PROPOSED MILL PLAZA PROPERTY MANAGEMENT PLAN

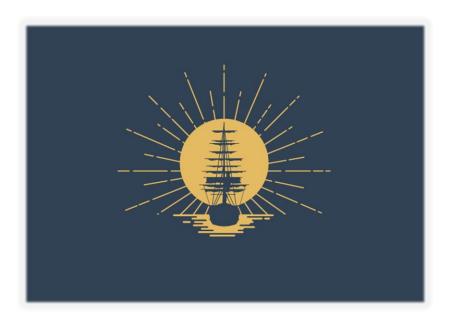
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Proposed Management Plan Overview

This proposed Property Management Plan ("Plan") presented by Colonial Durham Associates ("owner") represents a comprehensive and transparent approach to managing the residential and commercial portions of the Mill Plaza redevelopment. The Plan addresses a host of logistical concerns regarding the redevelopment, including 24/7 security, snow removal, maintenance, parking lot management, and tenant communications. The underlying philosophies evidenced in the Plan revolve around themes of "prevention", "visibility," "consistency," and "communication." Owner believes that adhering to these core tenets will afford the redevelopment a guidepost to handle the myriad anticipated and unforeseen issues that any property of this scale may encounter. For example, prevention reflects a systematic approach to preempt issues before they become problems, particularly in terms of maintenance and security. Visibility translates into having an active, daily presence on the property premises in order to vigilantly monitor and resolve daily issues. Moreover, visibility facilitates the development of mutually beneficial relationships with tenants. Consistency refers to establishing clear policies and procedures to set a strategic standard, and then implementing this standard via mandatory follow up and consistent enforcement with residential tenants, commercial tenants, customers, guests, and employees alike. Lastly, communication must be open, coherent, and genuine so that owner can present its position clearly and articulately to all stakeholders (e.g., Town officials, First Responders, UNH, residents, tenants, and employees), while simultaneously receiving input from these stakeholders directly. Clear communication requires the use of appropriate methods—be they in person meetings, written documents, digital correspondence, or otherwise—all with the proper form and tone to make sure mutual understanding is achieved. It is the intent of this Plan to demonstrate to the Planning Board the clear commitment by Ownership to professional operations at the redeveloped Mill Plaza. This document shall not sit on the shelf and collect dust. Rather, it will be continually updated and enforced to enhance the experience of commercial and residential tenants, guests at the property, customers, and the Town of Durham.

Owner believes a property that is well-maintained and enforces clearly stated policies and procedures will engender respect by community members and tenants. From an economic standpoint as well, an effectively managed property will command maximum rents and preserve the value of the asset. In sum, it is a necessary business practice to maintain and manage a property such as Mill Plaza.



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Property Management Plan

1. Tenant Selection Process

Owner will take reasonable and practical measures to select residential tenants who will be good community members within The Residence at Mill Plaza. The leasing and management team will prioritize tenants who have proven positive histories with other landlords. The selection process will consist of the following:

- The leasing team will screen candidates based on a formal prospective resident interview, during which we will seek to understand their housing history.
- Candidates considering The Residence at Mill Plaza will be provided a copy of the current Tenant Manual, which will identify the policies and procedures for The Residence at Mill Plaza in advance of signing a lease.
- Residents will submit official references that Landlord will review prior to entering a contract. Residents who have only lived in university housing should use a Resident Assistant as a reference.
- Residents under 21 will require a Parent or Guardian to co-sign and guarantee each lease for every resident.
- Subletting will not be permitted without Landlord's prior written consent. All subtenants will be required to follow thesame policies and procedures as any other tenant.
- All overnight guests will be required to register with Security.

2. Communications with Tenants

Owner and its managers will create an adaptive Communication Plan to ensure regular communication between ownership and the commercial and residential tenants of Mill Plaza and The Residence at Mill Plaza. The Communication Plan will establish regular correspondence that delivers a consistent message to all tenants. If a tenant violates the policies and procedures of Mill Plaza, owner and/or its managers will immediately contact the tenant to ensure that compliance with policies and procedures is achieved and then maintained. Owner and its managers will communicate with tenants in a professional, targeted, and appropriate manner.

Communication to tenants under the Plan may be electronic, either via text or email, in person, or by telephone. Communication with tenants in The Residence at Mill Plaza will include both the tenant and the guarantor (where applicable) securing the lease. All communications with a tenant and his/her guarantor will be documented in the tenant's file.

Owner and/or its managers will create a website for both Mill Plaza and The Residence at Mill Plaza. This website will be the primary location for communication between ownership and tenants as well as the property's primary marketing tool and digital touchpoint for prospective tenants.

The website will be updated regularly and will offer features including, but not limited to, the following:

- Thorough guide of policies and procedures
- Local support available (i.e., medical, tailoring, dry cleaning)
- Nearby options for food, supplies, and other daily needs
- Security policies and emergency procedures
- Instructions on how to use heat and appliances within the residential apartments
- Portal to access additional resident services
- Bicycle rules and procedures
- Parking options and rules
- Storage options

- Lease documentation
- Payment methods, schedules, and obligations
- Guidelines and best practices for Move-in & Move-out times and procedures

Owner and/or its managers will also regularly provide all tenants with staff phone numbers, emergency contact options, and email support to ensure that our staff is always accessible to residents. Owner and/or its managers will coordinate with local police, fire, and other health services to optimize our messaging to reinforce and spread awareness about the Town of Durham's laws and rules of conduct.

3. Residential Move-In & Move-Out Procedures

Owner's coordination of moving in and moving out procedures is essential to maintaining order and safety during these peak periods. Owner will manage these events with extreme care and planning and coordinate with Durham police to manage the process effectively. The procedures will be built around the following concepts:

Move-in Timing: Leases will allow tenants to move in anytime they wish except during the Peak Window—a 48–72-hour period in August right before the fall semester commences. This will encourage tenants to move in earlier and reduce demand during the Peak Window.

Staging within the Peak Window: Tenants wishing to move in during the Peak Window will be assigned to a "move in priority group," similar to the way airlines manage onboarding. Tenants will only be permitted to access elevators and move in according to their group number. Further, the staging of groups will be organized by building and floor to reduce congestion. Ultimately, the overall result will be that move-in traffic will be more manageable when spread out across multiple days.

Advance Shipping: Owner will provide short-term storage for items shipped in advance. Services will be made available to deliver these items to a given apartment unit.

Key Issuance: Keys will be issued in advance of the moving activities to further reduce traffic and activity during the Peak Window.

Off-loading Belongings: To avoid unnecessary traffic delays and bottlenecks, tenants may offload their belongings in designated areas where they will be monitored by Mill Plaza security staff. Large, wheeled move-in carts will be provided to speed the move-in process. If possible, additional help teams will be on-site to help tenants carry their belongings into the buildings.

Tenant cars will only be allowed short-term access to drop off belongings and will not be permitted to remain within Mill Plaza. Bicycles must be registered in advance and placed in an unobtrusive bike rack. Bicycles may not enter the buildings.

Providing Beds: To reduce logistical challenges and enhance efficiency, owner will provide bedframes or bed platforms in each bedroom. This will simplify the moving in process.

Extra Staff Support: Owner will have additional staff present during these Peak Periods to support tenants and families.

Move-Out Procedures: Moving out will follow similar procedures. The primary difference from Move-In will be the following:

- Prior to move-out, each apartment will be formally inspected, and all damages or issues will be documented before security deposits are returned.
- Outstanding balances must be settled.
- Relocation of possessions within The Residence at Mill Plaza for any future tenancy will be facilitated. Storage

options can also be facilitated.

Dumpsters and Trash Removal: During the move-out period, empty dumpsters will be provided to facilitate the inevitable deluge of refuse from the end of lease term cleanup. Tenants will be encouraged to utilize these dumpsters, as discarded items may not be left abandoned on the property.

4. Building and Site Security Plan

In the interest of maintaining a Class A commercial and residential property, owner will provide onsite security on a 24/7 basis at Mill Plaza and The Residence at Mill Plaza.

On Site Security: To act as a deterrent for inappropriate behavior, Mill Plaza will have an onsite security office that will be staffed 24/7 by Mill Plaza personnel. The amount of personnel on staff may be increased depending on events and activities on and around campus during a particular time period. Owner's security personnel will work with the Durham Police Department and the UNH Police Department to fulfill anyreasonable requests these Departments may require. Security personnel will go on routine rounds both outside and inside the two residential buildings to monitor tenant behavior. Additionally, all main security and fire systems will be fed directly into the security office of Mill Plaza for constant monitoring.

Site Surveillance: Owner will maintain an onsite motion activated video recording system that will monitor the common areas of buildings, public spaces, and parking lots to help deter vandalism, theft, and other unwanted/illegal activities. The cameras will be strategically placed overlooking the parking lots, public spaces, building entrances, courtyard, hallways, corridors, and other areas where additional oversight is needed to cover all blind spots. All cameras will feed back into the security office of Mill Plaza and to a DVR system. These recordings will also serve as a fallback visual record in the event of disputes regarding potentially unwanted or unlawful behavior by residents or in the event of a legal issue occurring in the line of sight of the recording system.

Building Access: To control entry and access into the building, the residential space will have a separate access from the commercial spaces. The security office's location will be in the main entrance of one building. Tenants will have their own RFID key card assigned to them to unlock the main door. No remote door unlocking system, such as a phoned-in "buzzer," will be installed. Instead, all tenants will have to go to the first floor to welcome all guests into the building. This should help deter any abuse of ingress or egress points, as well as make it more difficult for any unwanted guests to secure access to the premises. All other stairwells are to be used for emergency egress purposes only, unless dictated otherwise. If a tenant loses a key card, the RFID will be erased from the system and a new key card will be issued. Both residential buildings will have separate entrances.

The second-floor commercial tenants in building "B" will access their space via elevator in the "promenade or gallery" on the first floor. During off hours, the first floor of all buildings will be monitored by alarm systems, security cameras, and roving security personnel.

Parking areas: All parking areas will be monitored by security cameras. If, and for as long as, permitted by New Hampshire law, a parking lot monitoring system will track license plates as vehicles enter the parking areas. Roving security personnel will also monitor parking areas in person.

Fire Drills: Owner will comply with all Federal, State, and Local Fire and Life Safety Regulations such as fire drills as well as the requirements for appropriate signage, etc.

Resident Supervisors: Owner will consider the candidacy of qualified tenants who apply to be Resident Supervisors for their floor, especially during holiday events and weekends when heightened security is required.

Police Details: During specific events such as move-in/move-out, homecoming, sporting events/concerts, graduation,

farmers markets, and other major gatherings in the Town of Durham or on the campus of UNH, owner will liaise with the Town Durham and other local municipalities to hire additional police for traffic direction and other oversight.

5. Trash & Recycling Removal

Due to the density of residential and commercial space at Mill Plaza, owner has developed a systematic approach for dealing with trash and recycling refuse removal.

Trash Removal: Owner will utilize an outside hauler to remove trash from the site during a normal operational basis. Trash pickup will occur seven days a week during the school year and shift to three days a week during the summer. Furthermore, the selected trash hauler will be required to clean up any debris left from the trash removal process. Trash removal will be scheduled for first thing in the morning in compliance with Durham Noise Ordinances. Multiple 55 gallon trash barrels and two-yard hand moveable dumpsters will be located in the trash room. Recyclable material will have separate designated containers.

During move-in/move-out dates, owner will contract for additional dumpsters onsite and will have the ability to call for multiple daily pickups.

Tenants will be responsible for bringing garbage to the climate-controlled trash rooms located on the residential floor. Building maintenance and cleaning personnel will be responsible for cleaning trash and cleaning trash rooms.

Recycling Removal: Owner intends to use Durham Public Works for recycling removal and will directly coordinate with the Public Work's Department Head for scheduling removal. If Durham Public Works is unavailable for recycling, Owner will contract will an outside hauler to provide recycling services.

Litter Policing: As an ongoing daily operating procedure, owner's personnel will police the entire site every morning for litter on the property. Litter policing will continue through the weekend. If those littering are caught, fines in line with the offense will be imposed.

6. Snow Removal

Tenants, employees, and other community members will be permitted to walk through the pedestrian walkways year-round. Therefore, maintaining a safe walking environment is a top priority for Mill Plaza, especially during the winter. The snow removal plan is as follows:

- 1. Pedestrian Walkways: Due to the heavy foot traffic through the walkways located at Mill Plaza, snow removal from all sidewalks, seating areas, and the courtyard will be given top priority. Shovels and snow blowers will be used first to consolidate snow in various areas to make it easier for the snow to be quickly removed from the site once the storm ends. Sanding and salting of pedestrian walkways will occur directly after removal of snow. Special care will be taken with regard to the use of salt and other ice removal products near the College Brook. The snow removal contractor will comply with all New Hampshire and Durham snow removal guidelines.
- 2. Sidewalks and Parking Area: Snow in the parking lots will be plowed and consolidated towards the rear of the site, outside the 75' wetland buffer. Immediately thereafter, the snow will be loaded onto trucks and removed from the site. Owner's property management team will decide when snow removal/parking bans will be in effect.

Depending on weather reports and best emergency guidance, owner will determine on an ongoing basis when snow removal should occur and how often during a particular storm. Nevertheless, owner will maintain the mindset that walkways and patio areas are the highest priority.

7. Onsite Parking Management

Mill Plaza has a limited amount of onsite vehicle parking. All onsite vehicular parking spaces are designated exclusively for **commercial** use only.

Vehicle Parking: The several hundred onsite vehicle parking spaces will be reserved for the exclusive use of commercial tenants and their customers. All residential tenant parking will be located offsite, including guests of residential tenants. Owner and/or its managers will work to ensure that all tenants have access to offsite parking or can utilize available public parking. Further, owner and its managers will work with its primary commercial tenants, Hannaford and Rite Aid, to ensure the parking areas in front of their stores will be free of unauthorized residential tenant parking such that business is uninterrupted, and tenants' customers are unaffected by unauthorized resident parking.

Vehicles parked in the lot longer than two hours will be subject to towing. Signage stating these policies will be clearly placed in the parking lot. These policies will be strictly enforced by owner, and reviewed on a regular basis to ensure.

Overnight parking: Owner, at its sole discretion and in coordination with its commercial tenants, will prohibit overnight parking at Mill Plaza. Any exceptions will require approval of owner (and its tenants when applicable). The parking lot will close when the last merchant closes its store for the business day. It will reopen at 6:00 AM on days when commercial tenants are open for business.

Weekend Parking: The parking lot will be open for the exclusive use of commercial tenants and their customers on weekends. Residential tenants and their guests are prohibited from parking in the Mill Plaza lot during this time.

Moped Parking: A concrete Moped Pad will be constructed near the residential buildings. This Moped Pad will be used for customers visiting the businesses onsite. The same parking rules stated above for vehicles will be enforced.

Off-Site Parking: Tenants of The Residence at Mill Plaza will have access to public parking and to off-street satellite parking lots that are a short walk or shuttle bus ride away. Owner and/or its managers will incorporate this option into the leasing program.

8. Bicycle Management

Owner intends for Mill Plaza to be a bicycle friendly environment. The estimated total of bike storage spaces will be considered carefully and may increase over time based on user demand. Through the following policies and amenities, we hope to encourage the residents, employees, and community members to use bicycles:

Interior Bike Storage: Mill Plaza will offer interior bike storage spaces for tenants of the complex and employees of the onsite businesses. This area is located near the main lobby in Building C. Tenants who wish to utilize the interior bike storage area will be assigned a space on a first come, first serve basis, and be given access to the interior storage room through the use of their RFID card.

Covered Bike Storage: Mill Plaza will offer covered bike storage located under the canopies and overhangs of the commercial buildings, as well as within the parking area of Building C. Tenants and visitors alike can utilize this bicycle storage area.

Uncovered Bike Storage: Three uncovered bicycle storage areas are being contemplated at Mill Plaza. One storage area will be located on the Mill Road side of the site near the Hannaford store. The second will be in front of building B and the third will be in front of Building C. These spaces are intended for visitors of the commercial businesses and tenants, not for long-term storage. Owner, at its discretion, may remove bicycles that remain unattended overnight. Owner and/or its managers will monitor the use of the bicycle racks, and if necessary, supplement with additional racks on an "as needed" basis.

Owner will not be responsible for the security and weather protection of bicycles that are racked at Mill Plaza.

9. Landscaping Maintenance

To provide a welcoming public space for the tenants of Mill Plaza and The Residence at Mill Plaza as well as the Durham community at large, owner will maintain landscaping and street furniture with attention to detail. Owner will engage a professional landscaping company for maintenance. Items of particular concern are the following:

- Pavement, Pavers, and Sidewalks Maintenance: Pavement, Pavers, and Sidewalks damaged during the winter months, or from general wear and tear, will quickly be repaired or when necessary, replaced.
- **2. Street Furniture Maintenance:** All onsite permanent street furniture and fixtures will be maintained on an annual basis. Broken furniture and fixtures will be replaced in a timely manner.
- **3. General Landscaping Maintenance:** All street and parking lot trees and landscaping will be maintained using a "best management practices" system.
- **4. Storm Water Retention Basin Maintenance:** Storm water management systems and the retention basins will be maintained using "Best Management Practices" and the approved Long-Term Operation and Maintenance Plan. All work will be completed through third party contractors and be supervised by a licensed civil engineer.

10. Building Maintenance

The maintenance of the buildings will be an essential component of the operations of Mill Plaza. The primary goal is to make Mill Plaza's appearance as a "Gateway" into the town of Durham. This aesthetic should create a welcoming environment, thereby conveying the message that residents respect the property and that the property adds value to the local community. The onsite property management team will have a systematic approach in dealing with building maintenance and pay specific attention to detailed procedures during unit turnover.

Mill Plaza and The Residences at Mill Plaza will be maintained by a professional property maintenance staff and a variety of third-party contractors to facilitate ongoing maintenance of the buildings. Owner views maintenance in five separate components as follows:

- 1. Emergency Maintenance: Owner will always have personnel on call 24/7 for maintenance emergencies that arise. Owner will furnish to each residential tenant and commercial tenant contact numbers for members of the property management staff during non-business hours.
- **2. Major Mechanical Systems:** Owner will contract with various third-party contractors for maintenance and repair of major systems such as HVAC, fire alarm, electric, etc.
- **3. Exterior Maintenance:** Separate from general site keeping, owner will follow develop a program to inspect and repair all exterior items on all three buildings. Additionally, maintenance personnel will implement manufacturer's recommended ongoing maintenance of roofs, windows, doors, etc.
- **4. Interior Maintenance Common Areas:** The property management team will conduct daily walkthroughs of all common areas, such as hallways, lobbies, stairs towers, etc., to inspect areas needing repair. Additionally, maintenance personnel will implement manufacturers' recommended maintenance to fire doors, stairwells, lighting, etc.
- **5. Interior Maintenance Residential Units:** During the annual leasing period of the residential units, building maintenance will inspect them at least quarterly. Furthermore, these inspections will be conducted in the following specific situations as warranted:

- **a. Prior to occupancy:** Before the unit is occupied by a new tenant, management will ensure that the unit is in full working order. The management team will make photographic and/or video records of the condition of the space prior to move in.
- **b. Mid lease cycle:** During Holiday breaks, each unit will be inspected so that damage can be annotated and repaired.
- **c. Prior to move out**: Before tenants vacate the premise at the end of their lease term, an inspection will occur to note any damage. The management team will make photographic and/or video records of the condition of the space prior to move out.
- **6. Break/Fix:** A work order process will be developed to respond to repair & service issues, especially those related to plumbing, electrical, and appliance failures. Owner will track and monitor work in process to assure prompt response. Routine repairs will be provided by owner while extraordinary problems caused by tenants will be charged to the tenant or apartment unit.

11. Mail and Deliveries

Residential Delivery: All residential mail will be delivered to a common mailroom located in the lobby of Building C. All packages that are delivered by UPS, Fed Ex, USPS, etc., and items too large to fit into a unit's mailbox, will be kept at the leasing office. The tenant will be notified to pick up the package and will be fully responsible for retrieval of any packages or deliveries in a timely fashion.

Commercial Delivery: All commercial mail and packages will be delivered directly to the commercial tenants' businesses. All major deliveries that involve the use of the loading dock areas, with the exception of Hannaford and Rite Aid, will be coordinated by the property management team.