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BY EMAIL (RPSULLIVAN@CITYOFPORTSMOUTH.COM)

Robert P. Sullivan, City Attorney
City of Portsmouth
1 Junkins Avenue
Portsmouth, NH 03801

Re: Development Agreement and Agreement to Lease (the "Agreement") made as of August 29, 2019 between the City of Portsmouth (the "City") and SoBow Square, LLC (the "Developer")

Dear Mr. Sullivan:

We represent the Developer under the Agreement, which sets forth the terms under which the City will acquire and the Developer will develop the McIntyre property.

The Agreement will result in a redevelopment of the McIntyre property that will be of immense and transformative benefit to the City. The Agreement is binding on the City, both as a matter of law and by its terms. The Agreement was entered into after a lengthy public process and is a fair allocation of risk and reward. My client is absolutely committed to this project to which it has already devoted thousands of hours and millions of dollars. Yet public comments by incoming City Council members have raised doubts about the City's intentions to honor its obligations under the Agreement, threatening the project and harming leasing efforts with the project's lead office tenant Hubspot.

Please be advised that my client will take all appropriate steps to protect its rights under the Agreement including by litigation against the City if necessary. In any lawsuit, the Developer will be entitled to recover significant damages, one measure of which will be the financial projections of the City's own consultants to the project, and/or to obtain injunctive relief to preserve the benefit of its bargain under the Agreement.

We hope litigation does not become necessary. We look forward to a continued positive and productive private public partnership with the City to bring the McIntyre project to fruition.



Robert P. Sullivan, City Attorney
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Yours very truly,

/s/ Bruce E. Falby

Bruce E. Falby

BEF:mas

cc. Robert D. Ciandella, Esq. (by email)
John H. Sokul, Esq. (by email)