SEP25'20 PH12:57 CAS



Victoria F. Sheehan

Commissioner

THE STATE OF NEW HAMPSHIRE DEPARTMENT OF TRANSPORTATION



William Cass, P.E. Assistant Commissioner

Bureau of Right-of-Way

August 26, 2020

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

# **REQUESTED ACTION**

Pursuant to RSA 4:39-c and 228:31 authorize the Department of Transportation (Department) to sell 0.2 +/- acre of State-owned land to JW Mac Home Improvements LLC (Grantee). The property is improved with a six-unit condominium building located at 25 Hawk Road in the Town of Conway. The approved price for the property is \$339,100.00, which includes a \$1,100.00 Administrative Fee, effective upon Governor and Executive Council approval.

The Department's Bureau of Finance and Contracts determined the subject property was purchased with 100% Federal Funds.

04-096-096-960015-0000-UUU-402156	<u>FY 2021</u>
Administrative Fee	\$1,100.00
04-096-096-963515-3054-401771 Sale of Parcel (100% of \$338,000.00)	<u>FY 2021</u> \$338,000.00

# **EXPLANATION**

The Department received a request from the Grantee, to purchase the subject property located in the Town of Conway.

The subject property was purchased in 2010 for the Conway 11339-B project which has not been constructed, and consists of two-hundredths (0.2 +/-) of an acre parcel of land, improved with a six-unit condominium building. The building is located on property both owned by the Department, and land owned by the Artist Brook Condominium Association. After the acquisition of the subject property in 2010, the Department separated its relationship with the Artist Brook Condominium Association.

The Department has determined this property to be surplus to its needs and interest. Conveyance of the property includes the following conditions:

- 1. Access to this parcel is over a temporary construction easement between the Department and the Artist Brook Condominium Association, which expires October 31, 2024. No other access will be granted from the Department in conjunction with the proposed Conway Bypass project.
- 2. The Artist Brook Condominium Association supports the sale and renovation of the six-unit condominium building as stated in their letter to the Department dated May 7, 2020.

On June 22, 2020, the Long Range Capital Planning and Utilization Committee met and approved the Department's request to sell the property to the Grantee for \$339,100.00, which includes a \$1,100.00 Administrative Fee.

The Department is respectfully requesting authorization to sell the subject property as noted above.

Sincerely,

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Victoria F. Sheehan Commissioner

VFS/SGL/Imw Attachments

# **PURCHASE AND SALES AGREEMENT**

Upon approval of Governor and Council ("EFFECTIVE DATE") EFFECTIVE DATE is defined in Section 21 of this Agreement.

1. THIS AGREEMENT made this <u>28th</u> day of <u>August, 2020</u> between <u>Department of Transportation</u> ("SELLER") of <u>7 Hazen</u> <u>Drive, PO Box 483, Concord, NH 03302</u>, And <u>JMac Home Improvements, LLC</u> ("BUYER") of <u>109 East Conway Road, PO</u> <u>Box 405, Conway, NH 03860</u>.

2. WITNESSETH: That SELLER agrees to sell and convey, and BUYER agrees to buy certain real estate situated in the Town of Conway\_located at:

25 Hawk Road, Unit 1 and recorded in Carroll County Book <u>1724</u> Page <u>0649</u> Dated <u>11/21/1997</u> ("PROPERTY"). 25 Hawk Road, Unit 2 and recorded in Carroll County Book <u>1801</u> Page <u>0779</u> Dated <u>04/16/1998</u> ("PROPERTY"). 25 Hawk Road, Unit 3 and recorded in Carroll County Book <u>1783</u> Page <u>0559</u> Dated <u>12/11/1998</u> ("PROPERTY"). 26 Hawk Road, Unit 4 and recorded in Carroll County Book <u>1724</u> Page <u>0660</u> Dated <u>11/21/1997</u> ("PROPERTY"). 25 Hawk Road, Unit 5 and recorded in Carroll County Book <u>2872</u> Page <u>0735</u> Dated <u>08/06/2010</u> ("PROPERTY"). 25 Hawk Road, Unit 6 and recorded in Carroll County Book <u>2875</u> Page <u>0268</u> Dated <u>12/23/2008</u> ("PROPERTY"). 25 Hawk Road, Unit 6 and recorded in Carroll County Book <u>2872</u> Page <u>0735</u> Dated <u>08/06/2010</u> ("PROPERTY"). 26 Hawk Road, Unit 6 and recorded in Carroll County Book <u>2755</u> Page <u>0268</u> Dated <u>12/23/2008</u> ("PROPERTY").

3. The SELLING PRICE is <u>three-hundred thirty-nine thousand, one hundred</u> Dollars <u>\$339,100,00</u>. A DEPOSIT in the form of a <u>Personal Check</u>, is to be held in an escrow account by ("SELLER"), BUYER in has delivered, or in will deliver to the ESCROW AGENT's FIRM within <u>XXX</u> days of the EFFECTIVE DATE, a deposit of earnest money in the amount of <u>\$600,00</u>. If said deposit is to be delivered after this Offer is accepted by SELLER and is not delivered by the above deadline, this Agreement shall automatically terminate. BUYER agrees that an additional deposit of earnest money in the amount of <u>\$N/A</u> will be delivered on or before N/A. Failure by BUYER to deliver this additional deposit shall constitute a default under this Agreement. The remainder of the purchase price shall be paid by wire, certified, cashier's or trust account check in the amount of <u>\$338,600,00</u>.

4. DEED: Marketable title shall be conveyed by a Quitclaim Deed.

5. TRANSFER OF TITLE: On or before October 16, 2020 at 25 Hawk Road, Conway NH, 03860 or some other place of mutual consent as agreed to in writing.

6. POSSESSION: Full possession and occupancy of the premises, shall be given upon the transfer of title free of all tenants and occupant's personal property and encumbrances except as herein stated. Said premises to be then in the same condition in which they now are, reasonable wear and tear excepted. SELLER agrees that the premises will be delivered to BUYER free of all debris and in "broom clean" condition. Exceptions: <u>N/A</u>

Buyer reserves the right to conduct a walk through inspection upon reasonable notice to the SELLER within <u>24</u> hours prior to time of closing to ensure compliance with the terms of this Agreement.

7. REPRESENTATION: The undersigned SELLER(S) and BUYERS(S) acknowledge the roles of the agents as follows: <u>N/A of N/A is a D</u> seller agent D buyer agent D facilitator D disclosed dual agent\*

N/A of N/A is a seller agent buyer agent facilitator disclosed dual agent\*

\*If agent(s) are acting as disclosed dual agents, SELLER and BUYER acknowledge prior receipt and signing of a Dual Agency Informed Consent Agreement.

INOTICE OF DESIGNATED AGENCY: If checked, notice is hereby given that BUYER is represented by a designated buyer's agent and SELLER is represented by a designated seller's agent in the same firm.

8. IN CASE OF LOSS: In case of complete or partial loss of the building on said premises this Agreement may be rescinded and the DEPOSIT refunded at the option of BUYER, if any such loss exceeds \$1,000.00. This is the only remedy available to BUYER should such loss occur.

SELLER(S) INITIALS

BUYER(S) INITIALS

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#### PURCHASE AND SALES AGREEMENT

9. TITLE: If upon examination of title it is found that the title is not marketable, SELLER shall have a reasonable time, not to exceed thirty (30) days from the date of notification of defect (unless otherwise agreed to in writing), to remedy such defect. Should SELLER be unable to provide marketable title within said thirty (30) days, BUYER may rescind this Agreement at BUYER'S sole option, with full deposit being refunded to BUYER and all parties being released from any further obligations hereunder. SELLER hereby agrees to make a good faith effort to correct the title defect within the thirty (30) day period above prescribed once notification of such defect is received. The cost of examination of the title shall be borne by BUYER.

10. PRORATIONS: Taxes, condo fees, special assessments, rents, water and sewage bills and fuel in storage shall be prorated as of time and date of closing.

#### **11. PROPERTY INCLUDED: All Fixtures**

12. In compliance with the requirements of RSA 477:4-a, the following information is provided to BUYER relative to Radon Gas and Lead Paint:

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

LEAD PAINT: Before 1978, paint containing lead may have been used in structures. The presence of flaking lead paint can present a serious health hazard, especially to young children and pregnant women. Tests are available to determine whether lead is present. Disclosure Regulated D YES X NO

# 13. BUYER ACKNOWLEDGES PRIOR RECEIPT OF SELLER'S PROPERTY DISCLOSURE FORM ATTACHED HERETO AND SIGNIFIES BY INITIALING HERE:

14. INSPECTIONS: The BUYER is encouraged to seek information from licensed home inspectors and other professionals normally engaged in the business regarding any specific issue of concern. SELLER'S real estate FIRM makes no warranties or representations regarding the condition, permitted use or value of the SELLER'S real or personal property. This Agreement is contingent upon the following inspections, with results being satisfactory to the BUYER:

TYPE OF INSPECTION:	YE\$ NO	RESULTS TO SELLER	TYPE OF INSPECTION:	YES NO	<b>RESULTS TO SELLER</b>
a. General Building	0 0	within days	f. Lead Paint	00	within days
b. Sewage Disposal	00	within days	g. Pests	00	within days
c. Water Quality	00	within days	h. Hazardous Waste	00	within days
d. Radon Air Quality	00	within days	i. XXX -	00	within days
e. Radon Water Quality	00	within days	j. XXX	00	within days

The use of days is intended to mean calendar days from the effective date of this Agreement. All inspections will be done by licensed home inspectors or other professionals normally engaged in the business, to be chosen and paid for by BUYER. If BUYER does not notify SELLER that the results of an inspection are unsatisfactory within the time period set forth above, the contingency is waived by BUYER. TIME IS OF THE ESSENCE. If the results of any inspection specified herein reveal significant issues or defects, which were not previously disclosed to BUYER, then:

(a) SELLER shall have the option of repairing or remedying the unsatisfactory condition(s) prior to transfer of title, so long as BUYER and SELLER both agree on the method of repair or remedy; or

(b) If SELLER is unwilling or unable to repair or remedy the unsatisfactory condition(s) or BUYER and SELLER cannot reach agreement with respect to the method of repair or remedy, then this Agreement shall be null and void, and all deposits will be returned to BUYER in accordance with the procedures required by the New Hampshire Real Estate Practice Act (N.H. RSA 331-A:13); or

(c) BUYER may terminate this Agreement in writing and all deposits will be returned to BUYER in accordance with the procedures required by the New Hampshire Real Estate Practice Act (N.H. RSA 331-A:13).

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## PURCHASE AND SALES AGREEMENT

Notification in writing of SELLER'S intent to repair or remedy should be delivered to BUYER or BUYER'S Agent within five (5) days of receipt by SELLER of notification of unsatisfactory condition(s). In the absence of inspection mentioned above, BUYER is relying upon BUYER'S own opinion as to the condition of the PROPERTY.

BUYER HEREBY ELECTS TO WAIVE THE RIGHT TO ALL INSPECTIONS AND SIGNIFIES BY INITIALING HERE:

**15. DUE DILIGENCE:** This Agreement is contingent upon BUYER'S satisfactory review of the following:

	YES N	0	YES	NO
a. Restrictive Covenants of Record	🛛 📌 🛛	d. Condominium documentation per N.H. RSA 356-8:58	Б	0
b. Easements of Record/Deed	🖌 💋 🛛	e. Co-op/PUD/Association Documents	<b>"</b>	D
c. Park Rules and Regulations	<b>y</b> e o	f. Availability of Property/Casualty Insurance	ø	۵

If such review is unsatisfactory, BUYER must notify SELLER in writing within XXX days from the effective date of the Agreement failing which such contingency shall lapse.

16. LIQUIDATED DAMAGES: If BUYER shall default in the performance of their obligation under this Agreement, the amount of the deposit may, at the option of SELLER, become the property of SELLER as reasonable liquidated damages. In the event of any dispute relative to the deposit monies held in escrow, the ESCROW AGENT may, in its sole discretion, pay said deposit monies into the Clerk of Court of proper jurisdiction in an Action of Interpleader, providing each party with notice thereof at the address recited herein, and thereupon the ESCROW AGENT shall be discharged from its obligations as recited therein and each party to this Agreement shall thereafter hold the ESCROW AGENT harmless in such capacity. Both parties hereto agree that the ESCROW AGENT may deduct the cost of bringing such Interpleader action from the deposit monies held in escrow prior to the forwarding of same to the Clerk of such court.

17. PRIOR STATEMENTS: Any verbal representation, statements and agreements are not valid unless contained herein. This Agreement completely expresses the obligations of the parties.

**18. FINANCING**: This Agreement (D is) (X is not) contingent upon BUYER obtaining financing under the following terms:

AMOUNT XXX TERM/YEARS XXX RATE MORTGAGE TYPE XXX

For the purposes of this Agreement, financing is to be demonstrated by a conditional loan commitment letter, which states that BUYER is creditworthy, has been approved and that the lender shall make the loan in a timely manner at the Closing on specified customary conditions for a loan of the type specified above. BUYER is responsible to resolve all conditions included in the loan commitment by the Closing date.

The existence of conditions in the loan commitment will not extend either the Financing Deadline described below or the closing date.

BUYER hereby authorizes, directs and instructs its lender to communicate the status of BUYER'S financing and the satisfaction of lender's specified conditions to SELLER and SELLER'S/BUYER'S real estate FIRM.

TIME IS OF THE ESSENCE in the observance of all deadlines set forth within this financing contingency.

BUYER agrees to act diligently and in good faith in obtaining such financing and shall, within <u>XXX</u> calendar days from the effective date, submit a complete and accurate application for mortgage financing to at least one financial institution currently providing such loans, requesting financing in the amount and on the terms provided in this Agreement.

If BUYER provides written evidence of inability to obtain financing to SELLER by XXX ("Financing Deadline"), then:

(a) This Agreement shall be null and void; and

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SELLER(S) INITIALS

BUYER(S) INITIALS

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## PURCHASE AND SALES AGREEMENT

(b) All deposits will be returned to BUYER in accordance with the procedures required by the New Hampshire Real Estate Practice Act (N.H. RSA 331-A:13) ("the Deposit Procedures"); and

(c) The premises may be returned to the market.

BUYER may choose to waive this financing contingency by notifying SELLER in writing by the Financing Deadline and this Agreement shall no longer be subject to financing.

If, however:

(a) BUYER does not make application within the number of days specified above; or

(b) BUYER fails to provide written financing commitment or written evidence of inability to obtain financing to SELLER by the Financing Deadline,

Then SELLER shall have the option of either:

- (a) Declaring BUYER in default of this Agreement; or
- (b) Treating the financing contingency as having been waived by BUYER.

If SELLER declares BUYER in default, in addition to the other remedies afforded under this Agreement:

- (a) SELLER will be entitled to all deposits in accordance with the Deposit Procedures; and
- (b) This Agreement will be terminated; and
- (c) The premises may be returned to the market for sale.

If SELLER opts to treat the financing contingency as waived or relies on a conditional loan commitment and BUYER subsequently does not close in a timely manner, SELLER can then declare BUYER in default. SELLER then, in addition to the other remedies afforded under this Agreement:

(a) Will be entitled to all deposits in accordance with the Deposit Procedures; and

- (b) This Agreement will be terminated; and
- (c) The premises may be returned to the market for sale.

BUYER shall be solely responsible to provide SELLER in a timely manner with written evidence of financing or lack of financing as described above.

### **19. ADDITIONAL PROVISIONS:**

This Purchase and Sales Agreement is subject to approval by the Governor and Executive Council

The described property at 25 Hawk Road, Units 1-6 are being sold "Where is-As is"

#### 20. ADDENDA ATTACHED: D Yes X No

21. EFFECTIVE DATE/NOTICE: Any notice, communication or document delivery requirements hereunder may be satisfied by providing the required notice, communication or documentation to the party or their licensee. Withdrawals of offers and counteroffers will be effective upon communication, verbally or in writing. This Agreement is a binding contract which shall become effective upon approval of the Governor and Council, pursuant to RSA 4:39-c. Licensee is authorized to fill in the EFFECTIVE DATE on Page 1 hereof. The use of days is intended to mean calendar days from the EFFECTIVE DATE of this

SELLER(S) INITIALS	BUYER(S) INITIALS

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#### PURCHASE AND SALES AGREEMENT

Agreement. Deadlines in this Agreement, including all addenda, expressed as "within x days" shall be counted from the EFFECTIVE DATE, unless another starting date is expressly set forth, beginning with the first day after the EFFECTIVE DATE, or such other established starting date, and ending at 12:00 midnight Eastern Time on the last day counted. Unless expressly stated to the contrary, deadlines in this Agreement, including all addenda, expressed as a specific date shall end at 12:00 midnight Eastern Time on such date.

22. GOVERNING LAW: All aspects of this Agreement shall be governed by the laws of the State of New Hampshire.

23. ENTIRE AGREEMENT: This Agreement contains the entire agreement of the parties relating to the transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, warranties and statements, oral or written, are merged herein. This Agreement cannot be materially modified or altered unless reduced to writing and consented to by all the undersigned parties.

Each party is to receive a fully executed duplicate original of this Agreement. This Agreement shall be binding upon the heirs, executors, administrators and assigns of both parties.

PRIOR TO EXECUTION IF NOT FUELY UNDERSTOOD, PARTIES ARE ADVISED TO CONTACT AN ATTORNEY.

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TIME	DATE	BUYER	TIME	DATE /	BUYER
		MAILING ADDRESS			MAILING ADDRESS
ZIP	STATE	CITY	ZIP	STATE	CITY
-	STATE	ĊITY	ZIP	STATE	CITY

SELLER accepts the offer and agrees to deliver the above-described PROPERTY at the price and upon the terms and conditions set forth:

SELLER New Hampshire Department of Transportation 7 Hazen Drive, PO Box 483	SELLER DATE TIME
MAILING ADDRESS	MAILING ADDRESS
Concord, New Hampshire 03302-0483	CITY STATE ZIP

CITY STATE ZIP

LRCP 20-032



State of New Hampshire

MICHAEL W. KANE, MPA Legislative Budget Assistant (603) 271-3161

CHRISTOPHER M. SHEA, MPA Deputy Legislative Budget Assistant (603) 271-3161 OFFICE OF LEGISLATIVE BUDGET ASSISTANT State House, Room 102 Concord, New Hampshire 03301 STEPHEN C. SMITH, CPA Director, Audit Division (603) 271-2785

June 23, 2020

Stephen G. LaBonte, Administrator Department of Transportation Bureau of Right-of-Way John O. Morton Building Concord, New Hampshire 03301

Dear Mr. LaBonte,

The Long Range Capital Planning and Utilization Committee, pursuant to the provisions of RSA 4:39-c, on June 22, 2020, approved the request of the Department of Transportation, Bureau of Right-of-Way, to sell a 0.2 +/- of an acre of State owned land, improved with a six-unit condominium building, located at 25 Hawk Road in the Town of Conway, to JW Mac Home Improvements LLC, for \$339,100, which includes a \$1,100 Administrative Fee, subject to the conditions as specified in the request dated June 2, 2020.

Sincerely,

/s/ Michael W. Kane

Michael W. Kane Legislative Budget Assistant

MWK/pe Attachment

Cc: Adam Smith, Assistant Administrator Bureau of Right-of-Way

5-22-2020

Hi Mr Smith,

This letter is to follow up our emails. We are still interested in purchasing the State owned Property Artist Brook building for the appraised value. We hope to purchase and remodel the property. Upon completion they will go back into the association. If needed I can be reached at 603-986-6056

> Thank You, Jack McMahon

J W Mac Home Improvements LLC 109 E Conway Rd PO Box 405 N Conway NH 03860 603-986-6056 Artist Brook Condominium Association PO Box 1551 North Conway, NH 03860 May 7, 2020

Dear Mr. Smith,

On April 1st 2020 your email to me at 1:19 pm requested that, at the next condominium association meeting, the association members discuss and vote the association's preference for the future of units one through six. The information you provided is that you have received a proposal from JMAC Home Improvements of Conway NH, to purchase the entire building and to date this is the only letter of interest you have received. We understand that the building and six condominium units will be renovated and when sold the intention is that the units and building would be "brought back" into the association.

On May 5th 2020 at 7:00 pm the association met via conference call and present at this meeting were five of the six unit owners and members of the association. Present were Paul R. Nestor unit seven; Rem Stone unit nine, Deborah Coppola unit ten, Linda Pinkham unit eleven, and Cindy Comtois unit twelve. The owner of unit eight, Ted Kerrigan was not present for this meeting. Based on the bylaws of the association, having five unit owners present at a meeting represents a quorum. It should be noted that an agenda was emailed to all unit owners prior to the meeting outlining what was to be discussed and item number four was the discussion and vote of units one through six. The agenda item four read. State of NH emailed to all unit owners on 3.13.20 invitation to bid out of an abundance of caution. On 4.1.20 I received email from State DOT indicating they had not received any written interest from any unit owner. State plans to move forward with JMAC who has requested letter and fees. The State is requesting a vote from the Association and a letter supporting JMAC with the understanding the units will be brought back into the association. We will be taking this vote tonight.

The matter was discussed and a vote was taken and prior to the roll call vote the agenda item was read and the vote taken. Below is taken from the minutes of the meeting:

"State sent letter to all owners about interest in purchasing property and no one responded. Only real interest so far is JMAC. State must still go through process for sale of property including bids from other interested buyers. Our desire is that

whomever develops units need to come back into the HOA. Held a formal vote to write a letter on behalf of HOA that any buyer be required to come back into the HOA". Vote was unanimous for all voters in attendance. Rem – In favor Debbie – In favor Letter – In favor Cindy – In favor Paul – In favor. Kerrigan's – not present

As you can see the vote was unanimous of the members of the association to proceed with the sale, renovation, and return of the six units to the association. If you require a copy of the agenda or minutes of the meeting as described above please let me know. If you require anything further please do not hesitate to contact me.

> Very truly yours; Paul R. Nestor, Jr President

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DEPT. OF TRANSPORTATION BUREAU OF RIGHT OF WAY

JUL 2 7 2020

JUL 27 2020

Bureau of Right-of-Way JO Morton Building 7 Hazen Dr. PO 483 Concord NH 03302-0483

Att: Stephen G. LaBonte Administrator

Dear Mr LaBonte,

By vote of the Board of Selectmen at their meeting on July 21, 2020, the Town of Conway declines any interest in the proposed sale of the 6 unit condo building formerly part of the Artist Brook Condominiums identified as Map 219 Lot 254 Units 1-8.

Regards,

Thomas Holmes, Town Manager

1634 East Main Street, Center Conway NH 03813 www.conwaynh.org

Phone: (603) 447-3811 X19 Email: THOLMES@CONWAYNH.ORG



DEPT. OF TRANSPORTATION BUREAU OF RIGHT OF WAY

AUG 10 2020

RECEIVED

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August 6, 2020

Stephen G. LaBonte, Administrator New Hampshire Department of Transportation JO Morton Building, Room 100 7 Hazen Drive P.O. Box 483 Concord, NH 03302-0483

**RE:** Conway Property

Dear Mr. LaBonte:

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The New Hampshire Housing Finance Authority is not interested in purchasing the property in Conway, described in your letter of July 8, 2020.

Thank you for giving us the opportunity to review this parcel.

Sincere Dean J. C

Executive Director

DJC:clp Enclosures

NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

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