

## **DEVELOPMENT AGREEMENT**

**by and between**

**CITY OF DOVER, NEW HAMPSHIRE**

**and**

**VMD EQUITIES DVR, LLC**

**Dated as of August 18<sup>th</sup>, 2015**

**Silver Square Development Project**

### **DEVELOPMENT AGREEMENT**

**THIS AGREEMENT** (the "Development Agreement" or "Agreement") is dated as of August \_\_, 2015 and is made by and between **CITY OF DOVER, NEW HAMPSHIRE**, a body corporate and politic, and a political subdivision of the State of New Hampshire with an address of 288 Central Avenue, Dover, New Hampshire 03820 (the "City") and **VMD EQUITIES DVR, LLC**, a Massachusetts limited liability company with an address of 733 Turnpike Street, Route 114, City of North Andover, County of Essex and State of Massachusetts 01845, (the "Developer").

### **RECITALS**

The Developer is the purchaser/developer of certain property identified as Map 11, Lot 2, said property consisting of 19 acres, more or less, which fronts along Silver Street Road and is situated along Silver Street and the Spaulding ("Project Site").

The City is interested in expanding commercial development throughout the City, and specifically in this currently thoroughfare business zoned area off Silver Street. The Developer is interested in participating in the layout and development of intersection improvements to the north bound on ramp to Exit 8 of the Spaulding turnpike and Silver Street and the entrance to the Project Site.

The Developer has proposed improvements for the Project Site, as set forth at Exhibit B of this Agreement (the "Project"), the total cost for the Assisted Living Facility phase of which has been estimated at Ten Million Dollars (\$10,000,000.00), all as generally set forth in conceptual site plans and building elevation plans, attached to this Agreement as Exhibit C (the "Project Conceptual Plans") and made part of this Agreement.

The Developer and the City wish to document their Agreement pursuant to which the City will reimburse Developer when and if Developer completes certain public improvements and receives a certificate of occupancy for the Project.

**NOW, THEREFORE**, for and in consideration of the mutual covenants and agreements contained herein, the receipt and adequacy of which is hereby acknowledged by both parties hereto, the City and the Developer agree as follows:

## ARTICLE I

### DEFINITIONS

The following terms shall have the meanings ascribed to them in this Article I for purposes of this Development Agreement. Unless otherwise defined below, capitalized terms used herein shall have the meaning as set forth in this Agreement.

*"Ad Valorem Tax Payment Obligation"* shall have the meaning set forth in Section 5.02 of this Agreement.

*"City"* means the City of Dover, New Hampshire, a municipal corporation having an address of 288 Central Avenue, Dover, New Hampshire 03820.

*"City Council"* means the City Council for the City of Dover.

*"City Manager"* means the City Manager for the City of Dover.

*"Completion Date"* means the date on which improvements, as identified in this Agreement, are to be completed after receipt of a certificate of occupancy from the applicable City agency.

*"Developer"* means VMD Equities DVR, LLC, and its respective successors and assigns, where the context of this Development Agreement permits.

*"Development Agreement"* or *"Agreement"* means this Development Agreement, by and between the City and the Developer, as amended or supplemented from time to time.

*"Guaranteed Assessed Value"* shall have the meaning set forth in Section 5.01 of this Development Agreement.

*"Permits and Approvals"* means all permits, approvals and zoning relief to be issued by the City, including all City-approved Plans and Specifications which will govern the construction of all or any part of the Project as set forth at Exhibit E of this Development Agreement.

*"Person"* means an individual, a corporation, a limited liability company, a partnership, a limited liability partnership, an association, a joint stock company, a joint venture, a trust, an unincorporated organization or a government or any agency or political subdivision thereof.

*"Planning Board"* means the City of Dover Planning Board.

*"Project"* shall mean those buildings and improvements described at Exhibit B.

*"Project Conceptual Plans"* means the plans attached to the Development Agreement as Exhibit C.

*"Project Schedule"* means the schedule attached to the Development Agreement as Exhibit D.

*"Project Site"* shall mean Map 11, Lot 2, said property consisting of 19 acres, more or less, which fronts along Silver Street and is situated along Silver Street and the Spaulding Turnpike.

*"Public Improvements"* shall have the meaning set forth in Section 4.04 of this Development Agreement.

*"Review Materials"* means all engineering reports, building plans, title insurance policies, environmental assessments and other relevant materials regarding the Project Site to the extent that any of the foregoing is within the City's possession or control.

*"Start Date"* shall have the meaning set forth in Section 5.01 of the Development Agreement.

*"Tax Guarantee Period"* shall have the meaning set forth in Section 5.01 of this Development Agreement.

## ARTICLE II

### CONDITION PRECEDENT

#### **Section 2.01 City Council Approval Required.**

The parties acknowledge that unless and until the City Council approves this Development Agreement, as evidenced by the signature of the City Manager to this Agreement, pursuant to a duly noticed and authorized vote of the Council, this Development Agreement is not binding on the City. The failure or refusal of the Council to approve this Development Agreement shall mean that such Agreement is null and void and of no force or effect.

## ARTICLE III

### REPRESENTATIONS, WARRANTIES AND COVENANTS

#### **Section 3.01 Representations, Covenants and Warranties of the Developer.**

The Developer represents warrants and covenants for the benefit of the City as follows:

(a) *Organization.* The Developer, as that term is defined in this Agreement, has the power and authority to own its properties and assets and to carry on its business in the State of New Hampshire as now being conducted and as hereby contemplated.

(b) *Authority.* The Developer has the power and authority to enter into and to perform its obligations under this Development Agreement, and has taken all action necessary to cause this Development Agreement to be executed and delivered, and this Development Agreement has been duly and validly executed and delivered by the Developer.

(c) *Binding Obligation.* This Development Agreement is a legal, valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms, subject to bankruptcy and other equitable principles.

(d) *No Conflict.* The execution and delivery by the Developer of this Development Agreement and compliance with the provisions hereof, do not and will not in any material respect conflict with or constitute on the part of the Developer a breach or default under any agreement or instrument to which it is a party or by which it is bound.

(e) *Litigation.* As of the date of this Development Agreement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best of its knowledge, threatened by or against the Developer: (i) in any way questioning the due formation and valid existence of the Developer; (ii) in any way contesting or affecting the validity of this Development

Agreement or the consummation of the transactions contemplated hereby; (iii) which would have a material adverse effect upon the financial condition of the Developer or any of its principals, or its ability to perform its obligations under this Development Agreement.

(f) *Legal Impediments.* The Developer, to the best of its knowledge, represents and warrants that it expects to receive, in a timely manner, all requisite Permits and Approvals. It is understood that the timeliness of the receipt of such Permits and Approvals may not be entirely in the Developer's control. The schedule for receipt of such Permits and Approvals is set forth in the Project Schedule at Exhibit D.

(g) *Compliance with Laws.* The Developer shall not, with knowledge, commit, suffer or permit any act to be done in, upon or to the lands in the Project Site or with respect to the Project in violation of any law, ordinance, rule, regulation or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the lands in the Project Site or with respect to the construction of the Project.

### **Section 3.02 Representations of the City.**

The City represents and warrants to the Developer as follows:

(a) *Organization.* The City is a body corporate and politic and a political subdivision of the State of New Hampshire and has the full legal right, power and authority to enter into this Development Agreement, and to carry out and consummate the transactions on its part.

(b) *Authority.* Upon execution of this Development Agreement by the City Manager, the City, by all necessary official action of the City, shall have duly authorized and approved the adoption, execution and delivery by the City of, and the performance by the City of the obligations on its part contained in this Development Agreement. Such authorizations and approvals shall be in full force and effect and shall not have been amended, modified or rescinded, and this Development Agreement shall have been duly executed and delivered and is enforceable against the City, subject to bankruptcy and other equitable principles.

(c) *Litigation.* There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best of its knowledge, threatened by or against the City: (i) in any way contesting or affecting the validity of this Development Agreement or the consummation of the transactions contemplated hereby; or (ii) in any way affecting the timely construction of the Project.

### **Section 3.03 No Implied Approvals by City.**

Nothing contained in this Development Agreement shall constitute, be deemed to constitute or imply that the City Council, or any City board, department, office, or agency, officer, or employee of the City approves, authorizes, or consents to any action or activity within or required for the development of the Project (other than as set forth in this Agreement), including any land use approval, requirements for the provision of public utilities or services, or

any administrative, judicial, quasi-judicial, or legislative action, unless and until such respective authorizations, approvals or consents are duly and properly issued by the City Council, and/or the City's respective board, department, office, agency, officer or employee.

**Section 3.04 No Waiver of Ordinances, Rules or Regulations.**

Nothing herein shall be construed as affecting the City's or the Developer's rights or duties to perform their respective obligations and fulfill their respective responsibilities under any zoning ordinances, use regulations, building codes, or subdivision requirements, or any other laws, regulations, rules, codes or statutes relating to the development of the improvements anticipated as part of the Project.

ARTICLE IV

CONSTRUCTION AND MAINTENANCE  
OF PROJECT IMPROVEMENTS; PUBLIC IMPROVEMENTS;

**Section 4.01 Duty of Developer to Construct.**

The Developer acknowledges and agrees that, if and when constructed, the Project shall be constructed in accordance with this Agreement, including those improvements identified in Exhibit B, and the Permits and Approvals. The construction of the Project shall also be in compliance with the applicable codes, ordinances, rules and regulations of the City and the State of New Hampshire.

**Section 4.02 Changes to Project Conceptual Plans, Design, Construction.**

During the Developer's prosecution of the Permits and Approvals, the Developer may alter the design of the Project, as described in this Development Agreement, including the Project description at Exhibit B and the Project Plans at Exhibit C, subject to the consent and approval of the City, acting by and through its City Manager (or designee), which approval shall not be unreasonably withheld. Any changes to the design or construction of the Project considered material by the City Manager, in the City Manager's sole discretion, shall require approval by the City Council. Following the issuance of Permits and Approvals, any material changes to the design or construction of the Project which vary from the Permits and Approvals, shall require the approval of the appropriate board, department, office, agency, officer or employee, in addition to the approval of the City, as set forth above.

**Section 4.03 Project Status**

During the term of this Development Agreement, the Developer shall, upon request, supply the City with any relevant information regarding the Project, including the status of occupants for the Project. The City agrees to maintain the confidentiality of such information, as may be requested from time to time by the Developer, consistent with the provisions of RSA 91-A.

#### **Section 4.04 Development of Public Improvements; Reimbursement by City**

As part of the Project, the Developer shall design, engineer and install or cause the design, engineering and installation of, with consultation from and the approvals by the City of the design, engineering and installation work, the following Public Improvements, as shown in the plans at Exhibit C:

A) a single-lane roundabout at the intersection of Silver Street, the north bound onramp for Exit 8 of the Spaulding Turnpike and the entrance to the Project Site.

After a certificate of occupancy has been issued for the proposed seventy five (75) unit Assisted Living Facility building on the Project Site, the City shall reimburse the Developer up to One Million Dollars (\$1,000,000) toward the commercially reasonable costs expended by the Developer on the Public Improvements, including the direct carrying costs associated with procuring a letter of credit or other suitable surety referenced in Section 5.02, and the design and engineering costs related thereto expended by the Developer on the Public Improvements (“the Reimbursement”). Reimbursement requests shall be made in writing with supporting invoices and other documentation reasonably satisfactory to the City, demonstrating the costs of the Public Improvements incurred by the Developer. No developer fees, including any overhead or profit, or markups shall be reimbursed by the City.

### ARTICLE V

#### TAXES; TAX GUARANTEES

##### **Section 5.01 Targeted Taxes.**

A critical element in the decision of the City to enter into this Development Agreement and to undertake reimbursement of some of the costs for the Public Improvements, which shall inure, in part, to the benefit of the Developer, is the generation of *ad valorem* real property taxes for the productive redevelopment of the Project Site. To that end, the Developer warrants that:

(a) *Property Value Guarantee.* Beginning on April 1 of the year immediately following the date on which the Developer is issued a certificate of occupancy for the proposed seventy five (75) unit Assisted Living Facility building designated to be constructed in the Project (“Start Date”), the City and the Developer agree that the overall assessment value of the Project, including the Project Site, for *ad valorem* tax purposes, shall be not less than the amount necessary to generate an annual tax payment, given the then-existing City’s published overall tax rate, equal to the following: The sum of the actual expense to the City to retire, over a five (5) year period, the bond, or portion thereof, issued by the City to provide funding for the Reimbursement, including interest at rates then applicable to the issued bond, plus its reasonable costs, expenses and fees related to the issuance and servicing of the bond (the “Guaranteed Assessed Value”). In the event that following the setting of the Guaranteed Assessed Value, the City discovers any other costs, expenses and fees related to the issued bond which were not

included in the calculation of the original Guaranteed Assessed Value figure or if the Guaranteed Assessed Value was set based on estimates of such interest, costs, fees and expenses that do not reflect the actual interest, costs, fees and expenses, the City, following written notice to the Developer and an opportunity not to exceed thirty (30) days for Developer to raise issues regarding the validity or applicability of such interest, costs, fees and expenses, may modify the Guaranteed Assessed Value unless such interest, costs, fees and expenses were known and should have been included in the setting of the Guaranteed Assessed Value, but were omitted due to the reckless, willful or wanton (but not negligent) conduct of the City.

(b) *Tax Guarantee Period.* For a period of seven (7) years commencing on the date on which the City first establishes the Guaranteed Assessed Value (“Tax Guarantee Period”), the City and the Developer agree that the value of the Project, including the Project Site, for *ad valorem* tax purposes shall be the greater of the Guaranteed Assessed Value and the actual assessed value of the Project, including the Project Site, determined by the City as a result of any valuation or revaluation the City may conduct during the Tax Guarantee Period. The Developer, for itself, and for any tenants or occupants who come to occupy the Project Site during the Tax Guarantee Period, expressly waives any and all suits, claims, and petitions related to the Guaranteed Assessed Value during the Tax Guarantee Period, only, but not as to the right to file for an abatement of taxes relative to any assessment of the value of the Project to the extent such value exceeds the Guaranteed Assessed Value. At no time during the Tax Guarantee Period shall the assessed value of the Project, including the Project Site, decrease below the Guaranteed Assessed Value for *ad valorem* tax purposes. At any time during the Tax Guarantee Period, the City may conduct a revaluation of the Project, including the Project Site. The provisions of this section shall terminate at the end of the Tax Guarantee Period. The parties shall record a notice of this Development Agreement in the Strafford County Registry of Deeds in the form of the notice attached as Exhibit F, which notice shall be discharged at the end of the Tax Guarantee Period.

The Developer shall cooperate with the City to provide information, including cost certifications, leases, and other documents in connection with the Project to permit an accurate assessed valuation for the Project, including the Project Site.

#### **Section 5.02 Tax Shortfalls.**

If, at any time or for any reason during the Tax Guarantee Period, the provisions of the preceding section are determined to be unenforceable or the *ad valorem* taxes produced from the Project, including the Project Site, are less than those which should have been produced had the Project, including the Project Site, been valued at the Guaranteed Assessed Value, then the Developer shall be responsible for the payment of the difference between such taxes assessed on the Project and the *ad valorem* taxes that would have been assessed on the Project, including the Project Site, based on the Guaranteed Assessed Value (the “Ad Valorem Tax Payment Obligation”).

Any Ad Valorem Tax Payment Obligation shall be due and owing at the same time that taxes are generally due for City property owners, and shall be treated as an obligation for the payment of taxes for all purposes related to enforcement of the obligation. Payment of the first



year of taxes based on the provisions of Section 5.01 shall be secured by a letter of credit or other form of surety reasonably acceptable to the City. Such surety shall be posted with the City on or before the issuance of the certificate of occupancy for the first building constructed in the Project.

**Section 5.03 Impact Fees**

All impact fees for the Project shall be paid on or before the Certificate of Occupancy is issued to the Developer for the Project.

ARTICLE VI

MISCELLANEOUS

**Section 6.01 Agreement Termination.**

In instances throughout this Development Agreement where termination of this Agreement is possible, termination must be accomplished by writing provided by the Developer to the City within the deadlines set forth in the Project Schedule. Upon any such termination, neither party shall have any further rights nor obligations hereunder except those obligations that expressly survive such termination.

**Section 6.02 Release and Indemnification.**

The Developer releases the City, the members of the City Council and the City's respective officers, attorneys, agents and employees, from, agrees that the City, the members of the City Council and the City's respective officers, attorneys, agents and employees, shall not be liable for and indemnifies the City, the members of the City Council and the City's respective officers, attorneys, board members, agents and employees against, all liabilities, claims, costs and expenses, including out-of-pocket and incidental expenses and legal fees, imposed upon, incurred or asserted against the City, the members of the City Council and the City's respective officers, attorneys, agents and employees, arising, directly or indirectly, in whole or in part, out of the negligence or willful act or omission of the Developer, its agents or anyone who is directly employed in connection with (i) this Development Agreement and/or (ii) the Project, including the construction of the Project and the maintenance, repair and replacement of any improvements which the Developer is required to undertake pursuant to this Development Agreement or any Permit or Approval, provided that, such release or indemnification shall not apply to any actions or claims brought as a result of any material breach of this Development Agreement, or the willful misconduct or fraudulent action of the City, the members of the City Council and the City's respective officers, attorneys, agents and employees.

In case any claim or demand is at any time made, or action or proceeding is brought, against or otherwise involving the City, any member of the City Council or any officer, attorney, board member, agent or employee of the City, in respect of which indemnity may be sought hereunder, the person seeking indemnity promptly shall give notice of that action or proceeding

to the Developer, and the Developer upon receipt of that notice shall have the obligation and the right to assume the defense of the action or proceedings. An indemnified party may employ separate counsel and participate in the defense, but the fees and expenses of such counsel shall be paid by the indemnified party unless (i) the employment of such counsel has been specifically authorized by the Developer in writing, or (ii) the Developer has failed to assume the defense and to employ counsel or (iii) the named parties to any such action (including any impleaded parties) include both an indemnified party and the Developer, and such indemnified party may have one or more legal defenses available to it which are different from or additional to those available to the Developer, in which case, if the indemnified party notified the Developer in writing that it elects to employ separate counsel at the Developer's expense, the Developer shall not have the right to assume the defense of such action on behalf of such indemnified party and the Developer shall be responsible for payment of the fees and expense of such separate counsel.

The indemnifications set forth above are intended to and shall include the indemnification of all affected officials, attorneys, agents, board members, officers and employees of the City, respectively, and each and all of their successors and assigns. Those indemnifications and any other indemnifications provided for herein are intended to and shall be enforceable by each and every indemnified party to the full extent permitted by law and shall survive the termination of this Development Agreement.

**Section 6.03 Notices.**

Any notice, payment or instrument required or permitted by this Development Agreement to be given or delivered to either party shall be deemed to have been received when personally delivered 1 day after delivery to Federal Express, UPS or other reputable overnight carrier or 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

City: City Manager  
City of Dover, New Hampshire  
City Hall  
288 Central Avenue  
Dover, New Hampshire 03820-4169

With a copy to: General Legal Counsel  
City of Dover, New Hampshire  
City Hall  
288 Central Avenue  
Dover, New Hampshire 03820-4169

Developer: VMD Equities DVR, LLC  
733 Turnpike Street, Route 114,  
North Andover, MA 01845

With a copy to: Ari B. Pollack, Esq.  
Gallagher, Callahan & Gartrell, PC

214 N. Main Street, PO Box 1415  
Concord, New Hampshire 03302-1415

Each party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other party.

**Section 6.04 Severability.**

If any part of this Development Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Development Agreement shall be given effect to the fullest extent possible.

**Section 6.05 Successors and Assigns.**

This Development Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Assignment of this Development Agreement by the Developer shall not be permitted without the prior written consent of the City. In connection with any such consent of the City, the City may condition its consent upon the acceptability of the financial condition of the proposed assignee, upon the assignee's express assumption of all obligations of the Developer hereunder or upon any other reasonable factor which the City deems relevant in the circumstances. In any event, any such assignment of this Development Agreement shall be in writing, shall clearly identify the scope of the rights and obligations assigned and shall not be effective until approved by the City. Notwithstanding the foregoing, the prior written consent of the City shall not be required for a collateral assignment of this Development Agreement by Developer to an institutional commercial lender for the express purpose of obtaining a loan for the construction of the Project or a portion thereof.

**Section 6.06 Waiver.**

Failure by a party to insist upon the strict performance of any of the provisions of this Development Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Development Agreement thereafter.

**Section 6.07 Merger.**

No other agreement, statement or promise made by any party or any employee, officer or agent of any party with respect to any matters covered hereby that is not in writing and signed by all the parties to this Development Agreement shall be binding.

**Section 6.08 Parties in Interest.**

Nothing in this Development Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any member of the public or any person or entity other than the City and the Developer any rights, remedies or claims under or by reason of

this Development Agreement or any covenants, conditions or stipulations hereof, and all covenants, conditions, promises and agreements in this Development Agreement contained by or on behalf of the City or the Developer shall be for the sole and exclusive benefit of the City and the Developer.

**Section 6.09 Amendment.**

This Development Agreement may be amended, from time to time, by written supplement hereto and executed by both the City and the Developer. The City Manager shall have authority to agree to the amendment of this Agreement on behalf of the City without further action of the City Council. Any amendment considered material by the City Manager, in the City Manager's sole discretion, shall require the approval of the City Council.

**Section 6.10 Completion of the Project.**

The City and the Developer have agreed on the Estimated Project Schedule for the redevelopment of the Project Site, as set forth at Exhibit D of this Development Agreement. It includes specific deadlines, including deadlines for the performance of certain duties and obligations by the Developer, which represent Developer's best estimate at the time this Agreement is executed. Notwithstanding any other provision herein to the contrary, Developer shall be under no obligation to commence the Project at the times contained herein, or ever. If, however, Developer does not complete the 75 unit Assisted Living Facility and the Public Improvements, the City shall have no obligation to reimburse Developer for any sums expended by it. If the Developer has not commenced construction on the 75 unit Assisted Living Facility within five (5) years of the execution of this Agreement, both parties shall review and determine, in their sole discretion, if they wish to reaffirm their commitments. For purposes of this Section 6.10, commencement of construction shall mean the issuance of a building permit. Any reaffirmation of commitments shall be executed in writing by both parties.

**Section 6.11 Force Majeure**

In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reasons of strikes, lockouts, inability to procure materials, loss of utility services, restrictive governmental laws or regulations, riots insurrection, war, acts of God, or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Development Agreement, then performance of any such act shall be extended for a period equivalent to the period of such delay.

**Section 6.12 Counterparts.**

This Development Agreement may be executed in counterparts, each of which shall be deemed an original.

**Section 6.13 Effective Date.**

This Development Agreement shall be effective as of the dated date of this Development Agreement.

**Section 6.14 Survival of Covenants**

The covenants and agreements contained within this Development Agreement shall survive the closing.

**Section 6.15 Choice of Law**

The Development Agreement has been entered into in the State of New Hampshire, and shall be interpreted under New Hampshire law.

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

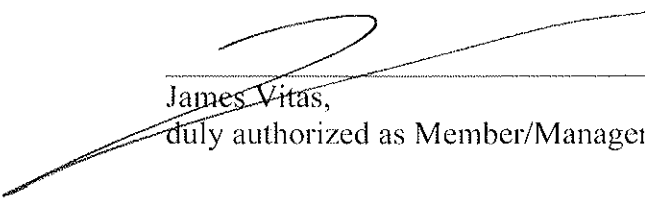
CITY OF DOVER, NEW HAMPSHIRE

By: 

Name: J. Michael Joyal

Title: City Manager

VMD EQUITIES DVR, LLC

  
James Vitas,

duly authorized as Member/Manager

**Exhibit A**

**Property Description**

**(See attached)**

**181 Silver Street, Dover, New Hampshire:**

A certain tract of land with the buildings and improvements thereon in Dover, County of Strafford and State of New Hampshire, and being more particularly described as follows:

BK 2126 PG 0383

Beginning at a New Hampshire Highway Department concrete bound 16.39 feet South 59° 07' 00" West from the Southeast corner of the premises at land now or formerly of Exxon Corporation, on the Northwest side of Silver Street; thence by said Street South 59° 07' 00" West 167.12 feet to a point at Spaulding Turnpike; thence by said Turnpike North 68° 23' 23" West 702.03 feet to a point; thence by said Turnpike North 18° 45' 50" West 769.01 feet to a New Hampshire Highway Department concrete bound; thence by said Turnpike North 18° 45' 50" West 72.98 feet to a steel stake with a cap marked "G.L. Davis" at land now or formerly of the Boston and Maine Railroad Company; thence by said Railroad North 64° 29' 08" East 459.14 feet to a point at land now or formerly of Earl Goodwin, Jr., and Virginia L. Goodwin; thence by said Goodwin land and by land now or formerly of Alfred Catalfo, Jr. and Caroline Catalfo, and Mary H. Card South 5° 59' 31" West 439.78 feet to a steel stake with cap marked "G.L. Davis" at land of said Catalfo; thence by land of said Catalfo North 84° 11' 26" East 800.84 feet to an iron bound at land of said Catalfo; thence by land of said Catalfo and by land now or formerly of William C. Head and Helen E. Head, South 36° 31' 09" East 285.25 feet to an iron pipe at land of said Head; thence by land of said Head South 36° 27' 22" East 74.54 feet to an iron pipe at land now or formerly of Walter J. Brock and Barbara C. Brock; thence by land of said Brock, South 55° 40' 30" West 63.25 feet to an iron pipe at land now or formerly of Bernard J. Duffy and Eleanor K. Duffy; thence by land of said Duffy South 55° 42' 46" West 125.18 feet to an iron pipe at land now or formerly of Texaco, Inc.; thence by land of said Texaco South 55° 32' 26" West 89.58 feet to an iron pipe at land of said Texaco; thence by land of said Texaco South 34° 08' 52" East 62.90 feet to an iron bound to be set at land of said Texaco; thence along land of said Texaco South 55° 33' 13" West 258.54 feet to an iron pipe at land of said Texaco; thence along land of said Texaco and land now or formerly of Exxon Corp. South 34° 32' 05" East 192.63 feet to an iron bound set or to be set on the Northeast side of Silver Street; thence along said Street South 59° 07' 00" West 16.39 feet to the point of beginning.

The property is shown on a proposed subdivision plan prepared by Northeast Lodging of New Hampshire, Scale: 1 inch equals 100 feet, dated May 29, 1986, prepared by Berry Surveying & Engineering, 15 Hillcrest Drive, Rochester, New Hampshire.

## **Exhibit B**

### **Project Improvements and Phasing**

#### **BUILDING DESIGN**

General reference is made to a conceptual plan entitled “Concept Plan 6”, dated April 16, 2015, prepared by Allen & Major Associates, Inc., which was submitted to the Dover Zoning Board of Adjustment under cover letter dated April 24, 2015.

#### **PROJECT SITE GROUNDS, PUBLIC IMPROVEMENTS & STORM WATER**

The Project Site shall be developed to act as new gateway to Dover, along Silver Street at Exit 8 of the Spaulding Turnpike. In keeping with that design, it should reflect modern efficiencies and be a welcoming design. Parking shall be screened and accessible to customers and tenants of the buildings.

The design of the roundabout at the project entrance and Silver Street shall be mutually agreed upon by the Developer and the City and shall be completed in conjunction with the building construction.

The Project shall be deemed to include all land and improvements upon the Project Site, including the 75 unit Assisted Living Facility and all additional principal and accessory uses.

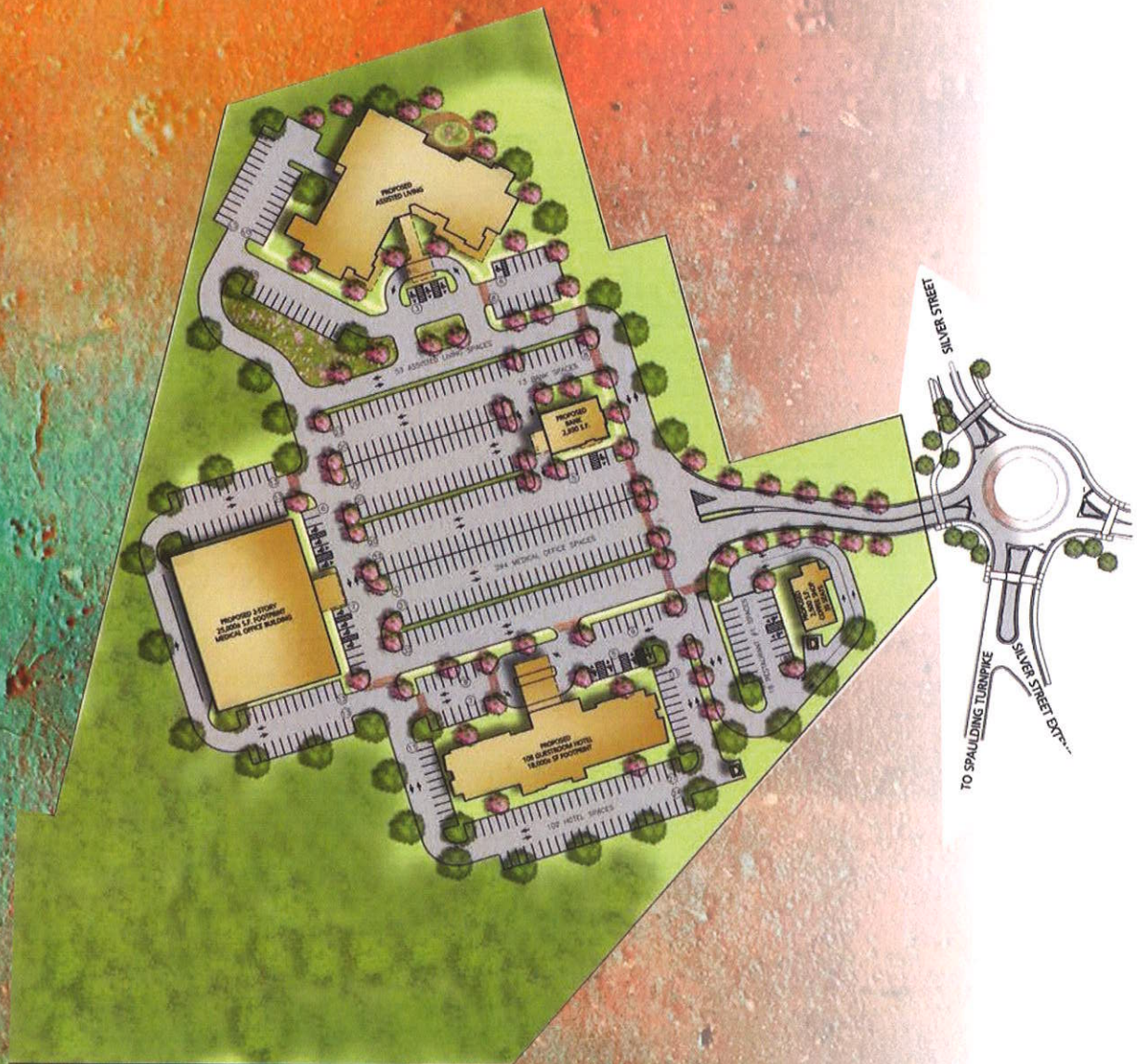


**Exhibit C**

**Project Conceptual Plans**

(See attached)

# PROJECT RENDERING



**Exhibit D**

**Estimated Project Schedule**

8/12/15	City Council Approval of Development Agreement Term Sheet
12/31/15	Complete Planning Board Approval/State and Federal permitting process
1/31/16	Expiration of 30-Day Appeal Period
2016	Begin construction of the Project, including the Assisted Living Facility
2016-2017	Completion of the Project, including the Assisted Living Facility and delivery of certificates of occupancy for the Project

## Exhibit E

### **Permits and Approvals**

1. Variance for height (55' vs 40') and for use (Assisted Living) – APPROVED 5/21/15
2. Conditional Use Permit – Wetlands District improvements.
3. Site Plan Approval of Project, including the Assisted Living Facility
4. NHDES Alteration of Terrain Permit
5. NHDOT Approval of Roundabout
6. Building Permit(s) for the Project, including the Assisted Living Facility
7. Approval of Capital Improvement's Program
8. Certificate(s) of Occupancy for the Project and its improvements, including the Assisted Living Facility

**Exhibit F**

**Notice of Development Agreement**

NOTICE is hereby given of a certain Development Agreement, described below, between the City of Dover, New Hampshire and VMD Equities DVR, LLC, which agreement affects and runs with the property identified below.

Date of this Notice: \_\_\_\_\_, 201\_\_

Parties to the Agreement: City of Dover, New Hampshire and VMD Equities DVR, LLC

Premises Subject to Development Agreement:

Map 11, Lot 2 – Property of VMD Equities DVR, LLC, located on Silver Street and situated along Silver Street and the Spaulding Turnpike. Said property was conveyed to VMD Equities DVR, LLC by deed dated \_\_\_\_\_, 201\_\_, and recorded in the Strafford County Registry of Deeds at Book \_\_\_\_\_, Page \_\_\_\_\_.

Date of Agreement: \_\_\_\_\_, 201\_\_.

IN WITNESS WHEREOF, the parties have executed this Notice as of the date set forth above.

**[signatures appear on the following page]**

City of Dover, New Hampshire

VMD Equities DVR, LLC

Print Name:

Print Name:

Title:

Title:

Date: \_\_\_\_\_, 201\_\_

Date: \_\_\_\_\_, 201\_\_

Hereunto duly authorized

Hereunto duly authorized

STATE OF NEW HAMPSHIRE  
COUNTY OF STRAFFORD

\_\_\_\_\_, 201\_\_

Personally appeared the above named \_\_\_\_\_, duly authorized \_\_\_\_\_ of VMD Equities DVR, LLC, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity for the purposes therein contained.

\_\_\_\_\_  
Notary Public  
My Commission Expires:

STATE OF NEW HAMPSHIRE  
COUNTY OF STRAFFORD

\_\_\_\_\_, 201\_\_

Personally appeared the above named J. Michael Joyal, duly authorized City Manager of the City of Dover, New Hampshire, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity for the purposes therein contained.

\_\_\_\_\_  
Notary Public  
My Commission Expires: