TERMS AND CONDITIONS

1. All right, title and interest conveyed by the State will be sold subject to the terms and conditions in the published notice of sale and those hereinafter set.

2. A deposit of $50,000.00 (bank or certified check) is required in order to bid on this property. An additional deposit to total 5% (by bank or certified check) of sale price required by the highest bidder is required within 48 hours of the conclusion of the bidding. If the required deposit is not so made, the property may, at the discretion of the auctioneer, be immediately resold, upon the same terms and conditions, without further notice, but such resale shall not release the defaulting purchaser from liability for breach of contract.

3. The balance of the purchase price shall be paid by bank or certified check or wire transfer payable to the "General Treasurer – State of Rhode Island" within ninety (90) days from the "Effective Date" of the Purchase and Sale Contract or on a date that is mutually agreed upon by the successful bidder and the State of Rhode Island. The "Effective Date" of the Purchase and Sale contract shall be the date when it receives approval and signatures of the State Properties Committee.

4. Sale of the Property shall be contingent upon the following special conditions:

    a. The Buyer shall have sixty (60) days from the earlier to occur of: (i) Seller's receipt of the City of Providence's waiver of its first right to purchase the Property under the same terms and conditions as this Purchase and Sale Contract or (ii) the lapsing of thirty (30) days from the date Seller mailed a written offer to sell the Property to the City of Providence, with the same not having exercised its first right of purchase under the same terms and conditions as this Purchase and Sale Contract; to satisfy itself as to the acceptability and suitability of the Property for purchase, including making the inspections set forth in sub-section (b), below (the "Inspection Period").

    b. During the Inspection Period, Buyer shall have the right to conduct an examination of Seller's title to the Property and explore its ability to obtain an ALTA owner's policy at standard rates insuring good and marketable title to the Property. Further, as a part of the Inspection Period Tests, Buyer shall have the right to conduct a "Phase I" Environmental site assessment.

    If Buyer notifies Seller prior to the expiration of the Inspection Period, that Buyer, in its sole and absolute discretion, is not satisfied as to title and the acceptability and suitability of the Property, then Buyer may terminate this Purchase and Sale Contract by providing written notice of termination to Seller, in which event the Deposit shall be returned to Buyer and this Purchase and Sale Contract shall become null, void and of no further force or effect; provided, however, that Buyer shall give Seller, in writing, timely notice of any title defects and the results of any "Phase I" environmental site assessment, and, further, shall give Seller, at Seller's sole and absolute discretion, a reasonable opportunity to cure any such title defect or to remedy any objectionable condition of the Property discovered as a result of the aforementioned "Phase I" environmental site assessment. Notwithstanding anything to the contrary set forth in Section 3(b), Seller must notify Buyer of Seller's intent to cure the noticed title defect or objectionable condition no later than fifteen (15) days after receipt of Buyer's written notice of said defect or condition, and provided further that Seller shall have no more than sixty (60) days beyond the date of receipt of Buyer's written notice within which to cure the title defect or objectionable condition, unless the parties mutually agree in writing to lengthen the

sixty (60) day period to cure. Should Seller fail to notify Buyer of its intent to cure or fail to cure the noticed title defect or objectionable condition within the times prescribed, the Deposit shall be returned to Buyer and this Purchase and Sale Contract shall become null, void and of no further force or effect.

c. With prior notice to Seller, Buyer may enter upon the Property at reasonable times for the purpose of conducting the Inspection Period Tests. Buyer shall be responsible for and will indemnify, save harmless and defend Seller against and from any and all claims and suits for, and any and all liability, loss or expenses (including reasonable attorney's fees) arising from, incidental to, or in connection with, bodily injury, including death, personal injuries to or damage to or loss of property of Buyer or its agents, servants, employees, consultants, or any other person claiming by or through Buyer which said damage, loss, injury or death shall arise in any manner from the acts or omissions of Buyer, its employees, agents, servants, employees, or consultants while performing the Inspection Period Tests on the Property, directly or indirectly, out of, or incidental to, or in connection with the Inspection Period Tests; Prior to Buyer conducting any Inspection Period Tests, Buyer shall provide evidence of insurance to Seller for any and all loss experienced by its inspectors in the amount of $1 million dollars / $2 million dollars general liability insurance and further shall add Seller to the policy as an additional insured.

5. At the time of closing, a Bargain and Sale deed, in usual form, without covenants of warranty, will be delivered to the successful bidder on receipt of the full balance of the purchase price. If the purchaser shall fail to tender the balance of said purchase price on the closing date, the State of Rhode Island, at its option, may resell the property to the next highest bidder at the original sale who shall be able to comply with the terms of the sale without notice to the purchaser and without previously tendering a deed to the purchaser. Such resale shall not, however, release the defaulting purchaser from liability for breach of contract, and in case of such default the State of Rhode Island shall retain said deposit, whether or not the property is resold, without prejudice to any right to recover further damages or to pursue any legal or equitable remedy accruing by reason of such default.

6. The subject property will be sold "as is" by bargain and sale deed in accordance with statutory requirements. No warranty deed will be offered by the State. Any and all sales of surplus property are subject to the final approval of the State Properties Committee. The State of Rhode Island reserves the right to reject any and all bids. Any subdivision and deed filing requirements of the City of Providence will be at the selected proposer's sole expense.

7. The successful bidder shall be responsible for all costs associated with the documentary deed stamps and recording of the deed.

8. In addition to the Purchase Price, the Buyer shall pay a 2% buyer's premium which sum shall be disbursed to "SJ Corio Company" at the time of closing.

9. The State will pay no broker's fee, finder's fee, commission, or other compensation to any party claiming to counsel or represent any proposer regarding the sale of the subject property or consummation of the lease hereinafter described.

10. Interested parties may conduct a non-invasive inspection of the subject property prior to the auction date. **The inspection are by appointment only and can be arranged by contacting Sal Corio at 401-738-0400.**

11. No representations will or have been made by the State that the subject property meets local, State or Federal ordinances, regulations or laws governing development

of property commercially, industrially, or otherwise. All permits, empowerments, permissions and grants necessary for the Property's sale and development are at the selected proposer's cost and responsibility. Any variances, permission or grants necessary to meet these requirements are likewise at the selected proposer's risk, cost and expense.

12. The sale is made without representations, warranties, or guaranties in regard to the title or any liens, encumbrances, attachments, levies, mortgages, easements, rights of way, occupancies, lease or other defects concerning said title.

13. This sale is subject to any and all of the following which shall notwithstanding the sale thereof constitute valid superior or prior liens on the premises: liens, encumbrances, condominium assessments and/or charges, attachments, levies, mortgages, easements, rights of way, occupancies, leases or other defects of title, Federal, State, District and Municipal taxes, liens and assessments, zoning regulations and rights of redemption under applicable law.

14. Sale of the Property to the successful bidder is contingent upon the City of Providence's statutory, pre-emptive right to purchase the Property pursuant to Title 37, Chapter 7, Section 5 of the General Laws of Rhode Island, 1956, as amended and subject to the final approval of the State Properties Committee.

15. Any use of the subject property will be in compliance with "Appendix C," Title VI of the Federal Civil Right Act of 1964, as amended, i.e., without discrimination as to race, color, or national origin.

16. Any public utilities or municipalities having facilities under, over, or through the subject property as of the date of its conveyance to the selected bidder shall have the right and easement to continue to maintain, operate, and renew their facilities within the subject property.

17. No billboard, sign, or other outdoor advertising devices shall be erected upon the subject property other than those indicating ownership or on-premises advertising and shall be subject to reasonable restrictions with respect to number, size, location, and design by regulation of the RIDOT and/or the Federal Highway Administration and subject to local zoning ordinances.

18. If applicable, the winning bidder will indemnify, save harmless and defend the State of Rhode Island from any claim or claims arising from the discovery, uncovering, finding, transportation, storage and disposal of any oil, hazardous material, hazardous waste or hazardous substance, as those terms are defined by any applicable law, rule, or regulation, including but without limitation, the Rhode Island Hazardous Waste Management Act, Rhode Island General Laws Section 23-19.1-1 et seq., the Rhode Island Rules and Regulations for Hazardous Waste Management (2002), the Oil Pollution Control Act, Rhode Island General Laws Section 46-12.5.1-1 et seq., the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. 6901 et seq., attributable to the selected proposer subsequent to the date the property is conveyed to the selected proposer arising under the Rhode Island General Laws, Sections 23-19.1-1 et seq., as amended or otherwise and Rhode Island General Laws, Section 46-12.5.1-1 et seq., as amended or otherwise.

19. No environmental analyses of the property have been conducted. The State makes no assertions or warranties regarding the presence, if any, or absence of asbestos, chemicals, hydrocarbons or other hazardous materials on the Property.