

Terms and Conditions of Live On-site Auction and Sale of State Property

**SALE OF BUILDING CONSISTING OF 39,094 SQUARE FEET
ON 63,724 SQUARE FEET OF LAND**

The parcel is owned by the State of Rhode Island and controlled by the Department of Transportation it consists of a 39,094 square foot 2 story brick faced mill building, with a saw-tooth roof constructed in circa 1904. The building is situated on an irregular shaped parcel consisting of 63,724 square feet, or 1.46 acres located at 65 Centerville Road west of the Route 117 (Centerville Road) and US Route 1 (Post Road) intersection, within the Village of Apponaug, in the City of Warwick. When construction of the Apponaug Circular Improvement Project (ACIP) is complete in November 2017, the parcel will benefit from an unobstructed visibility from the new extension of Veterans Memorial Drive.

The parcel falls within the (LI) Light Industrial Zoning District. Properties within the district are intended for use as limited or light industrial generally of a less intensive nature than those allowed in the general industrial district. Utilities in the area include water, gas, electricity, sewer, and telephone. The subject property is situated in an AE (EL. 11) flood zone area per Federal Emergency Management Agency) (FEMA) Flood Insurance Rate Map (FIRM) #44003CO129H, dated September 18, 2013, whereby flood insurance would most likely be required.

A fifteen (15) foot maintenance easement to the west, north and northeast of the property for RIDOT to maintain the newly built highway slope and retaining wall will be required from the Buyer.

A walk through and question/answer conference will be held on the site at 10:00a.m. EST, on June 14, 2017. Representatives of the State will answer verbally questions proposed. Questions requiring follow-up will be answered by the State in writing.

The live on-site auction of the parcel will be held commencing at 10:00 a.m. EST, June 21, 2017. The State assumes no responsibility for the submission, routing, posting or quoting of bids. The State reserves the right to reject any and all bids. **Bids must equal or exceed the reserve bid sum of Five Hundred Fifty Thousand Dollars (\$550,000).**

All the property's right, title and interest conveyed by the State will be sold subject to the terms and conditions stipulated in the public notice of the parcel's sale *and* the following terms and conditions:

1. The sale will be by "Bargain and Sale Deed," in accordance with statutory requirements. No warranty deed or quit claim deed will be offered by the State. The State will utilize its Purchase and Sales Agreement substantially in the form of the attached draft.
2. The sale is subject to the pre-emptive rights of the property's owners at the time of its condemnation by the State, and the City of Warwick, to (re)purchase the property per RIGL 37-7-3, 1956, as amended.

3. The purchaser will be responsible, at the purchaser's expense, to prepare a conveyance plat map and a legal description of the property, subject to the review and approval of the Department of Transportation. The purchaser will be responsible for any documentary deed stamps required to be appended to the deed; and a payment of a buyer's premium, in addition to the purchase price, payable to the auctioneer. The premium will be 2% (two percent) of the parcel's final sale price and will be paid at the closing.
4. The purchaser will be responsible, at the purchaser's expense, for filing the deed and conveyance plat map with the City of Warwick. The purchaser will be responsible for all subdivision requirements.
5. The property's sale is subject to the approval of the State Properties Committee and the Federal Highway Administration.
6. No representation is made that the property meets local, State or Federal requirements, including zoning, for residential use, commercial use, or other usage or development.
7. **A deposit of Ten Thousand Dollars (\$10,000) by cash, bank or certified check, or by electronic transfer, must be submitted to qualify as a bidder at the time and place of auction (10:00 a.m., EST, June 21, 2017. (See above).** If the required deposit is not so made, the property may, at the discretion of the State and the auctioneer, be immediately resold, upon the same terms and conditions, without further notice.
8. The balance of the purchase price will be paid by bank or certified check or electronic transfer acceptable to the Seller at the closing on or about August 31, 2017.
9. The purchaser will have a sixty (60) day due diligence period from the date the Purchase and Sale Agreement is signed by all parties, including the State Properties Committee, to examine title to the parcel the purchaser notifies the State by the expiration of the due diligence period that the purchaser is not, in its sole discretion, satisfied with the State's title to the property, or not able to obtain an ALTA owner's policy at standard rates at the closing insuring good and marketable title to the Property without exception for any matters recorded after the date of the purchaser's title commitment, then the purchaser may terminate the Purchase and Sale Agreement by written notice to the State, in which event all deposits will be returned to the purchaser and the Purchase and Sale Agreement shall become null, void and of no further force or effect; provided, however, that the purchaser will give the State timely notice of any title defects and, further, shall give the State a reasonable opportunity to cure title.
10. At the time of closing, a bargain and sale deed, in usual form, without covenants of warranty or quit interest, will be delivered to the purchaser on receipt of the full balance of the purchase price. If the purchaser shall fail to tender the balance of the purchase price on the closing date, the State, 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 shall retain all deposits, 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.

11. The State will pay no broker's fee, finder's fee, commission, or other compensation to any party claiming to counsel or represent any bidder and/or purchaser regarding the sale of the property or consummation of the sale herein described.
12. Interested parties may conduct a non-invasive inspection of the subject property prior to the auction date. This inspection can be arranged by contacting **SJ Corio Company (401) 738-0400** or e-mail info@sjcorio.com. The inspection may require a formal Letter of Authorization from the State.
13. The sale will be 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 title.
14. 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 property: 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 local taxes, liens and assessments, zoning regulations and rights of redemption under applicable law.
15. Any public utilities or municipalities having facilities under, over or through the property as of the date of the closing shall have the right and easement to continue to maintain, operate and renew their facilities within the property.
16. The purchaser will indemnify, save harmless and defend the State of Rhode Island and its Department of Transportation 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, without limitation, the "Rhode Island Hazardous Waste Management Act," R.I. Gen. Laws §23-19.1-1, *et seq.*; the "Rhode Island Hazardous Substances Act," R.I. Gen. Laws §23-24-1, *et seq.*; the "Rhode Island Rules and Regulations for Hazardous Waste Management," (2005); the "Oil Pollution Control Act," R.I. Gen. Laws §46-12.5.1-1, *et seq.*; the "Comprehensive Environmental Response, Compensation and Liability Act," as amended, 42 U.S.C. 9601, *et seq.*; and the "Resource Conservation and Recovery Act," as amended, 42 U.S.C. 6901, *et seq.*, on, beneath, above or under the property attributable to the purchaser subsequent to the closing arising under R.I. Gen. Laws §23-19.1-1, *et seq.*, as amended, or otherwise, and R.I. Gen. Laws §46-12.5.1-1, *et seq.*, as amended or otherwise.

17. All bids must be accompanied by an “Affidavit of Non-Collusion” (copy attached). Prior to the execution of a Purchase and Sale Agreement, the purchaser must complete and submit to the State an “Affidavit of Non-Conviction,” (copy attached). and if applicable, “Disclosures of Corporation or Partnership.”
18. No bid will be awarded to any person, entity, firm or corporation that is in arrears or default to the State of Rhode Island upon any debt, tax, or contract, or that has previously defaulted in surety, or otherwise, upon any obligation to said State or that has failed to perform faithfully any previous contract with said State.
19. The bargain and sale deed of conveyance will contain the following language: *“Any use of said parcel of land will be in compliance with Title VI of the Federal Civil Rights Act of 1964, 42 U.S.C. §§2000d-2000d-4, i.e., without discrimination as to race, color, sex, national origin, age, or disability. Moreover, the Grantee covenants and agrees, as a covenant running with the land, that in the event facilities are constructed, maintained, or otherwise operated on said parcel of land described in this deed, for a purpose for which a U.S. Department of Transportation program or activity is extended, or for another purpose involving the provision of similar services or benefits, the Grantee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 C.F.R. Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964 (the Regulations), and as the Regulations may be amended.”*

If the purchaser utilizes the parcel for a transportation related purpose the following wording will be added to the above language.

- “ *In the event of breach of any of the above nondiscrimination covenants, the Grantor shall have the right to re-enter said parcel of land and the facilities thereon, and the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of the Grantor and its assigns.* ”