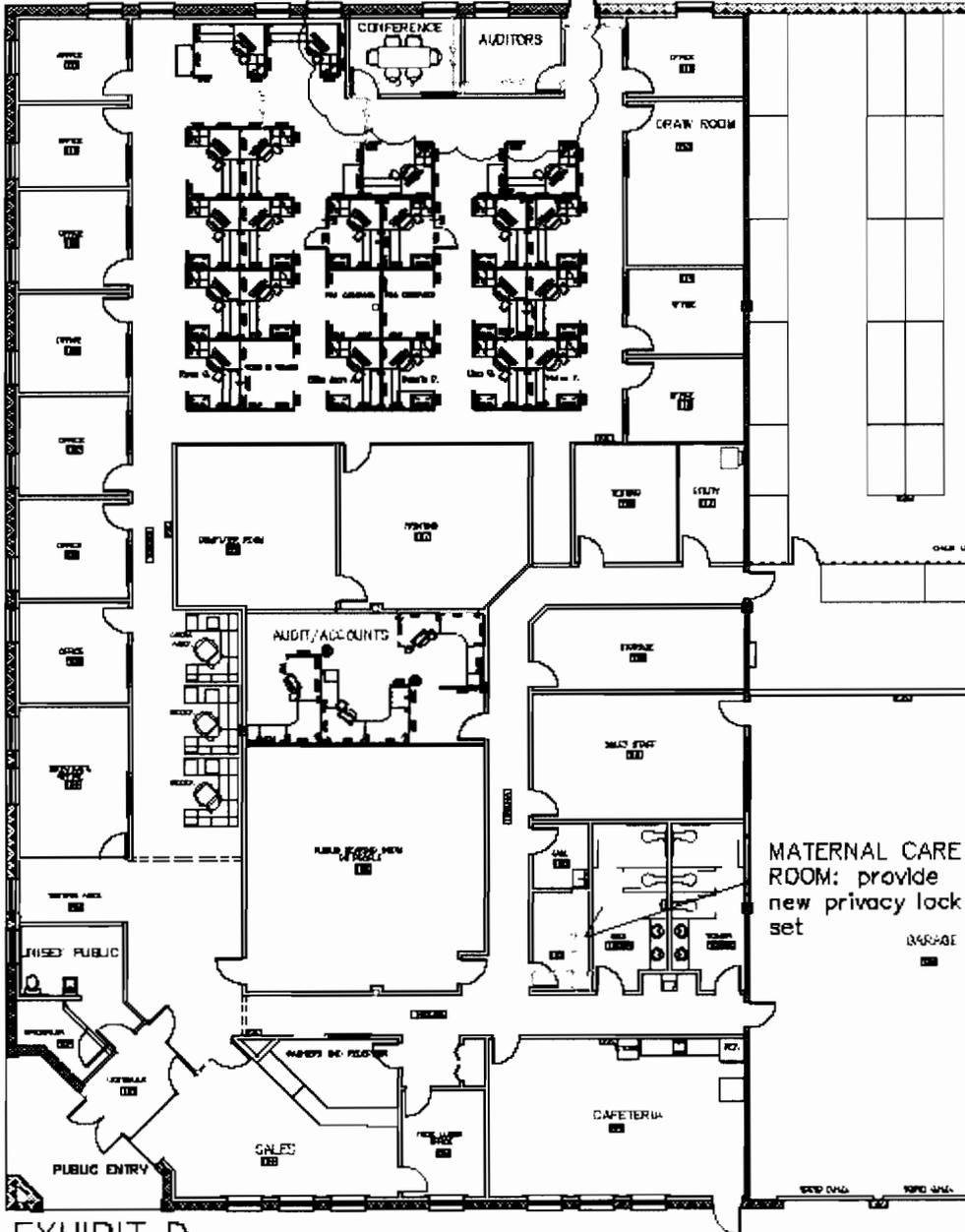
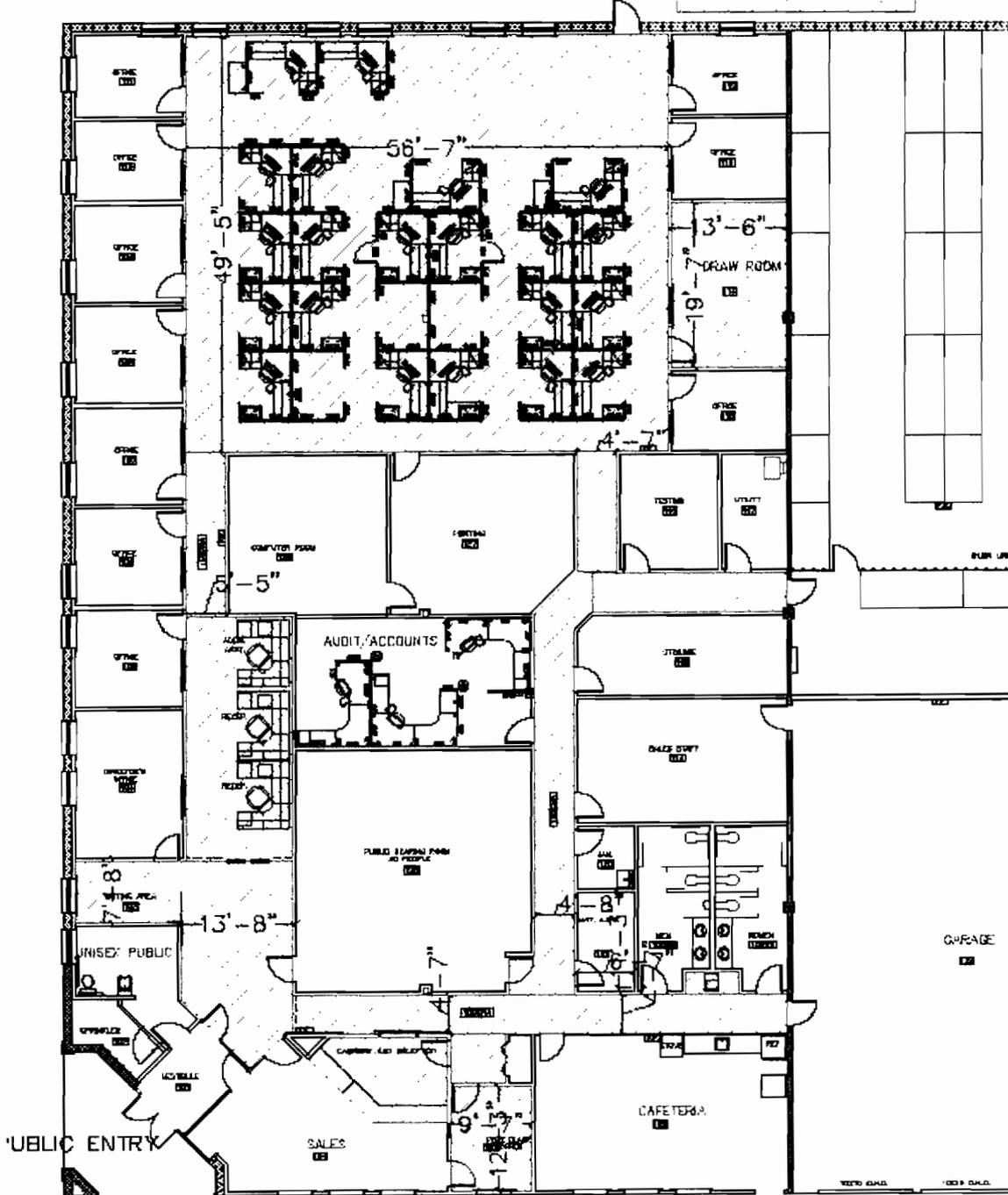


EXHIBIT D
NH LOTTERY COMMISSION
14 Integra Drive, Concord NH
Tenant Space: approx. 24,300 sq. ft.

Landlord Initials: *[Signature]*
Date: _____
DEC 9

Exhibit D
Floor Plan: Scope of Carpet Replacement

SCOPE OF CARPET REPLACEMENT:
ALL SHADED AREAS



Landlord Initials: _____
Date: _____

[Handwritten Signature]
05 2012

**EXHIBIT E
SPECIAL PROVISIONS**

The parties' agreements concerning modifications or additions to the foregoing standard provisions of this lease shall be as set forth below or attached hereto and incorporated by reference:

Special Provisions

1. Public Disclosure: The Tenant has disclosed to the Landlord and the Landlord has acknowledged that in accordance with RSA 9-F:1 any information submitted as part of the proposal which preceded the Agreement herein, and the contents and attachments to the Agreement herein, will be made accessible to the public online via the State of New Hampshire website. Accordingly, the Landlords' business financial information and proprietary information such as trade secrets, business and financials models and forecasts, and proprietary formulas may be exempt from public disclosure under RSA 91-A:5, IV; the Landlord has been provided the opportunity to specifically identify any such information in a supplemental letter requesting the Tenant redaction specific information, which the Tenant shall redact prior to such disclosure provided such action is allowed under RSA 91-A:5, !V.

MODIFICATION OF STANDARD PROVISIONS:

The standard provisions of Section 15 Insurance have been deleted, replaced by the following:

15 Insurance: During the Term and any extension thereof, the Landlord shall at it's sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance with respect to the Premises and the property of which the Premises are a part: comprehensive general liability insurance against all claims of bodily injury, death or property damage occurring on, (or claimed to have occurred on) in or about the Premises. Such insurance is to provide minimum insured coverage conforming to: General Liability coverage of not less than one million (\$1,000,000) per occurrence and not less than two million (\$2,000,000) general aggregate; with coverage of Excess/Umbrella Liability *not required*. The policies described herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance and issued by insurers licensed in the State of New Hampshire. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Tenant no less than ten (10) days prior written notice of cancellation or modification of the policy. The Landlord shall deposit with the Tenant certificates of insurance for all insurance required under this Agreement, (or for any Extension or Amendment thereof) which shall be attached and are incorporated herein by reference. During the Term of the Agreement the Landlord shall furnish the Tenant with certificate(s) of renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the policies.

- 15.1 Workers Compensation Insurance:** To the extent the Landlord is subject to the requirements of NH RSA chapter 281-A, Landlord shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Landlord shall furnish the Tenant proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The Tenant shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for the Landlord, or any subcontractor of the Landlord, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

BRW
12/10/12
CJ
12/21/12

Landlord Initials: BRW
Date: 12/10/2012



STATE OF NEW HAMPSHIRE

GOVERNOR'S COMMISSION
ON DISABILITY

John H. Lynch, Governor
Paul Van Blarigan, Chairman
John W. Richards, MSW, MBA, Executive Director

57 Regional Drive
Concord, NH 03301-8518
(603) 271-2773
1-800-852-3405 Toll Free } Voice or TTY
(603) 271-2837 FAX

November 13, 2012

To the Honorable Governor John Lynch and Members of the Executive Council

Requested Action

RECOMMENDATION REGARDING LEASE APPROVAL

Lessee: New Hampshire Lottery Commission
Location: 14 Integra Drive, Concord, NH 03301
Lessor: Bert R. Whittemore Revocable Trust, 4 Park Street, Concord, NH 03301
Term: May 1, 2013-- April 30, 2018

The Architectural Barrier Free-Design Committee respectfully recommends that the subject **LEASE RENEWAL** of approximately 24,300 square feet of space be approved, without conditions.

This recommendation is based upon the site-surveys completed by Administrative Services and on the assurances of that agency's ADA Coordinator. The Accessibility Specialist cannot survey all state leased properties. However, as a safeguard for the state against ADA litigation, and to assure access for the state's people with disabilities, random surveys are performed.

Should future inspection by Administrative Services or the Architectural Barrier-Free Design Committee prove that areas of non-compliance exists, the agency should withhold rent until the landlord brings it into compliance, or should negotiate to remedy the non-complying areas.

Respectfully submitted and approved by the Architectural Barrier-Free Design Committee,

DAVE GLEASON
David Gleason, Chair

JLS 11-15-12

Client#: 20728

WHITT2

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 01/11/2013

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

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

PRODUCER: Davis Towle Morrill & Everett, 115 Airport Road, Concord, NH 03302-1260. CONTACT NAME: Davis Towle Morrill & Everett, PHONE (A/C, No, Ext): 603 225-6611, FAX (A/C, No): 603-225-7935. INSURER(S) AFFORDING COVERAGE: Central Insurance Company.

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

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

Table with columns: INSR LTR, TYPE OF INSURANCE, ADDL SUBR INSR, WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Includes sections for General Liability, Automobile Liability, Umbrella Liab, and Workers Compensation.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required) Re: 14 Integra Drive, Concord, NH

CERTIFICATE HOLDER: N. H. Lottery, 14 Integra Drive, Concord, NH 03301. CANCELLATION: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE: [Signature]

BERT R. WHITTEMORE

4 PARK STREET
CONCORD, NEW HAMPSHIRE 03301
TEL. (603) 224-0126

December 5, 2012

Mary Belec, Administrator II
Department of Administrative Services
Bureau of Planning & Management
State House Annex- Room 111, 25 Capitol St.
Concord, NH 03301

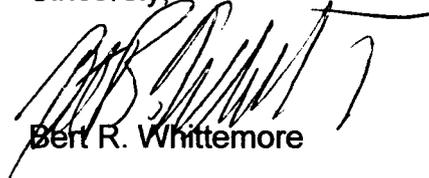
Subject: New Lease for the NH Sweepstakes Commission

Dear Mary,

This letter is to authorize that I am certified to sign in person as the Trustee of the Bert R. Whittemore Revocable Trust of December 3, 1993.

Thank You,

Sincerely,



Bert R. Whittemore

BERT R. WHITTEMORE

4 PARK STREET
CONCORD, NEW HAMPSHIRE 03301
TEL. (603) 224-0126

December 5, 2012

Mary Belec, Administrator II
Department of Administrative Services
Bureau of Planning & Management
State House Annex- Room 111, 25 Capitol St.
Concord, NH 03301

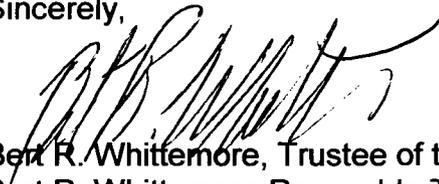
Subject: New Lease for the NH Sweepstakes Commission

Dear Mary,

This is to certify that neither my own personal entilty or the Bert R. Whittemore Revocable Trust of Dec. 3, 1993 carry Workmans Comprehensive Insurance since neither has any employees.

Thank You,

Sincerely,



Bert R. Whittemore, Trustee of the
Bert R. Whittemore Revocable Trust of Dec.
3, 1993 and as
Bert R. Whittemore

**DEPARTMENT OF ADMINISTRATIVE SERVICES
SYNOPSIS OF ENCLOSED LEASE CONTRACT**

FROM: Mary Belec, Administrator II
Department of Administrative Services
Bureau of Planning and Management

DATE: January 31, 2013

SUBJECT: Attached Lease;
Approval respectfully requested.

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

LESSEE: NH Lottery Commission, 14 Integra Drive, Concord NH 03301

LESSOR: Bert R. Whittemore Revocable Trust, 4 Park Street, Concord NH 03301

DESCRIPTION: Lease Renewal. Approval of the enclosed will authorize renewal of the Lottery Commission's current location providing approximately 24,300 square feet of office and warehouse space in a single/ground floor level building at 14 Integra Drive, Concord NH. This agreement also authorizes an additional one-time payment to the landlord as reimbursement for construction of two new offices in the current "open office" area; these new rooms will accommodate auditors and an additional conference room; areas of worn carpeting and paint will be replaced at no additional charge to Tenant.

TERM: Five (5) years, commencing May 1, 2013 ending April 30, 2018.

OPTIONS: None

RENT: Year One -Three: 0% escalation at \$405,810.00 (\$16.70 per SF) annually

Year Four: 1.5% escalation at \$411,897.12 (\$16.95 per SF) annual

Year Five: 0% escalation at \$411,897.12 (\$16.95 per SF) annual

TTL RENT: \$2,041,224.24

ADDITIONAL: One-time payment of \$4,100.00 to be made after completion of renovations

JANITORIAL: Additional cost, approximately \$8,460.00 (approx. \$.35 per SF) annually

UTILITIES: Provision included in annual rent

TOTAL 5-YEAR COST: \$2,045,324.24 rent + approx. \$42,300 janitorial = \$2,087,624.24 ttl cost

PUBLIC NOTICE: Completed RFP process however only one offer was received, current landlord who offered five-year renewal with 3% annual escalation. This initial proposal was negotiated downward as shown above, providing a saving of \$177,910.57 over the term

CLEAN AIR PROVISIONS: The office space will be re-tested for conformance with clean air standards after inception of the renewal term

BARRIER-FREE DESIGN COMMITTEE: Reviewed by Committee, approval recommended

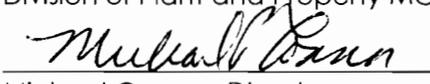
OTHER: Approval of the enclosed lease is recommended

The enclosed contract complies with the State of NH Division of Plant and Property Rules
And has been reviewed & approved by the Department of Justice.

Reviewed and recommended by:
Bureau of Planning and Management


Mary Belec, Administrator II

Approved by:
Division of Plant and Property MGMT


Michael Connor, Director