Ocean Properties Hotels, Resorts & Affiliates
1000 Market Street, Building One Suite 300, Portsmouth, NH 03801
603-559-2101

Two International Group
1 New Hampshire Avenue, Suite 101, Portsmouth, NH 03801
603-436-8686

November 6, 2017

Finance/Purchasing Department
City Hall
1 Junkins Avenue
Portsmouth, NH 03801

Re: RFP #18-18

To Whom it May Concern:

In response to RFP #18-18, please find our submission from the Joint Venture (JV) between Two International Group (TIG) and Ocean Properties Hotels, Resorts & Affiliates (OP), which includes the following elements:

1. Executive Summary
2. Proposer Information
3. Proposer Financial Information
4. Development Agreement and Lease Agreement Terms
5. Project Narrative & Conceptual Redevelopment Drawings and Plans
6. Project Specific Financial Submission

If you have any further questions, please contact either one of us at the phone numbers listed above or via email at rich.ade@oceanprop.com or dan@twointernationalgroup.com.

Sincerely,

Richard C. Ade	Daniel L. Plummer
Executive Vice President	President
Ocean Properties Hotels, Resorts & Affiliates	Two International Group

Our Vision For the McIntyre

Executive Summary

Located in the heart of our City, the redevelopment of the Thomas J. McIntyre Federal Property offers an unparalleled opportunity to both preserve and transform elements of downtown Portsmouth, the impact of which will reverberate throughout the community. What looms today, a landmark seemingly out of place, a space to walk ***around***, will instead be a magnetic force, animated, vibrant, drawing residents, visitors, entrepreneurs, and merchants to meander ***through*** it, connecting Market Square to the waterfront, and the past with the future.

Existing McIntyre Site

The Future McIntyre Site

Our objective in this RFP is to propose, as requested, one design, fleshing out the possibilities of the redevelopment within the boundaries of the Historic Surplus Property Program and other constraints, considering feasibility, both structural and economic, aesthetics and the impact on the community. We want to stress, however, that what we have summarized here is one idea, not the only idea. We expect, if we are selected, to evaluate many options, revising and fine-tuning in partnership with the City and the public to bring this project to fruition in what will surely be a collaborative and dynamic process.

Our proposed design aims to preserve the primary McIntyre structure, making it the centerpiece of a diverse mixed-use complex that is both respectful of its history and a viable investment, delivering economic and social benefits to the City. The envelope of the main structure, in particular considering the character-defining features of the window line, lends itself best to a hotel use. The spacing and inability to open windows, we feel, would not be optimal for multi-family or office use. Further, we have designed an addition to replace the one-story Post Office portion on the eastern edge of the property to be an integral part of the proposed hotel. Set back and with distinguishable, but compatible architecture, the new addition allows the McIntyre main building to remain the focal point as an historic structure and ensures the hotel has the scale to operate efficiently. As envisioned, the proposed addition will complement and highlight the New Formalist style of the historic McIntyre building and blend into the neighborhood, being both authentic and functional. We are envisioning a boutique hotel, differentiated from other lodging properties in the City, serving to draw visitors to Portsmouth to increase our economic base. The hotel will include first-floor restaurant and retail space and a rooftop bar.

View from Daniel Street

The open plaza in the center of the Property is designed to attract and engage pedestrian traffic. Residents and visitors will be able to freely navigate and explore, accessing the open space from Commercial Alley, the activated streetfronts on Penhallow, Bow and Chapel Streets. Parking, including approximately 236 spaces underground and three surface spaces, will support the new uses and provide much needed "Park Once" capacity that bolsters our local businesses.

Penhallow Plaza with Market

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Completing the development is a new mixed-use building that will wrap around the northeast corner of the Property from Bow Street. This building will include commercial on the first floor (on Bow Street and the Plaza level) and multi-family rental property on the top three floors with an activated roof deck for public access. The current design includes 14,759 square feet of commercial space and 34 units of mostly One-Bedroom and Studio apartments. We feel this part of the project will provide housing to support our employment base, with smaller units to attract both younger and downsizing renters, as well as commercial activity to add jobs and augment local business growth.

View from Bow Street

In summary, the redevelopment we are proposing allows us to energize the block, repurposing the historic McIntyre and its surrounding property into an asset for the City, driving economic growth, inviting pedestrian traffic, and connecting neighborhoods in the center of our historic City. A place where generations of property - from 1630 to 1966 to 2017 and beyond - sit shoulder to shoulder, and our residents, commercial enterprises and visitors enliven the landscape.

Our project embodies the goals identified in the updated Master Plan being:

Vibrant, Authentic, Diverse, Connected and Resilient

As professionals with vast experience in development, construction and property operations and the capacity to execute, Two International Group and Ocean Properties make a formidable team. Furthermore, as residents of Portsmouth with a history of long-term ownership, our principals are personally committed to creating lasting and meaningful value for our community with ***local*** direction, ***local*** employment, ***local*** management and a healthy dose of civic pride.

Daniel Street Aerial

Section 2 of RFP #18-18

Proposer Information

As presented in our Qualification package, our team is a collaboration between two Portsmouth real estate enterprises, Two International Group, LLC ("TIG") and Ocean Properties Hotels, Resorts and Affiliates ("OP"). Single-purpose Entities controlled by TIG and OP will be formed to develop, own and operate the Property. The project team also includes Portsmouth-based TMS Architects. Below please find brief description of our firms. More information on our firms, roles and resumes of principals was included in our Qualification package.

Two International Group
One New Hampshire Avenue, Suite 101
Portsmouth, NH 03801
Attention: Daniel L. Plummer
603-436-8686
Dan@twointernationalgroup.com

Two International Group is a full-service real estate operating company with extensive experience in development, construction, and all aspects of commercial real estate ownership. Its 13 employees currently manage approximately one million square feet of the firm's commercial property in the Portsmouth area, and its principals bring over 45 years of experience have developing multi-family, office, retail and hotel property.

Ocean Properties Hotels, Resorts & Affiliates
1000 Market Street, Building One, Suite 300
Portsmouth, NH 03801
Attention: Richard C. Ade
603-559-2101
Rich.Ade@oceanprop.com

Ocean Properties Hotels, Resorts & Affiliates, founded in 1950, is one of the largest privately-held hotel operator and development groups in the U.S., operating over 100 hotels with more than 18,000 guestrooms and numerous mixed-use projects. The Company, headquartered in Portsmouth, has approximately 10,000 employees nationwide and in Canada. With dedicated professionals all along the value chain from development to operations to finance and sales & marketing, OP is well-positioned to design and manage boutique and nationally-branded hospitality properties.

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TMS Architects
One Cate Street
Portsmouth, NH 03801
Attention: Shannon Alther
603-436-4274
shannon@tms-architects.com

TMS Architects is a Portsmouth-based firm founded in 1984. The firm has 17 employees and has earned numerous awards, including a National Trust for Historic Preservation Award for the firm's work on the restoration of The Wentworth by The Sea Hotel (an Ocean Properties Hotel). TMS has developed a significant and diverse portfolio over the past decades with work in custom residential, finance, hospitality and corporate/commercial fields. Historic preservation is an important part of TMS work and the firm has been active in many prominent restorations in addition to The Wentworth By The Sea Hotel, including The Music Hall and Salem Country Club. TMS delivers designs that both preserve the character and heritage of New England architecture and promote sustainable and efficient operations.

Section 3 of RFP #18-18

Proposer Financial Information

As our team is comprised of local privately-held firms, we are not including financial statements from our firm and our principals as a part of this submission. Under separate cover, we have directed a financing source very familiar with our financial capacity to provide a credit reference.

We understand that financial capacity is an important part of the City's consideration in selecting a development partner. As veteran developers and operators, we measure our financial capacity by our extensive track record of successful capital formation. We invest our own funds in our projects in closely-held private ventures. With portfolios of one million square feet of commercial property and 18,000 hotel rooms, we have successfully arranged financing from multiple institutional sources across property types, economic cycles and with complex components, be it at the project level or the capital stack. We are owners, not just operators or intermediaries, and we are highly confident that we can deliver on the commitments we make.

The Proposers are not aware of any contractual litigation, arbitration, and mediation cases for the last five (5) years that are material and relevant to this proposal.

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Section 4 of RFP #18-18

Development Agreement and Lease Terms

The following summary of terms we would expect to be included in the Development Agreement and Ground Lease is for discussion purposes only. The actual terms and conditions under which the Developer and the City will undertake this project are subject to mutually-agreed upon terms contained in the definitive documents.

Terms of the Development Agreement

The City of Portsmouth (the "City") and the Developer will enter into a definitive agreement (the "Development Agreement") whereby the Developer will enter into a public-private partnership with the City to have the exclusive right to redevelop the Property in accordance with a mutually agreeable plan. The terms will include, but not be limited to:

Property: Approximately 2.1acre site including the 107,000 square foot Thomas J. McIntyre Federal Building located at 80 Daniel Street, Portsmouth, NH. The Property will be acquired by the City of Portsmouth (the "City") from the U.S. government (GSA) as a public benefit conveyance under the Historic Monument Program. The deed will be subject to restrictions on use, resale and redevelopment in accordance with Title 40 U.S.C. 550(h).

Lease: The Developer and the City will enter into a long-term ground lease, general terms of which are listed in Summary Lease Terms below.

Development Cost: Developer will bear all costs of development and operation of the project, subject to limitations set forth below.

Property Conveyance: Developer and City will construct a project time-line and work jointly to complete the Application for Obtaining Real Property for Historic Monument Purposes that will be submitted to the National Park Service as well as the New Hampshire State Historic Preservation Office to secure the conveyance of the Property to the City from the GSA on acceptable terms. It is understood that the final conceptual design must comply with the Secretary of the Interior's Standards for Rehabilitation.

City Council Approval: City Council approval of the Development Agreement will be required before the Agreement is binding on either party.

Due Diligence Period: Upon selection by the City, Developer and City will enter into an agreement to provide a period whereby Developer and City will agree to work exclusively with each other to complete pre-project due diligence.

Development of Project; Project Approvals: The Developer will agree to construct the improvements to the Property in accordance with the terms of the Development Agreement and a mutually agreed upon schedule. Developer will pursue all permits and approvals (outside of the Historic Monuments Program process noted above) at its own expense. The Developer may alter the design of the Project during the approval process, subject to approval by the City and appropriate City boards and departments. Developer will keep the city informed of the Project status during the term of the Development Agreement. Developer shall, subject to Unavoidable Delays, at its expense (a) Commence Construction on or before that date (the "Construction Commencement Date") which is the last to occur of (i) that date which is sixty (60) days after all Permits and Approvals necessary for the Commencement of Construction are issued provided that all applicable appeal periods have expired and all Permits and Approvals are final and not subject to appeal, and (ii) that date which is sixty (60) days after the date that City furnishes written notice to Developer that the Plans and Specifications have been approved by City, and (b) thereafter continue to prosecute Construction of the Project to completion.

Tax Credits: The Developer will apply for tax credits under the Historic Preservation Tax Incentives Program.

Property Tax: Property tax on improvements to the premises shall be held in forbearance from inception of the Project to one year following the Commencement Date. (See Summary Lease Terms.)

Environmental Remediation Costs: The Developer has included $500,000 in the Development Budget for environmental remediation costs. The City will bear the cost of any environmental remediation required to be performed at the Property over $500,000. The City will also indemnify the Developer and its successors and assigns for any environmental issue arising prior to the redevelopment.

Tax-Increment Financing: Although not included in this proposal, the Developer is open to including Tax-Increment Financing to fund a portion of the infrastructure to the extent that economic benefits would inure to the City and the Developer.

Indemnification:	The Development Agreement will include provisions whereby the Developer will indemnify and hold harmless City, and its respective elected and appointed officials (including the City Councilors), directors, officials, officers, employees, successors, assigns, and agents on terms mutually acceptable to the parties.
General Terms:	Other general terms will include: covenants for the safe operation of the construction site; completion guarantees; indemnification, compliance with applicable governmental guidelines; compliance with applicable environmental laws; mutual representations and warranties typical of a transaction of this size and complexity; insurance carried by the Tenant and General Contractor satisfactory to the parties; reserves and deposits.
Transaction Expenses:	City and Developer will each be responsible for its own expenses related to the preparation of agreements and conveyance, including, but not limited to legal, accounting, and consulting expenses.
Right of First Refusal:	Although we understand the Property is to be held in perpetuity by the City in accordance with the public benefit conveyance, Developer shall hold a Right of First Refusal if the property can ever be offered for sale by the City.

Summary Lease Terms

Lessor: The City of Portsmouth

Lessee: Special Purpose Entity to be formed for the purpose of owning and operating the Property controlled by the Developer.

Term: Twenty-five (25) years ("Initial Term"), unless terminated earlier or extended in accordance with the Automatic Extension provisions of this Lease.

Automatic Extension: Upon expiration of the Initial Term, the Lease shall be automatically extended for up to three (3) terms of twenty-five (25) years each (each an "Extension Term") without the execution of any further instrument. Unless the Lease shall otherwise require, the Extension Term shall be upon the same terms, covenants and conditions of this Lease as shall be in effect immediately prior to such extension.

Rental Payments: Rent shall be equal abated until the period ending three (3) years following substantial completion of the Project, to be defined as receipt of an unconditional Certificate of Occupancy, ("Commencement") for all components of the Project. Thereafter rent will be paid to the City quarterly as follows:

Fourth Year after Commencement:	1% of Project Gross Revenues
Fifth Year after Commencement:	2% of Project Gross Revenues
Sixth Year after Commencement:	2% of Project Gross Revenues
Thereafter through the Initial Term:	3% of Project Gross Revenues

"Project Gross Revenues" will include the total revenue earned by the Lessee from hotel, including rooms revenue, valet revenue and other revenue, rent and additional rent paid to the Lessee by its commercial and residential subtenants and gross revenue from the parking operation. Project Gross Revenues will not include interest income, equity or debt infusions or refinancing proceeds, sale of any property, proceeds from the sale of leasehold interest, tax credits or refunds or other items not included as revenue pursuant to generally accepted accounting practices. Annually, 120 days after the end of the Fiscal Year, the Project Gross Revenues will be trued up, comparing annual results to monthly payments.

Developer and City will evaluate any adjustments to the rental stream if development costs are materially different than what is anticipated to the extent if affects the Developer's reasonable return.

Taxes: Lessee will be responsible for taxes on the leasehold interest in accordance with RSA 72:23 I(b), subject to City holding tax obligation in forbearance for one (1) year following the Commencement Date. For avoidance of doubt, neither the Developer nor the Lessee will have any obligation to pay real estate taxes on the Property until the period commencing one year from substantial completion.

Tax Assessments: The City shall maintain a stable tax assessment on the premises for five (5) years following the Commencement Date.

Utilities, Maintenance And Insurance: Lessee will be responsible for all utility and maintenance costs related to the Leasehold Improvements.

Apportioning Lease Obligations: The lease obligation may be apportioned among component entities (hotel vs. mixed-use , e.g.) to facilitate financing.

Right to Sublease: The Lease will include the right for the Lessee to sublease the Leasehold Interest in whole or in part with mutually agreeable Lessor approval conditions.

Financing: The Lease will contain provisions regarding the assignment and subordination provisions customarily required by institutional lenders in leasehold interest transactions.

Assignment: The Lease will contain provisions whereby the Lessee may assign its interest, subject to mutually acceptable Lessor approval conditions.

Section 5 of RFP #18-18

Project Narrative & Conceptual Redevelopment Drawings and Plans

As a local development team, we understand the importance of preserving and promoting the unique qualities of the Portsmouth community as a critical outcome of this project. We have developed our proposal and our plans for construction and operation of the McIntyre Building with that in mind because this redevelopment represents an unprecedented opportunity to enhance the core of our City. We understand that the project must comply with the requirements of the GSA's Historic Surplus Property Program, and other agencies, and those requirements affect the feasibility, building envelope, economics, aesthetics and the impact on the community. Our proposal seeks to preserve the historic McIntyre building by making it the centerpiece of a thoughtful mixed-use complex, one that respects the building's history and provides significant economic and social benefits to the City.

As developers of historic properties, we understand the unique character and challenges that require attention during redevelopment, and we have a proven track record of successfully restoring such projects. We understand the expectations of the community in undertaking such commitments, and we look forward to working within those commitments to ensure a successful project outcome.

Our redevelopment plan includes three primary components: (1) the renovation of the existing McIntyre Building and addition of a new building to be developed as a 120-room boutique hotel, (2) the creation of a plaza and underground parking to provide a gathering place and serve to draw residents and visitors through the site and provide parking for the site and surrounding businesses and (3) the development of a new mixed-use property with commercial ground floor space and 34 multi-family rental units along Bow Street. Please see Appendix A for the analysis of the Character Defining Features involved in the project.

Overall future McIntyre Site

The McIntyre Building

The Main Building. Our design preserves the building envelope of the McIntyre, repairing it in compliance with the Secretary of Interior's Guidelines to preserve the building envelope. The first floor will serve as the hotel lobby with complementary retail and restaurant space. The one-story section along Penhallow will be converted to commercial space. This section will be accessible from Penhallow as well as internal access from the newly activated McIntyre building. We will retain interior features of the McIntyre lobby as described in more detail in Appendix A. The second, third and fourth floors will be renovated to serve as hotel rooms of 26 keys per floor wrapping around a central core, bringing the number of keys in the historic structure to 78. Building systems will be replaced to create an energy-efficient, modern HVAC and electrical backbone. The basement area will be converted and contain back of house and other utility functions.

The Addition. The new addition will replace the current one-story Post Office wing. This building will be attached to the McIntyre at the first floor through a connector and will be designed to complement the McIntyre without overshadowing or detracting from the historic structure. The first floor will include an extension of the hotel lobby, an indoor pool and an exercise area. The core area will be flanked by retail spaces, including approximately 2,600 square feet of retail along Daniel Street, part of which may house a U.S. Post Office, and approximately 2,900 square feet of retail facing the Plaza. Above the Plaza retail space attached to the new hotel addition will be a 1,725 square foot restaurant with a 4,173 square foot rooftop. A new tower will sit atop the one-story addition and will be set back from Daniel St., allowing the McIntyre building to remain the prominent structure. Three new floors will contain hotel rooms of 14 keys each for a total of 42 and will include a 4,198 square foot roof deck.

Daniel Street Aerial

The Plaza and Parking

The Plaza. On the north side of the McIntyre, we have designed a pedestrian plaza of approximately 17,000 square feet. We intend for this to be a gathering place, connected from multiple directions to engage residents and visitors. There will be installations of public art in the Plaza along with the opportunity to host public markets and local events. The Plaza can be accessed by vehicle from Penhallow and by foot from an extension of Commercial Alley, and from the south and east through pathways. Along the rim of the Plaza there will be entrances to the hotel, commercial enterprises and the new mixed-use building.

Parking. There will be three spaces of surface parking in the Plaza to support the first-floor commercial space and provide handicapped parking as well as two levels of underground parking accessible from Penhallow, Bow and Daniel Streets that will include 236 spaces. The parking garage will support parking for the Property's guests, tenants and invitees as well as public parking.

View of New Penhallow Plaza

View from Commecial Alley Entrance

The Mixed-Use Building. We are proposing a new four-story L-shaped building that wraps around the northeast corner of the site with one floor of commercial on the ground floor (the plaza level is at grade) and three floors of multi-family rental units. Facing Bow Street will be one floor of retail space totaling approximately 9,000 square feet and topped by three floors of residential apartments. The south side of the building faces the Plaza where there will be approximately 5,700 square feet of commercial space ringing the Plaza and two floors of residential above. In total the building will contain 34 Units of mostly One-Bedroom and Studio Apartments. There will be approximately 13,000 square feet of rooftop, of which approximately 6,000 square feet will serve as a roof deck for the residents. Lastly a pedestrian path will run south from Bow Street to Daniel Street along the eastern border of the Property, connecting to the Plaza.

Green Building & Sustainability. Environmental sustainability is an important part to new developments to minimize building impacts and maximize the efficiency the resources being consumed. the development project will use environmental and sustainable design standards.

View from Rooftop Restaurant

Please see area plans and renderings included as Appendix B.

View from Bow Street

Section 6 fo RFP #18-18

Project Specific Financial Submission

Operating Pro forma

The information contained herein was prepared by the Proposer based on various assumptions and hypotheses for its own use. No representation, warranty or guarantee of any kind is made respecting its accuracy or completeness or any level of performance, return on investment or any other result.

Please see the pages on Assumptions for more detail.

Implementation Plan

The Developer will work with the City to complete the following items:

- Negotiate Definitive Development Agreement and Lease Agreement
- Finalize Project Design
- Prepare Applications for Approval with National Park Service for the Historic Monuments Program Conveyance as well as New Hampshire State Historic Preservation Office to Effect Conveyance from the GSA.
- Commence City Approval Process
- Arrange Financing
- Construct the Buildings and Prepare for Operations:
  - The Developer will create a phasing plan to maximize the efficient construction of the component while minimizing disruption.
  - Preparing for operations, the Team will perform pre-opening tasks, including marketing, sales, leasing and management components.

Sources & Uses

Sources	$		Uses	$
Hotel Loan	$30,156,528		Development Cost Hotel	$37,695,660
Mixed-Use Loan	$12,468,822		Development Cost Mixed-Use	$19,024,655
Parking Loan	$6,563,482		Development Cost Parking	$9,210,303
Equity Hotel	$7,539,132			
Equity Mixed-Use	$6,555,832			
Equity Parking	$2,646,821			
Total Equity	$16,741,786			
Total Sources	**$65,930,618**		**Total Uses**	**$65,930,618**

Capital Structure

The cost of development will be funded by a combination of equity contributed by the Developer and debt. The Developer will seek proposals from institutional debt providers for conventional draw-down construction loans or construction-to permanent facilities, which might encompass the entire project or parts thereof. Total debt in the pro forma is approximately $49,200,000. The pro forma includes interest in the construction period and related transaction expenses as a cost of development.

Key terms of the debt contained in the pro forma are as follows:

Amount:	Lower of 65% loan-to-value and 80% loan-to-cost, per component
Interest Rate:	6.00% per annum, fixed
Amortization:	25 years
Term:	10 years

Development Budget

Project Costs	Hotel - Renovation	Hotel - Addition	Total Hotel	Mixed- Use Building	Parking	Total
Hard Costs:						
General Requirements			$900,000	$972,052	$613,056	$2,485,108
Sitework			$400,000	$400,000	$400,000	$1,200,000
Building Shell & Core	$7,307,440	$11,523,240	$18,830,680	$9,720,515	$6,130,560	$34,681,755
Building Finishes	$2,609,800	$3,200,900	$5,810,700	$3,827,705	-	$9,638,405
FF&E			$3,020,000	-	-	$3,020,000
Offsite Improvements			$250,000	$250,000	$250,000	$750,000
Environmental Remediation	$500,000		$500,000	-	-	$500,000
Sub-Total Hard Costs	$10,417,240	$14,724,140	$29,711,380	$15,170,272	$7,393,616	$52,275,268
Contingency @ 10.00%			$2,971,138	$1,517,027	$739,362	$5,227,527
Sub-Total Hard Costs with Contingency	$10,417,240	$14,724,140	$32,682,518	$16,687,299	$8,132,978	$57,502,794
Hard Costs Per Square Foot			**$297.91 /sf**	**$266.09 /sf**	**$79.60 /sf**	**$209.41 /sf**
Soft Costs:						
Professional Design Services			$1,960,951	$1,001,238	$487,979	$3,450,168
Permitting			$71,045	$36,275	$17,680	$125,000
Legal			$142,091	$72,550	$35,359	$250,000
Accounting			$56,836	$29,020	$14,144	$100,000
Development Fee @ 5.00%			$1,745,672	$891,319	$434,407	$3,071,398
Soft Cost Contingency @ 5.00%	$0	$0	$111,546	$56,954	$27,758	$196,258
Financing			$925,000	$250,000	$60,000	$1,235,000
Sub-Total Soft Costs	$0	$0	$5,013,142	$2,337,356	$1,077,326	$8,427,824
						$0
TOTAL DEVELOPMENT COST	$10,939,200	$16,004,500	$37,695,660	$19,024,655	$9,210,303	$65,930,618
Total Development Cost Per Square Foot			**$343.61 /sf**	**$303.36 /sf**	**$90.14 /sf**	**$240.10 /sf**
Total Hotel Cost per Key			**$314,131 /key**			
Total Parking Cost per Space					**$39,027**	

Area Measures and Unit Counts

Area Measures	Hotel	Mixed-Use	Parking	Total
Square Feet	117,472	76,454	102,176	296,102
Square Feet Net of Rooftop	109,706	62,713	102,176	274,595
Rentable Square Feet	64,958	52,450	102,176	219,584
Commercial Square Feet	14,701	14,759	-	29,460
Residential Units Square Feet		37,691	-	37,691
Hotel Room Square Feet	50,257	-	-	50,257
Unit Counts				
Residential Units	-	34	-	34
Hotel Rooms	120	-	-	120
Parking Spaces	-	-	236	236

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Income Stream to City of Portsmouth

(Years from commencement of operations)

Income to City	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Real Estate Taxes										
Hotel	$ 409,790	$ 422,083	$ 434,746	$ 447,788	$ 461,222	$ 475,058	$ 489,310	$ 503,989	$ 519,109	$ 534,682
Mixed-Use	$ 206,817	$ 211,987	$ 217,287	$ 222,719	$ 228,287	$ 233,994	$ 239,844	$ 245,840	$ 251,986	$ 258,286
Parking	$ 100,125	$ 102,628	$ 105,194	$ 107,824	$ 110,519	$ 113,282	$ 116,115	$ 119,017	$ 121,993	$ 125,043
Sub-total Real Estate Taxes	**$ 716,732**	**$ 736,699**	**$ 757,227**	**$ 778,331**	**$ 800,029**	**$ 822,335**	**$ 845,269**	**$ 868,847**	**$ 893,088**	**$ 918,011**
Land Rent	$ -	$ -	$ -	$ 109,127	$ 165,943	$ 170,158	$ 345,628	$ 354,565	$ 363,138	$ 374,033
Total Income Stream	**$ 716,732**	**$ 736,699**	**$ 757,227**	**$ 887,459**	**$ 965,972**	**$ 992,493**	**$ 1,190,897**	**$ 1,223,412**	**$ 1,256,227**	**$ 1,292,044**

Key Assumptions					
			Assessment		
	Square Feet	**Cost PSF**	**70% of Cost**	**Rate/$1000**	**Annual tax**
Hotel	109,706	$343.61	$26,386,962	$15.53	$409,790
Mixed-Use	62,713	$303.36	$13,317,258	$15.53	$206,817
Parking	102,176	$90.14	$6,447,212	$15.53	$100,125
Total Year 1	**274,595**	**240.10**	**$46,151,433**		**$716,732**
Real Estate Tax Inflation	3% per annum				
Land Rent	Per Lease Terms				

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Summary Of Project Cash Flow

(Years from commencement of operations)

Year	1	2	3	4	5	6	7	8	9	10
Gross Revenue:										
Hotel (Including retail)	$8,134,039	$8,392,049	$8,654,651	$8,885,630	$8,985,125	$9,254,944	$9,440,040	$9,625,438	$9,811,147	$9,997,173
Mixed-Use	$947,657	$1,551,621	$1,977,651	$2,027,092	$2,077,770	$2,088,922	$2,080,901	$2,193,400	$2,293,469	$2,350,806
Parking	$1,090,341	$1,117,600	$1,145,540	$1,174,178	$1,203,533	$1,233,621	$1,264,462	$1,296,073	$1,328,475	$1,361,687
Sub-total	**$9,081,695**	**$9,943,671**	**$10,632,302**	**$10,912,722**	**$11,062,894**	**$11,343,866**	**$11,520,941**	**$11,818,839**	**$12,104,616**	**$12,347,979**
Cash Flow Before Debt Service										
Hotel	$2,903,710	$3,686,443	$3,813,349	$3,919,278	$3,647,771	$4,069,380	$4,141,630	$4,211,949	$4,280,290	$4,346,603
Mixed-Use	$193,039	$824,108	$1,488,541	$1,526,068	$1,564,533	$1,383,087	$1,437,037	$1,642,989	$1,728,254	$1,771,774
Parking	$624,741	$640,742	$657,144	$673,956	$691,188	$708,851	$726,955	$745,512	$764,533	$784,030
Sub-total	**$3,721,490**	**$5,151,293**	**$5,959,034**	**$6,119,302**	**$5,903,492**	**$6,161,317**	**$6,305,622**	**$6,600,450**	**$6,773,077**	**$6,902,406**
Asset Management Fee @ 2.00% of Equity	($344,125)	($344,125)	($344,125)	($344,125)	($344,125)	($344,125)	($344,125)	($344,125)	($344,125)	($344,125)
Land Rent	$0	$0	$0	($109,127)	($165,943)	($170,158)	($345,628)	($354,565)	($363,138)	($370,439)
Cash Flow Available for Debt Service	**$3,377,365**	**$4,807,168**	**$5,614,909**	**$5,666,050**	**$5,393,423**	**$5,647,034**	**$5,615,869**	**$5,901,760**	**$6,065,814**	**$6,187,842**
Debt Service:										
Principal Payments	($859,737)	($904,039)	($968,976)	($1,029,593)	($1,094,003)	($1,154,765)	($1,234,682)	($1,311,922)	($1,393,993)	($1,474,420)
Interest Payments	($2,938,780)	($2,894,479)	($2,829,542)	($2,768,924)	($2,704,515)	($2,643,753)	($2,563,835)	($2,486,596)	($2,404,524)	($2,324,097)
Cash Flow After Debt Service	**($421,152)**	**$1,008,651**	**$1,816,392**	**$1,867,532**	**$1,594,906**	**$1,848,517**	**$1,817,351**	**$2,103,243**	**$2,267,297**	**$2,389,325**

Hotel Pro forma

(Years from commencement of operations)

	Year One	Year Two	Year Three	Year Four	Year Five	Year Six	Year Seven	Year Eight	Year Nine	Year Ten
Room Count	120	120	120	120	120	120	120	120	120	120
Rooms Available	43,800	43,800	43,800	43,800	43,800	43,800	43,800	43,800	43,800	43,800
Rooms Sold	33,726	34,063	34,404	34,600	34,600	34,600	34,600	34,600	34,600	34,600
Occupancy %	77.00%	77.77%	78.55%	79.00%	79.00%	79.00%	79.00%	79.00%	79.00%	79.00%
Average Daily Rate	$ 225.00	$ 230.00	$ 235.00	$ 240.00	$ 245.00	$ 250.00	$ 255.00	$ 260.00	$ 265.00	$ 270.00
Revenue Per Available Room	$ 173.25	$ 178.87	$ 184.59	$ 189.59	$ 193.54	$ 197.49	$ 201.44	$ 205.39	$ 209.34	$ 213.29
Department Revenues										
Rooms Department	7,588,350	7,834,490	8,084,940	8,304,000	8,477,000	8,650,000	8,823,000	8,996,000	9,169,000	9,342,000
Valet Revenue	50,589	51,095	51,606	51,900	51,900	51,900	51,900	51,900	51,900	51,900
Other Revenue	67,452	68,126	68,808	69,200	69,200	69,200	69,200	69,200	69,200	69,200
Total Revenues	**7,706,391**	**7,953,711**	**8,205,354**	**8,425,100**	**8,598,100**	**8,771,100**	**8,944,100**	**9,117,100**	**9,290,100**	**9,463,100**
Department Expenses										
Rooms Department	1,517,670	1,563,492	1,610,726	1,652,301	1,685,347	1,719,054	1,753,435	1,788,504	1,824,274	1,860,759
Valet Expense	25,295	25,547	25,803	25,950	25,950	25,950	25,950	25,950	25,950	25,950
Other Expense	33,726	34,063	34,404	34,600	34,600	34,600	34,600	34,600	34,600	34,600
Total Expenses	**1,576,691**	**1,623,102**	**1,670,933**	**1,712,851**	**1,745,897**	**1,779,604**	**1,813,985**	**1,849,054**	**1,884,824**	**1,921,309**
Department Income/ (Loss)	**6,129,701**	**6,330,609**	**6,534,421**	**6,712,249**	**6,852,203**	**6,991,496**	**7,130,115**	**7,268,046**	**7,405,276**	**7,541,791**
General Expenses										
Administrative & General	471,000	480,420	490,028	499,829	509,826	520,022	530,422	541,031	551,852	562,889
Credit Card Commissions	211,926	218,727	225,647	231,690	236,448	241,205	245,963	250,720	255,478	260,235
Info Systems / Telecom	60,000	61,200	62,424	63,672	64,946	66,245	67,570	68,921	70,300	71,706
Sales & Marketing	505,890	516,008	526,328	536,855	547,592	558,543	569,714	581,109	592,731	604,585
Property Operations	337,260	347,443	357,939	367,178	374,522	382,012	389,652	397,445	405,394	413,502
Utilities	320,397	334,924	350,117	364,436	377,191	390,392	404,056	418,198	432,835	447,984
Total General Expenses	**1,906,473**	**1,958,722**	**2,012,484**	**2,063,660**	**2,110,523**	**2,158,420**	**2,207,378**	**2,257,424**	**2,308,589**	**2,360,901**
Gross Operating Profit	**4,223,228**	**4,371,887**	**4,521,937**	**4,648,589**	**4,741,680**	**4,833,076**	**4,922,737**	**5,010,622**	**5,096,687**	**5,180,890**
Fixed Expenses										
Management Fees	308,256	318,148	328,214	337,004	343,924	350,844	357,764	364,684	371,604	378,524
Estimated Property Taxes	409,790	422,083	434,746	447,788	461,222	475,058	489,310	503,989	519,109	534,682
Property Insurance	33,200	33,864	34,541	35,232	35,937	36,655	37,389	38,136	38,899	39,677
Liability Insurance	30,920	31,538	32,169	32,813	33,469	34,138	34,821	35,517	36,228	36,952
FFE Reserves	308,256	318,148	328,214	337,004	343,924	350,844	357,764	364,684	371,604	378,524
Total Fixed Expenses	**1,090,421**	**1,123,782**	**1,157,884**	**1,189,841**	**1,218,475**	**1,247,540**	**1,277,048**	**1,307,011**	**1,337,444**	**1,368,360**
Net Profit/(Loss) - Hotel	**3,132,807**	**3,248,104**	**3,364,052**	**3,458,749**	**3,523,205**	**3,585,536**	**3,645,690**	**3,703,611**	**3,759,244**	**3,812,530**
Net Operating Income - Retail	**427,648**	**438,339**	**449,297**	**460,530**	**472,043**	**483,844**	**495,940**	**508,338**	**521,047**	**534,073**
Tenant Improvements - Retail	**(549,833)**				**(200,450)**					
Leasing Commissions - Retail	**(106,912)**				**(62,009)**					
Absorption Loss					**(85,018)**					
Cash Flow Before Debt Service	**2,903,710**	**3,686,443**	**3,813,349**	**3,919,278**	**3,647,771**	**4,069,380**	**4,141,630**	**4,211,949**	**4,280,290**	**4,346,603**
Debt Service	**(2,350,981)**	**(2,350,981)**	**(2,350,981)**	**(2,350,981)**	**(2,350,981)**	**(2,350,981)**	**(2,350,981)**	**(2,350,981)**	**(2,350,981)**	**(2,350,981)**
Cash Flow After Debt Service	**552,729**	**1,335,462**	**1,462,368**	**1,568,297**	**1,296,789**	**1,718,399**	**1,790,648**	**1,860,968**	**1,929,309**	**1,995,622**

Mixed-Use Pro forma

(Years from commencement of operations)

Year	1	2	3	4	5	6	7	8	9	10
Rental Rate per Month										
Rental Rate per Year										
Apartment Occupancy	60%	80%	95%	95%	95%	95%	95%	95%	95%	95%
Average Monthly Rental Rate	$3,326 /mo.	$3,409 /mo.	$3,494 /mo.	$3,581 /mo.	$3,671 /mo.	$3,763 /mo.	$3,857 /mo.	$3,953 /mo.	$4,052 /mo.	$4,153 /mo.
Potential Gross Revenue	$814,126	$1,112,638	$1,354,289	$1,388,147	$1,422,850	$1,458,422	$1,494,882	$1,532,254	$1,570,561	$1,609,825
Miscellaneous Revenues	$16,283	$22,253	$27,086	$27,763	$28,457	$29,168	$29,898	$30,645	$31,411	$32,196
Apartment Revenue	**$830,408**	**$1,134,891**	**$1,381,375**	**$1,415,910**	**$1,451,307**	**$1,487,590**	**$1,524,780**	**$1,562,899**	**$1,601,972**	**$1,642,021**
Office Revenue	**$77,004**	**$210,478**	**$215,740**	**$221,133**	**$226,661**	**$205,538**	**$193,486**	**$244,089**	**$250,192**	**$256,447**
Projected Gross Revenue	$205,344	$210,478	$215,740	$221,133	$226,661	$232,328	$238,136	$244,089	$250,192	$256,447
Absorption Loss	($128,340)	$0	$0	$0	$0	($26,790)	($44,651)	$0	$0	$0
Retail Revenue	**$40,244**	**$206,253**	**$380,536**	**$390,050**	**$399,801**	**$395,795**	**$362,635**	**$386,411**	**$441,306**	**$452,338**
Projected Gross Revenue	$362,200	$371,255	$380,536	$390,050	$399,801	$409,796	$420,041	$430,542	$441,306	$452,338
Absorption Loss	($321,956)	($165,002)	$0	$0	$0	($14,001)	($57,406)	($44,131)	$0	$0
Effective Gross Revenue	**$947,657**	**$1,551,621**	**$1,977,651**	**$2,027,092**	**$2,077,770**	**$2,088,922**	**$2,080,901**	**$2,193,400**	**$2,293,469**	**$2,350,806**
Operating Expenses	**($400,977)**	**($434,084)**	**($460,915)**	**($472,438)**	**($484,249)**	**($495,131)**	**($505,702)**	**($520,159)**	**($534,520)**	**($547,883)**
Common Area Maintenance	($71,502)	($73,289)	($75,122)	($77,000)	($78,925)	($80,898)	($82,920)	($84,993)	($87,118)	($89,296)
Utilities	($14,217)	($14,572)	($14,937)	($15,310)	($15,693)	($16,085)	($16,487)	($16,900)	($17,322)	($17,755)
Property Taxes	($206,817)	($211,987)	($217,287)	($222,719)	($228,287)	($233,994)	($239,844)	($245,840)	($251,986)	($258,286)
Insurance	($26,967)	($27,641)	($28,332)	($29,040)	($29,766)	($30,510)	($31,273)	($32,055)	($32,856)	($33,678)
Management Fees	($45,038)	($69,246)	($86,957)	($89,131)	($91,359)	($92,419)	($92,923)	($97,060)	($100,844)	($103,365)
General and Administrative	($36,436)	($37,347)	($38,281)	($39,238)	($40,219)	($41,224)	($42,255)	($43,311)	($44,394)	($45,504)
Total Net Operating Income	**$546,680**	**$1,117,538**	**$1,516,736**	**$1,554,654**	**$1,593,521**	**$1,593,791**	**$1,575,198**	**$1,673,241**	**$1,758,949**	**$1,802,922**
Capital Reserves	($12,543)	($12,543)	($12,543)	($12,543)	($12,543)	($12,543)	($12,543)	($12,543)	($12,543)	($12,543)
Turnover Improvements - Residential		($12,860)	($15,653)	($16,044)	($16,445)	($16,856)	($17,278)	($17,709)	($18,152)	($18,606)
Leasing Commissions - Residential	($41,520)	($56,745)	$0	$0	$0	$0	$0	$0	$0	$0
Tenant Improvements - Commercial	($218,058)	($150,917)	$0	$0	$0	($126,474)	($87,532)	$0	$0	$0
Leasing Commissions - Commercial	($81,519)	($60,367)	$0	$0	$0	($54,832)	($20,810)	$0	$0	$0
Cash Flow Before Debt Service	**$193,039**	**$824,108**	**$1,488,541**	**$1,526,068**	**$1,564,533**	**$1,383,087**	**$1,437,037**	**$1,642,989**	**$1,728,254**	**$1,771,774**
Principal Payments	($217,168)	($228,634)	($245,057)	($260,387)	($276,677)	($292,043)	($312,255)	($331,789)	($352,545)	($372,885)
Interest Payments	($743,561)	($732,096)	($715,673)	($700,342)	($684,053)	($668,686)	($648,475)	($628,941)	($608,184)	($587,844)
Cash Flow After Debt Service	**($767,690)**	**($136,622)**	**$527,811**	**$565,338**	**$603,804**	**$422,357**	**$476,307**	**$682,259**	**$767,524**	**$811,044**

Ocean Properties Hotels • Resorts Affiliates

TWO INTERNATIONAL GROUP

Parking Pro forma

(Years from commencement of operations)

Year	1	2	3	4	5	6	7	8	9	10
Gross Parking Revenue	$1,090,341	$1,117,600	$1,145,540	$1,174,178	$1,203,533	$1,233,621	$1,264,462	$1,296,073	$1,328,475	$1,361,687
Hotel	$518,300	$531,258	$544,539	$558,152	$572,106	$586,409	$601,069	$616,096	$631,498	$647,286
Commercial	$121,142	$124,170	$127,275	$130,457	$133,718	$137,061	$140,487	$144,000	$147,600	$151,290
Public (Overnight)	$13,250	$13,581	$13,920	$14,268	$14,625	$14,991	$15,365	$15,749	$16,143	$16,547
Public (Evening)	$141,328	$144,861	$148,483	$152,195	$156,000	$159,900	$163,897	$167,995	$172,194	$176,499
Public (Daytime)	$217,122	$222,550	$228,114	$233,816	$239,662	$245,653	$251,795	$258,090	$264,542	$271,155
Apartment	$79,200	$81,180	$83,210	$85,290	$87,422	$89,608	$91,848	$94,144	$96,498	$98,910
Operating Expenses										
Electricity	($76,632)	($78,548)	($80,511)	($82,524)	($84,587)	($86,702)	($88,870)	($91,091)	($93,369)	($95,703)
Labor	($219,000)	($224,475)	($230,087)	($235,839)	($241,735)	($247,778)	($253,973)	($260,322)	($266,830)	($273,501)
Real Estate Taxes	($100,125)	($102,628)	($105,194)	($107,824)	($110,519)	($113,282)	($116,115)	($119,017)	($121,993)	($125,043)
Miscellaneous	($54,517)	($55,880)	($57,277)	($58,709)	($60,177)	($61,681)	($63,223)	($64,804)	($66,424)	($68,084)
Total Operating Expense	($450,274)	($461,531)	($473,069)	($484,896)	($497,019)	($509,444)	($522,180)	($535,235)	($548,615)	($562,331)
Net Operating Income	**$640,067**	**$656,069**	**$672,470**	**$689,282**	**$706,514**	**$724,177**	**$742,281**	**$760,838**	**$779,859**	**$799,356**
Reserves	($15,326)	($15,326)	($15,326)	($15,326)	($15,326)	($15,326)	($15,326)	($15,326)	($15,326)	($15,326)
Cash Flow Before Debt Service	**$624,741**	**$640,742**	**$657,144**	**$673,956**	**$691,188**	**$708,851**	**$726,955**	**$745,512**	**$764,533**	**$784,030**
Principal	($111,140)	($115,919)	($124,245)	($132,017)	($140,276)	($148,068)	($158,314)	($168,218)	($178,742)	($189,055)
Interest	($375,666)	($370,887)	($362,562)	($354,789)	($346,530)	($338,739)	($328,492)	($318,588)	($308,065)	($297,751)
Cash Flow After Debt Service	**$137,934**	**$153,936**	**$170,338**	**$187,149**	**$204,381**	**$222,044**	**$240,149**	**$258,706**	**$277,727**	**$297,223**

Assumptions

Operating Assumptions

The following notes apply to the Operating Pro forma.

General:

1. Years stated are from commencement of operations, not commencement of development.
2. Development costs and Year One revenues and expenses represent current dollars (not adjusted for inflation).
3. Asset management fee is 2% of Initial Project Equity per annum.
4. Pro forma statements are pre-tax and not presented in accordance with generally accepted accounting principles.
5. Retail and office areas are not grossed up to reflect common area factors.

Hotel Cash Flow Assumptions

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Room Count	120	120	120	120	120	120	120	120	120	120
Occupancy %	77.00%	77.77%	78.55%	79.00%	79.00%	79.00%	79.00%	79.00%	79.00%	79.00%
Occupancy % Increase		1.00%	1.00%	0.57%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Average Daily Rate (ADR)	$225	$230	$235	$240	$245	$250	$255	$260	$265	$270
ADR % Increase		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Expense % Increase		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Energy Expense % Increase		3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

- Department and General Expenses are modeled as a function of occupancy and revenue per Proposer's operating experience and industry norms.
- Management Fees are 4% of total revenue. An affiliate of Ocean Properties will manage the hotel.
- Property taxes are 70% of development cost x $15.53/1,000. The proposed abatement for Year One is not reflected in the model. Property taxes increase by 3% per annum.
- FF&E Reserves are 4% of total revenues.
- For the Commercial space in the hotel complex:
  - Retail rents are $35.00 psf NNN with 5-year lease terms;
  - Renewal probability is 70%;
  - Tenant Improvements are: $45.00 psf for 1st Generation space and a blend of $25.00/$10.00 for new and renewal terms;
  - Leasing Commissions are $8.75 psf for 1st Generation space and a blend of 5%/2% of total income for new and renewal terms;
  - Absorption is 6 months at renewal;
  - Expense carry is $6.00 psf.

Mixed-Use Cash Flow Assumptions

Mixed-Use Cash Flow Assumptions

- For the Residential Component:
    - Occupancy is 60% in Year One, 80% in Year Two and 95% thereafter;
    - Average Monthly Rental Rate is $3,326 per month ($3.00 psf per month), increasing by 2.5% per annum;
- For the Commercial space:
    - Retail rents are $36.00 psf modified gross for office and $40.00 psf modified gross for retail with 5-year lease terms;
    - Renewal probability is 70%;
    - Tenant Improvements are a blend of $25.00/$10.00 for new and renewal terms;
    - Leasing Commissions are a blend of 5%/2% of total income for new and renewal terms;
    - Initial absorption is 12 months for office and 24 months for retail;
    - Absorption at renewal is 6 months for office and 12 months for retail;

- Operating expenses are a function of occupancy and revenue per Proposer's operating experience and industry norms
    - Management fees are 5% of residential revenue and 3% of commercial revenue.
    - Property taxes are 70% of development cost x $15.53/1,000. The proposed abatement for Year One is not reflected in the model. Property taxes increase by 2.5% per annum.
- Capital reserves are $0.20 psf per annum.
- Turnover expense for the apartments is modeled as 30% of occupied units turning over each year at a cost of $1,500 per Unit.

Parking Cash Flow Assumptions

Parking Cash Flow Assumptions

- Parking revenue is derived from hotel use, commercial use and public parking per the following assumptions:
  - Hotel Parking Rate is $20.00 per night, revenue based on occupancy and percentage of guests parking;
  - Office Parking Rate is $190 per space per month, revenue based on square footage leased and utilization of monthly parking;
  - Public Parking Revenue is based on utilization for three segments: Overnight ($0.25 per hour), Evening ($1.00 per hour) and Daytime ($1.50 per hour);
  - Residential Parking Rate is $150.00 per space per month.

- Operating expenses are a function of occupancy and revenue per Proposer's operating experience and industry norms:
  - Labor is based on three shifts with one employee per shift;
  - Property taxes are 70% of development cost x $15.53/1,000. The proposed abatement for Year One is not reflected in the model. Property taxes increase by 2.5% per annum;
  - Miscellaneous Expenses include management fees of 4% of gross revenues and 1% for miscellaneous expenses.
- Capital reserves are $0.20 psf per annum.

Appendix A

Character Defining Features Analysis

	Primary Features - Existing Conditions	Proposed Changes
Site/Setting	• Urban pattern of building to/ nearly to property line • Limited public space and green space on site • Original concrete planters on Daniel St. and at Penhallow St. entrance	• Maintain setting of building • Adding public and green space throughout the site, improve pedestrian access • Maintain Planters
Main Building Exterior	• Height, scale and massing • Regular pattern of windows on upper floors/relationship of solid to void • Materials: red brick, concrete details, aluminum, glass • Flat roof • Recessed entry and open arcade • First floor full-height windows and entry and their configuration • Upper floor single-pane, deeply recessed pivoting windows • Concrete window surrounds • Concrete brackets at cornice and main entry	• Maintain these elements with added connector to new hotel addition; • Will need to assess necessary building envelope and openings for repairs in accordance with Secretary of the Interior *Standards for Rehabilitation*
One-Story Penhallow Exterior	• Height, scale and massing • Flat roof • Materials: red brick, concrete, glass and aluminum • Recessed entry and pergola • Full-height windows • Black brick wall north of entrance	• Maintain with added entry for better site access and adjustment for extention of Commercial Alley walkway.
One-Story Post Office Exterior	• Height, scale, set back and massing • Materials: red brick, concrete, aluminum and glass • Remaining original full-height window and pivoting single pane window with concrete frame	• Remove and replace with new building
	• Height of lobby ceilings • Sequence of and distinction between vestibule, Elevator Lobby and Box Lobby • Open plan of Box Lobby	

	Primary Features - Existing Conditions	Proposed Changes
Main Building Interior	• Height of lobby ceilings • Sequence of and distinction between vestibule, Elevator Lobby and Box Lobby • Open plan of Box Lobby • Polished white marble veneer on east wall of Box Lobby (with exception of east wall in Box Lobby) • Terrazo floors in main lobby • Aluminum and glass document case • Window recess	• Space will be reconfigured for use as a hotel as outlined in the Project Narrative and Project Plan in Appendix. • Maintain or reuse marble in lobby • Maintain ceiling heights
One-Story Penhallow Interior	• The location of office spaces on exterior walls	• Will adjust for a new interior space plan as described in Project Narrative and Project Area Plans in Appendix
One Story Post Office Interior	• Remaining marble veneer in former Service Lobby	• Reuse marble in new addition
Parking	• None	• New parking levels created

Appendix B

Area Plans and Conceptual Drawings

Ocean Properties Hotels • Resorts Affiliates

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Appendix C

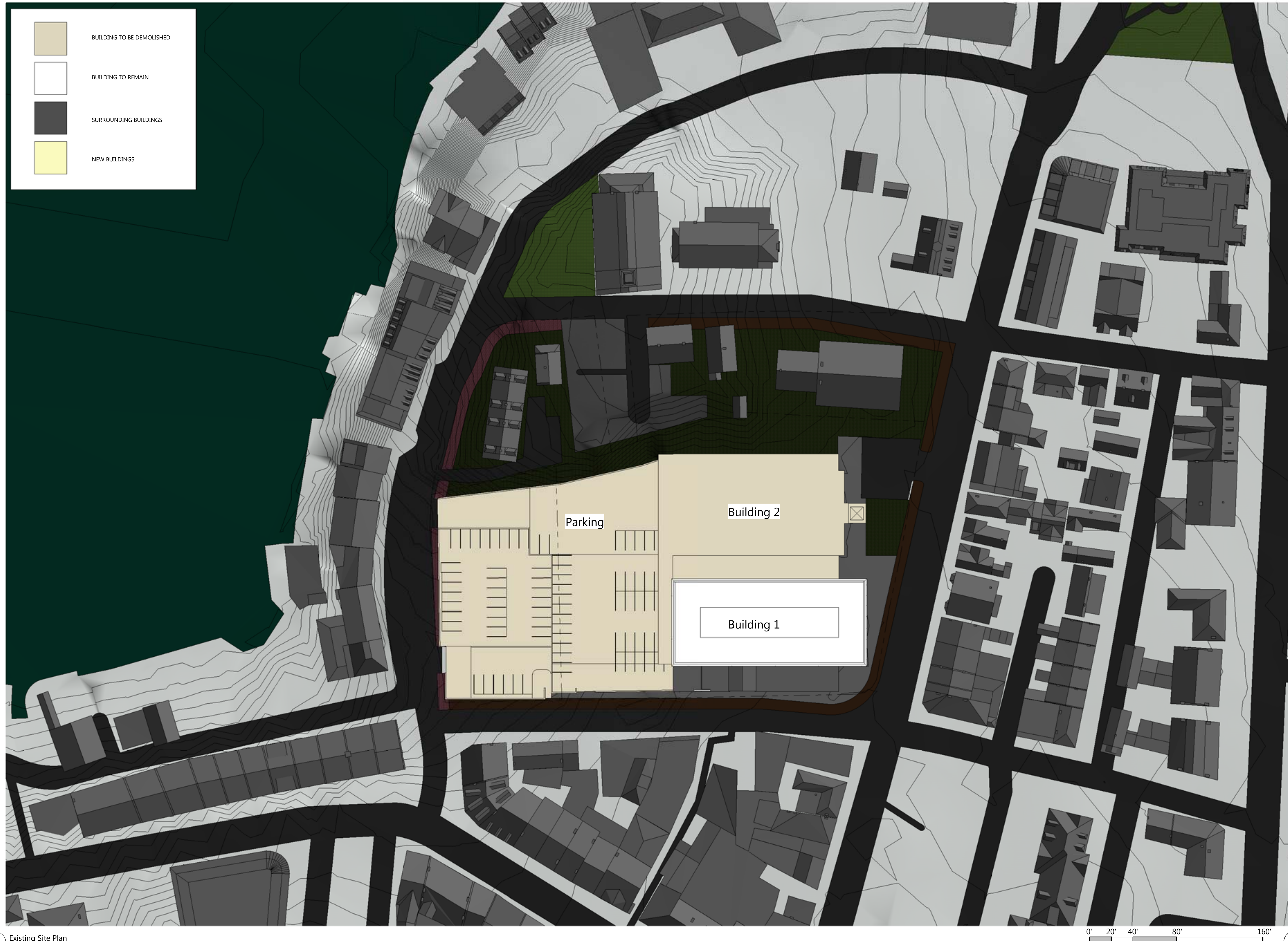
Interactive Media

Existing Aerial Video of Site
https://tmsarchitects.sharefile.com/d-s4b585e6501d416e9

Proposed Aerial Video of Site
https://tmsarchitects.sharefile.com/d-sdbd7fa7647740859

Proposed Video Walkthrough of Site
https://tmsarchitects.sharefile.com/d-sfcc34f9580b4a46b

Panorama Image of Plaza
https://view.mylumion.com/?p=2useoyjvj4fn4ugn



1D / S1 Existing Site Plan
1" = 40'-0"

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Thomas J. McIntyre Federal Building Renovation

80 Daniel Street
Portsmouth, NH

Existing Site Plan

S1

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SHEET SCALE	As indicated
SHEET DATE	09/28/17

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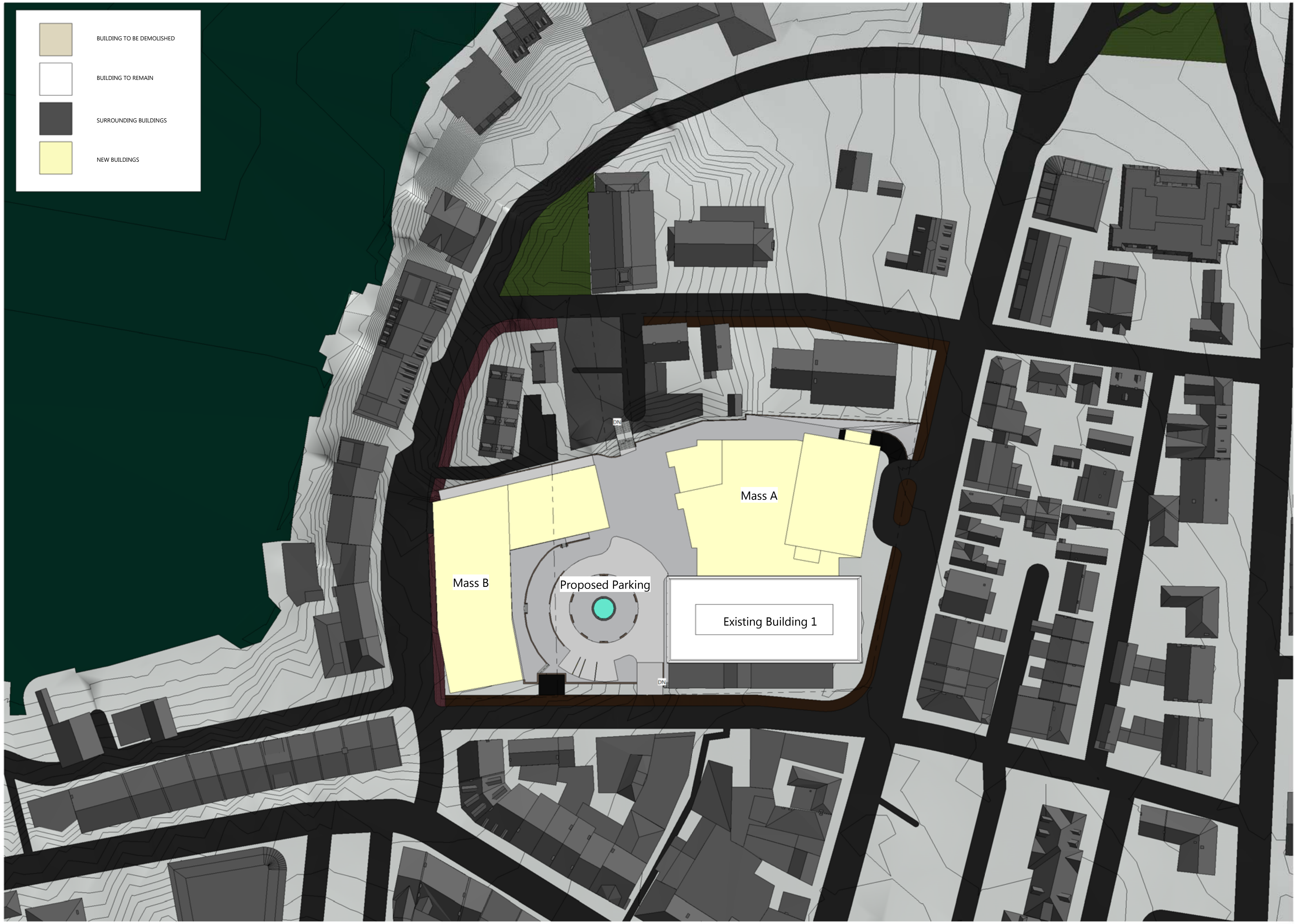

1D / S2 Proposed Site Plan
1" = 40'-0"

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Proposed Site Plan

S2

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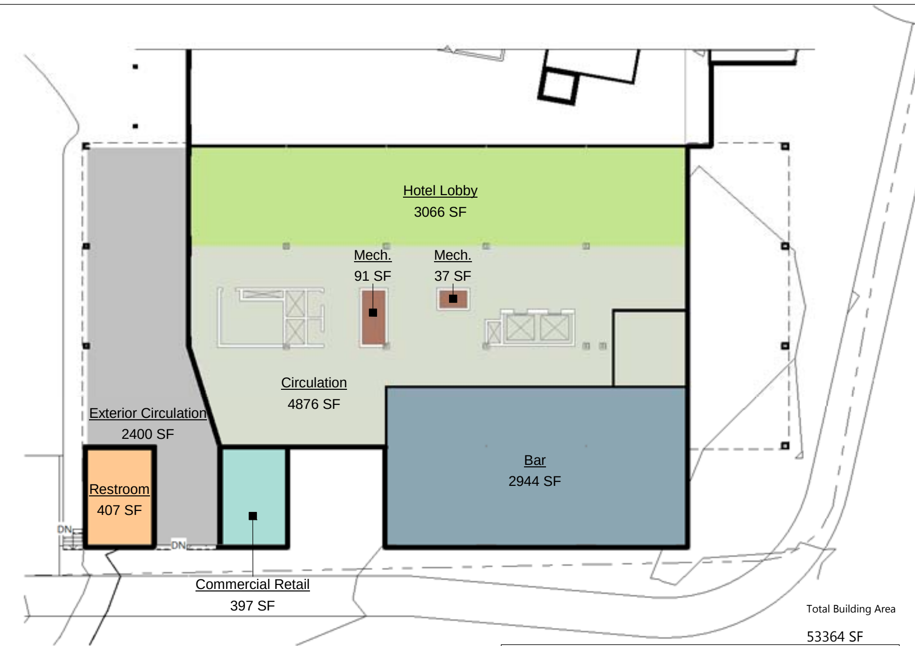
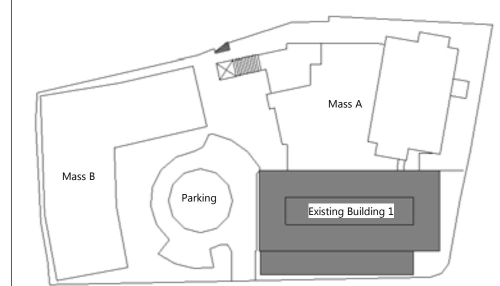


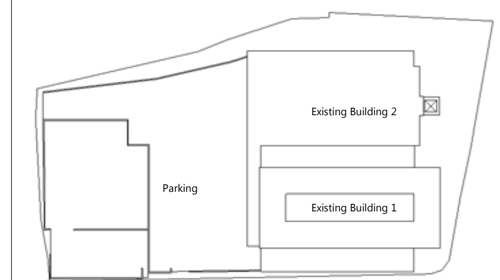
Total Building Area
53364 SF

Ground Level Area Schedule		
Name	Area	Comments
Bar	2944 SF	
Circulation	4876 SF	
Commercial Retail	397 SF	
Exterior Circulation	2400 SF	
Hotel Lobby	3066 SF	
Mech.	128 SF	
Restroom	407 SF	
	14218 SF	

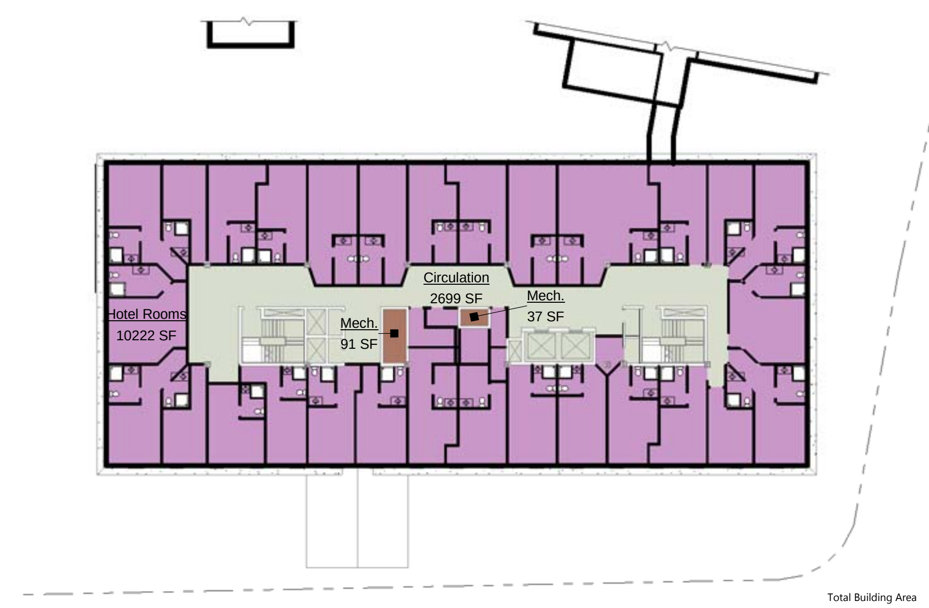
3B P1 Ground Floor Area Plan - Existing Building 1
1" = 20'-0"



5A P1 Proposed Key Plan.
1" = 80'-0"



5B P1 Existing Key Plan.
1" = 80'-0"



Total Building Area
53364 SF

Level 2 - Level 4 Area Schedule		
Name	Area	Comments
Circulation	2699 SF	
Hotel Rooms	10222 SF	
Mech.	128 SF	
	13049 SF	

3D P1 Level 2 - Level 4 Area Plan - Existing Building 1
1" = 20'-0"

Building Area Legend

- Area
- Bar
- Basement Level
- Circulation
- Commercial Retail
- Exterior Circulation
- Hotel Lobby
- Hotel Rooms
- Mech.
- Restroom

Total Existing Building Area		
Name	Area	Comments
Bar	2944 SF	
Circulation	12973 SF	
Commercial Retail	397 SF	
Exterior Circulation	2400 SF	
Hotel Lobby	3066 SF	
Hotel Rooms	30665 SF	
Mech.	512 SF	
Restroom	407 SF	
	53364 SF	

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Existing Building Area Plan

P1

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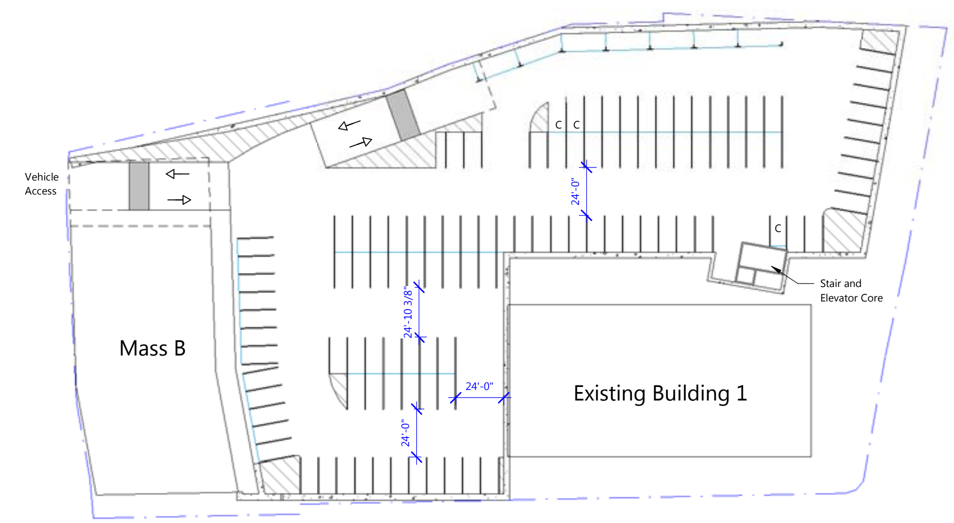
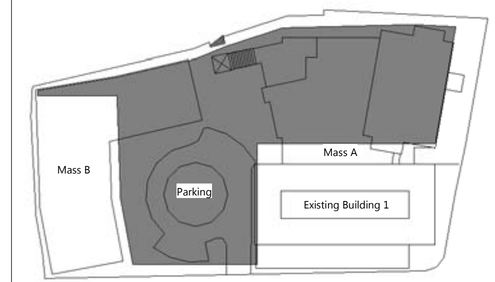
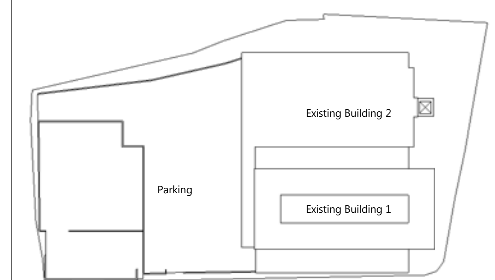


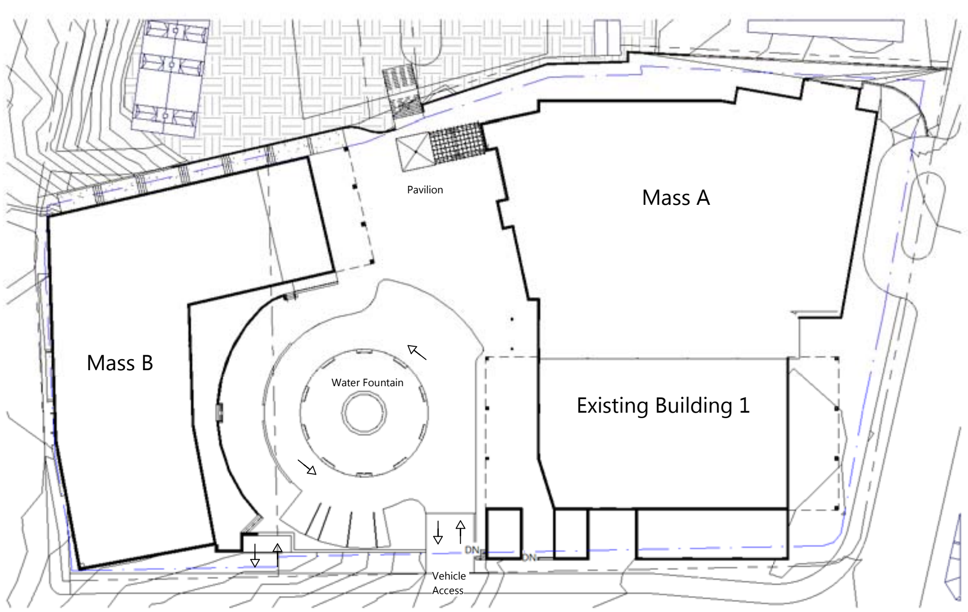
3B Bow St. - Parking Garage
P2 1" = 40'-0"



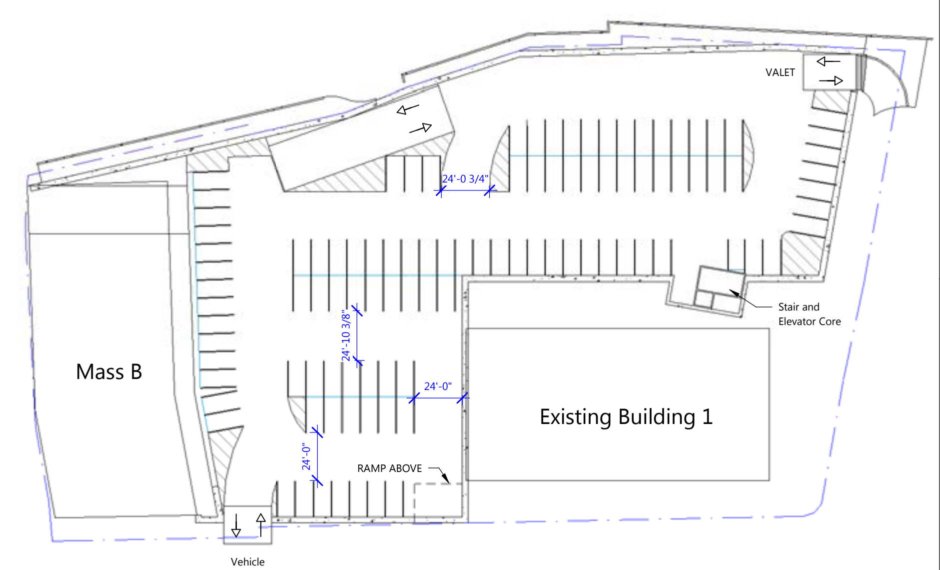
5A Proposed Key Plan
P2 1" = 80'-0"



5B Existing Key Plan
P2 1" = 80'-0"



1D Plaza Level - Parking Garage
P2 1" = 40'-0"



3D Penhallow St. - Parking Garage
P2 1" = 40'-0"

Parking Schedule		
Count	Level	Comments
115	Parking Garage - Bow St.	
107	Parking Garage - Penhallow	
3	Parking Garage - Plaza	ADA
225		

Proposed Parking Areas		
Area	Comments	Level
52293 SF		Parking Garage - Bow St.
49680 SF		Parking Garage - Penhallow
101973 SF		

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Proposed Parking Area Plan

P2

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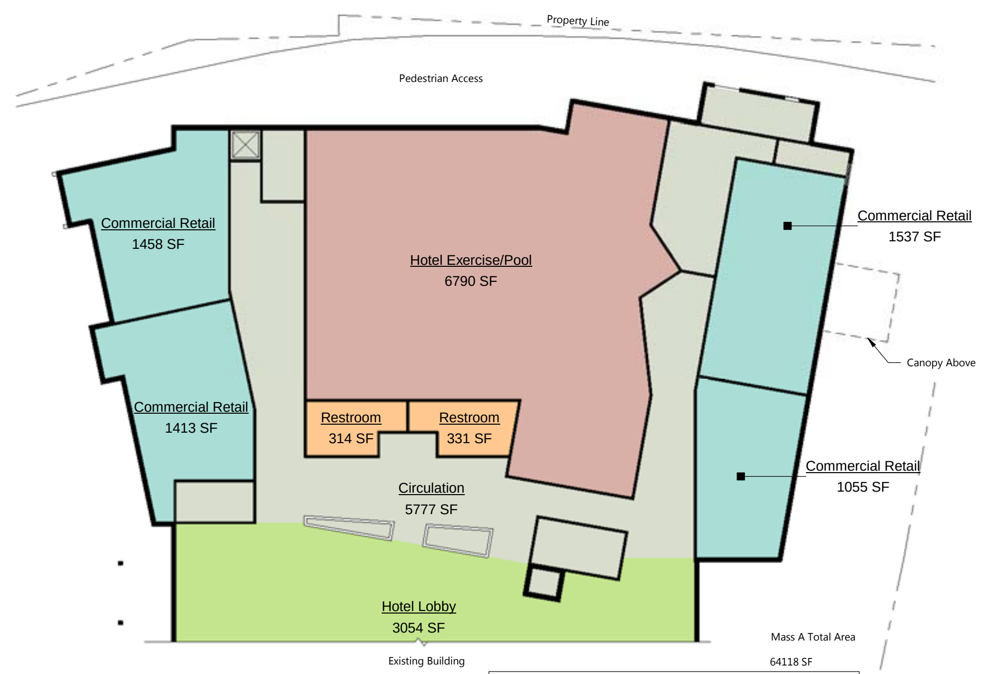


Ground Floor Area Schedule

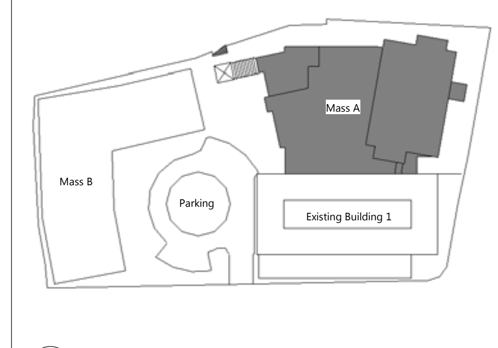
Name	Area	Comments
Circulation	5777 SF	
Commercial Retail	5462 SF	
Hotel Exercise/Pool	6790 SF	
Hotel Lobby	3054 SF	
Restroom	645 SF	
	21729 SF	

1B Ground Floor Area Plan - Mass A
P3 1" = 20'-0"

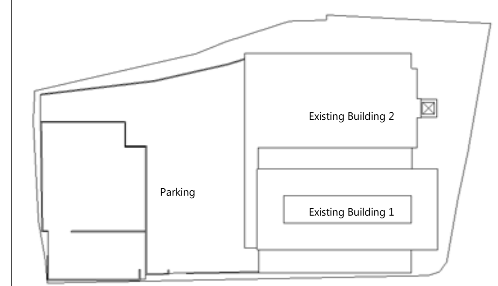
Second Floor Area Schedule

Name	Area	Comments
Circulation	1923 SF	
Commercial Retail	1725 SF	
Commercial Rooftop	4173 SF	
Hotel Rooftop	4198 SF	
Hotel Rooms	6545 SF	
	18564 SF	

3B Level 2 Area Plan - Mass A
P3 1" = 20'-0"



5A Proposed Key Plan
P3 1" = 80'-0"

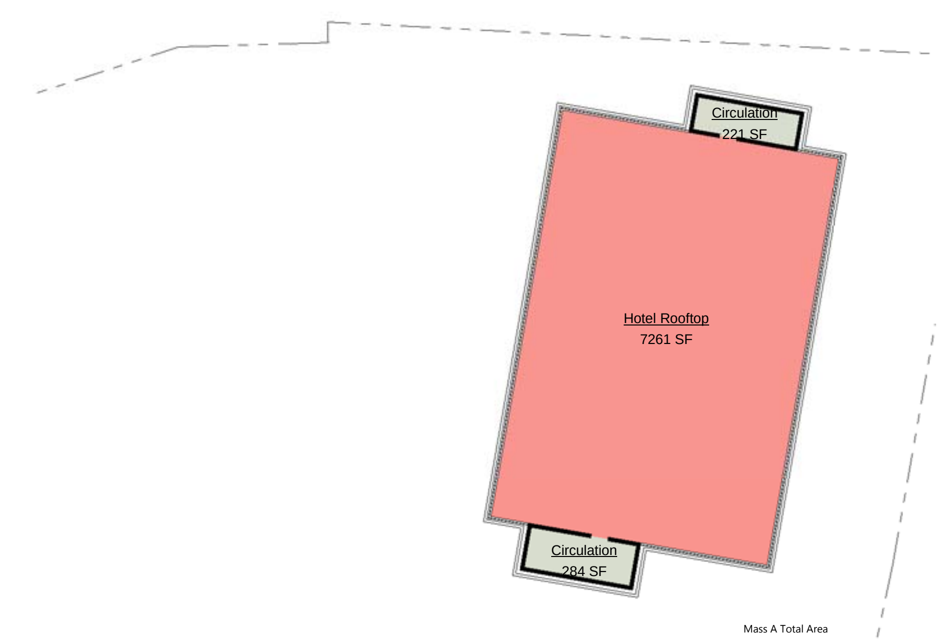


5B Existing Area Plan
P3 1" = 80'-0"

Level 3 + Level 4 Floor Area Schedule

Name	Area	Comments
Circulation	1507 SF	
Hotel Rooms	6523 SF	
	8029 SF	

1D Level 3 + Level 4 Area Plan - Mass A
P3 1" = 20'-0"



Roof Floor Area Schedule

Name	Area	Comments
Circulation	505 SF	
Hotel Rooftop	7261 SF	
	7767 SF	

3D Roof Area Plan - Mass A
P3 1" = 20'-0"

Rentable Area Legend

- Circulation
- Commercial Retail
- Commercial Rooftop
- Hotel Exercise/Pool
- Hotel Lobby
- Hotel Rooftop
- Hotel Rooms
- Mech.
- Restroom
- Retail Rooftop

Total Building Area

Name	Area	Comments
Circulation	11219 SF	
Commercial Retail	7187 SF	
Commercial Rooftop	4173 SF	
Hotel Exercise/Pool	6790 SF	
Hotel Lobby	3054 SF	
Hotel Rooftop	11459 SF	
Hotel Rooms	19591 SF	
Restroom	645 SF	
	64118 SF	

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Mass A Proposed Area Plan

P3

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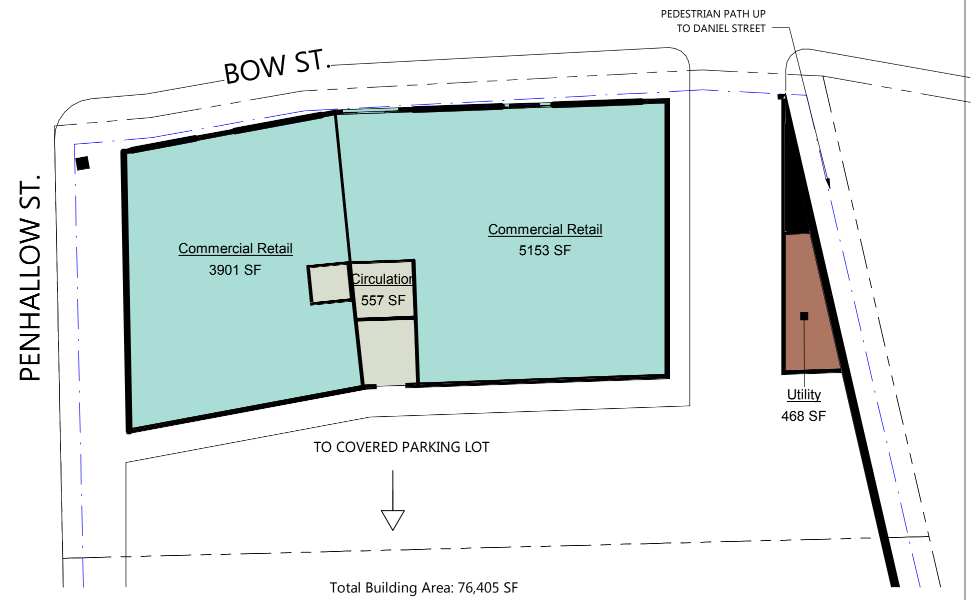


Total Building Area: 76,405 SF

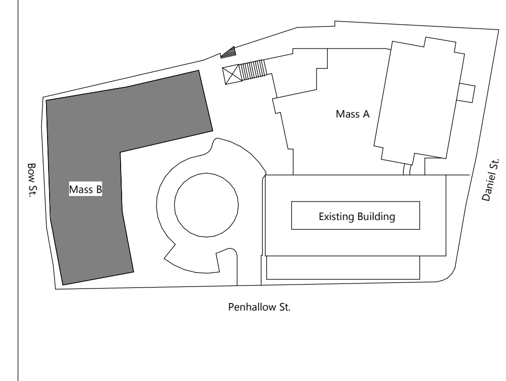
Bow St. Level (Ground) Floor Area		
Name	Area	Comments
Circulation	557 SF	
Commercial Retail	9055 SF	
Utility	468 SF	
Floor Area	10079 SF	

1B P4 Bow St. Area Plan
1" = 20'-0"

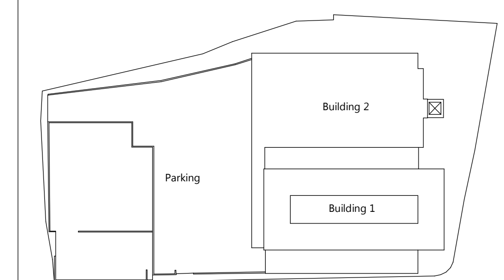
Total Building Area: 76,405 SF

Plaza Level (2nd) Floor Area		
Name	Area	Comments
Circulation	3325 SF	
Commercial Retail	5704 SF	
Resident	7545 SF	
Utility	139 SF	
Floor Area	16712 SF	

3B P4 Level 2 Area Plan
1" = 20'-0"



5A P4 Proposed Key Plan
1" = 80'-0"

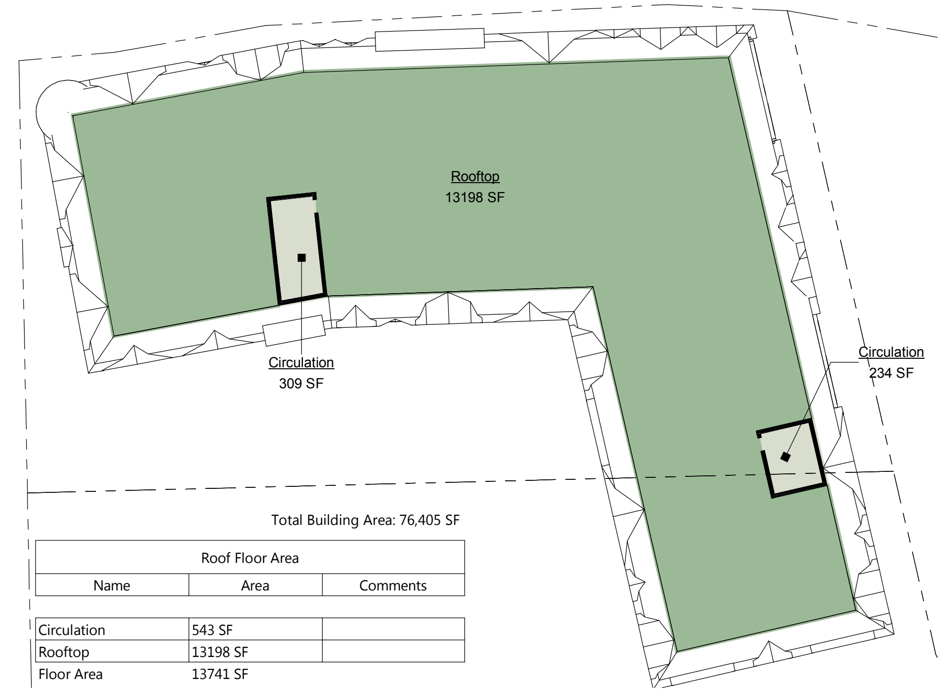


5B P4 Existing Key Plan
1" = 80'-0"

Total Building Area: 76,405 SF

Level 3 & Level 4 Floor Area		
Name	Area	Comments
Circulation	2748 SF	
Resident	15073 SF	
Utility	139 SF	
Floor Area	17960 SF	

1D P4 Level 3 + Level 4 Area Plan
1" = 20'-0"



Total Building Area: 76,405 SF

Roof Floor Area		
Name	Area	Comments
Circulation	543 SF	
Rooftop	13198 SF	
Floor Area	13741 SF	

3D P4 Roof Level Area Plan
1" = 20'-0"

Building Area Legend

- Circulation
- Rooftop
- Commercial Retail
- Utility
- Resident

Total Building Floor Area	
Name	Area
Circulation	9917 SF
Commercial Retail	14758 SF
Resident	37647 SF
Rooftop	13198 SF
Utility	885 SF
Total Building Area	76405 SF

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Mass B Proposed Area Plan

P4

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