



November 27, 2018

City of Portsmouth
Portsmouth City Hall
1 Junkins Avenue
Portsmouth, New Hampshire 03801

Re: McIntyre Redevelopment Project

Attention: Nancy Colbert Puff- Deputy City Manager

This Engagement Letter will serve to confirm our discussions about proceeding with a consulting assignment to assist the City of Portsmouth (CLIENT) in discussions and negotiations with the proposed developer for the McIntyre Redevelopment Project located on Daniel Street. The CLIENT is retaining David Eaton and Colliers Financial Services Group (Colliers FSG) to consult with, complete analysis exhibits, and offer negotiation ideas for the structure of the redevelopment of the McIntyre Building and property. Colliers FSG intends to undertake and complete the following tasks as the scope of the consulting assignment.

1. A confirmation or not that projected revenues from and operational expenses associated with the project appear to be reasonable as assumptions.
2. A review of the project capital costs and how those costs compare with regional construction cost data that is available.
3. A confirmation that the project's proposed debt capital structure can be underwritten as typical by lending sources.
4. Using the developer provided pro-forma, prepare a more simplistic, readable, and user-friendly pro-forma to include an explanation of the conclusions and how those conclusions meet the financial desires of the CLIENT for the project.
5. Generate a series of questions for the developer as necessary and requested by CLIENT.
6. Other information as the CLIENT may deem essential for their deliberations.

The CLIENT agrees to make all project information necessary to complete the above assignment available to Colliers FSG either electronically or in hard copy, including but not limited to:

1. Copies of the conceptual plans for the project.
2. Outline of the conceptual deal for the redevelopment and where the CLIENT wants to end up financially, for lease payments and cash flow participation, if any.
3. Project pro-forma prepared by developer.



The consulting fee that the CLIENT and Colliers FSG have agreed to will be based upon hours expended, billed at a rate of Two Hundred Dollars (\$200.00) per hour. A Two Thousand Dollar (\$2,000.00) retainer will be paid upon the execution of this Engagement Letter, which will be credited to the overall consulting fee. The remainder of the fee will be due after submission of the deliverables for the assignment.

Charges for travel time at \$.50 per mile and out pocket expenses will be in addition to the hourly rate. No out of pocket expenses are anticipated at this time and Colliers FSG will seek approval from CLIENT before incurring any out of pocket expenses.

Colliers FSG anticipates a time allocation of 25-30 hours to complete the assignment and hereby agrees to cap the time at 35 hours without CLIENT approval. The estimated hours assume inclusion of (2) 2-hour meetings in Portsmouth, an initial meeting to pick up/review project information and a closure meeting to present the assignment deliverables. Estimated time to complete is 3 weeks, once all project information has been received by Colliers FSG. Colliers FSG will provide CLIENT with a detailed invoice monthly of work completed.

Colliers FSG acknowledges the fact that CLIENT will be providing certain McIntyre Project financial and other information to Colliers FSG that CLIENT wishes to keep strictly confidential and hereby agrees; (1) Colliers FSG will not discuss the Information with anyone unless authorized in writing by CLIENT (2) Colliers FSG shall use the Information solely for the purpose of completing the assignment and shall not use the Information for any other purpose whatsoever (3) Colliers FSG will make no reproductions of the Information other than for the CLIENT and will not provide the Information to anyone without the prior express written consent of the CLIENT.

CLIENT may terminate this consulting assignment at its convenience by giving notice in writing to Colliers FSG. If the assignment is terminated for convenience, the CLIENT shall pay Colliers FSG for all work satisfactorily completed up to the date of termination and expenses reasonably related to the orderly termination of this assignment. CLIENT and Colliers FSG shall have all rights and remedies available to it in the event the other party fails to fulfill its obligations as outlined in this engagement. New Hampshire law shall apply to any dispute and venue shall be in a New Hampshire court having jurisdiction.

My associate Kara Santos and I look forward to working with you and other members of the development team to successfully complete this assignment.

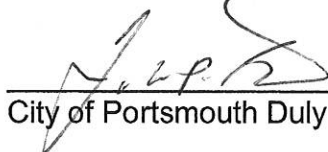
Sincerely,

Colliers International | New Hampshire Financial Service Group



David B. Eaton
Managing Director

Agreed To By:



City of Portsmouth Duly Authorized