

PURCHASE AND SALE AGREEMENT

1. **SALES AGREEMENT:** This agreement (the “Agreement”) is made by and between the City of Warwick, Rhode Island, a municipal corporation organized and existing under the lay of the State of Rhode Island (“Seller”), with its principal office located at 3275 Post Road, Warwick, Rhode Island 02886, by and through its duly authorized Treasurer, and Carpionato Properties, Inc., a duly organized and validly existing Rhode Island corporation (“Buyer”), with its principal office located at 1414 Atwood Avenue, Johnston, Rhode Island 02919. The Seller agrees to SELL and the Buyer to BUY, upon the price and terms below, the following property located along Greenwich Avenue, Warwick, Rhode Island, and further identified as Lot 20 on Assessor’s Plat 265 in the records of the Tax Assessor of the said City of Warwick (the “Property”).

2. **DATE OF THIS AGREEMENT; CITY COUNCIL APPROVAL REQUIRED:** The Date of this Agreement shall be the date on which Seller signs the Agreement, as set fort by the City Treasurer’s authorized signature below. This Agreement is subject to and wholly conditional upon approval of the City Council of the City of Warwick, and it may not be executed by the City Treasurer until approved by appropriate resolution of said City Council.

3. **PURCHASE PRICE:** The Purchase Price for the Property is the appraised value of the Property and as otherwise agreed to by the parties, to wit: ONE THOUSAND THIRTY SIX THOUSAND FIVE HUNDRED DOLLARS AND ZERO CENTS (\$136,500.00).

4. **CLOSING DATE/PLACE:** Closing is to be held on a date set by mutual agreement of the parties, but in no event any later than sixty (60) days after the approval of this sale by the Warwick City Council. The Closing shall occur at the office of the City Clerk of the City of Warwick or at such other time and place as may be agreed to by the parties. The Purchase Price shall be paid made to order as directed by the City’s closing agent and payable by cash, certified check, wire transfer and/or bank check. Payment of the Purchase Price and delivery of deed shall occur at the closing.

5. **DEPOSITS:** No deposit has been submitted by the Buyer and none has been required by the Seller.

6. **WAIVER OF MORTGAGE CONTINGENCY:** This Agreement is not contingent upon Buyer’s obtaining financing.

7. **INSURANCE/RISK OF LOSS:** The Property is vacant land and the Seller is not obligated to keep the Property insured until the delivery of the deed against any loss or casualty.

8. **FIXTURES/PERSONAL PROPERTY:** Included in this sale as part of the Property are the buildings, structures and improvements now thereon, if any, but not any other personal property located on the Property which does not constitute fixtures belonging to Property and/or used in connection therewith. Such improvements and personal property, if any,

as contemplated by this Agreement are being sold and transferred in “AS-IS,” “WHERE-IS” and “WITH-ALL-FAULTS” AND WITH NO REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER.

9. **TITLE:** Seller makes no covenants or warranties as to title whatsoever, and Buyer agrees to accept a Bargain and Sale deed from the Seller as full performance of Seller’s obligations hereunder and in consideration of payment of the Purchase Price in full. Buyer may conduct or cause to be conducted, an examination of title to the Property at Buyer’s sole expense prior to the Closing. Buyer shall notify Seller in writing of any defects in the title disclosed by such examination least forty-five (45) days in advance of the Closing. If Seller, at Seller’s sole discretion, is unable or unwilling to remove such defects, Seller will notify Buyer of such decision in writing to Buyer least ten (10) days in advance of the Closing date, in which event Buyer shall have the option to: (a) accept such title as Seller is able or willing to convey without abatement or reduction of the Purchase Price; or (b) cancel this Agreement by written notice to Seller prior to the Closing. The Property will be conveyed to the Buyer by a bargain and sale deed from the Seller, conveying all of Seller’s interest, if any, in and to the Property, and excepting any easements, restrictions of record and municipal regulations, including, but not limited to, any restrictions or conditions which may be imposed by the City Council of the City of Warwick as part of its decision to approve the sale of the Property, which such restrictions and conditions may include, but may not be limited to, the following:

The deed shall contain a restriction that no building or structure shall be allowed on the subject parcel except that which is permitted as an accessory use to the principal use of the Property by the City zoning ordinance without variance or other relief from said ordinance.

If the Property abuts the Purchaser’s property, the abutting lot shall be merged administratively into the Purchaser’s existing lot.

If Buyer is unwilling to accept such conditions and/or restrictions as may be imposed by the Warwick City Council, Buyer shall notify Seller of such decision at least thirty (30) days in advance of the Closing. Upon Seller’s receipt of such notice from the Buyer, this Agreement shall become void and unenforceable and neither party shall have any further obligation to the other hereunder.

10. **TAXES, ADJUSTMENTS, OTHER ASSESSMENTS:**

(a) Taxes: All taxes, if any, which are a lien upon the Property shall be paid by the Buyer at the time of the delivery of the deed.

(b) Adjustments: Rents, fuels, water charges and sewerage charges, if any, shall be apportioned as of the date of the delivery of the deed.

(c) Assessments: All assessments which constitute a lien on the Property shall be paid or assumed by the Buyer.

11. **BUYERS/SELLER INFORMATION:**

(a) Ordinances: Buyers of real estate in the State of Rhode Island are legally obligated to comply with all local real estate ordinances; including, but not limited to, ordinances on the number of unrelated Persons who may legally reside in a dwelling, as well as ordinances on the number of dwelling units Permitted under the local zoning ordinances.

(b) Wetlands: The location of coastal wetlands, bays, freshwater wetlands, ponds, marshes, riverbanks or swamps, and the associated buffer areas may impact future Property development. If known, Seller must disclose to the Buyer any such determination on all or art of the land made by the Department of Environmental Management.

(c) Radon Gas: Radon has been determined to exist in the State of Rhode Island testing for the Presence of radon in residential real estate prior to Purchase is advisable.

(d) Lead Contamination: “Every Purchaser of any interest in residential real Property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead Poisoning. Lead Poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced Intelligence Quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The Seller of any interest in residential real property is required to provide the Buyer with any information on lead-base paint hazards from risk assessments or inspections in Seller’s possession and notify the of any known lead-based paint hazards. A risk assessment inspection is recommended prior to purchase.

(e) Restrictions or Legislative/Governmental Action: Buyer is responsible for investigating whether there are any restrictions or legislative/governmental actions, present or Proposed, which affect or would affect the use of the Property.

12. **ADDITIONAL SELLER OBLIGATIONS:**

(a) Smoke and Carbon Monoxide Detectors: Rhode Island law requires that all existing one-, two- and three-family dwellings, and all existing residential buildings with less than eight units, shall be equipped with an approved smoke and carbon monoxide detector system. It s the responsibility of the Seller to deliver the Property at the closing in compliance with such la along with a smoke and carbon monoxide detector certificate dated no earlier than 60 days before the Closing. If such detectors must be installed or replaced, the Buyer shall be solely responsible for the costs associated therewith.

(b) Foreign Investment in Real Property Tax Act (“FIRPTA”): The Seller represents that the Seller is not a foreign person or foreign corporation as defined in FIRPTA and according that the Buyer will not be required to comply with the withholding requirements of FIRPTA at the closing.

13. **POSSESSION**: The Property is being sold in “AS-IS” condition and Buyer represents that it has not relied on any oral representation of the Seller as to the character or quality of the Property. Possession of the Property, subject to the rights (if any) of all tenants, occupants and personal possessions (except as provided below) is to be delivered to the Buyer at the time of delivery of the deed. At closing, the Property is to be conveyed in the same condition in which it now is, except for reasonable use and wear.

14. **DOCUMENTS TO BE DELIVERED BY SELLER AT CLOSING**: at the Closing Seller shall deliver the Bargain and Sale Deed (with payment by Buyer of any required state and/or local documentary stamps, if any to be affixed hereto) in form reasonably acceptable to Buyer or Buyer’s counsel and a non-foreign affidavit executed by Seller, containing such information as is required by Internal Revenue Code and the regulations thereunder.

15. **DOCUMENTS TO BE DELIVERED BY BUYER AT CLOSING**: at the Closing Buyer shall deliver to the Seller the Purchase Price, in cash, or in the form of a Cashier’s or Treasurer’s check of a Rhode Island bank or credit union or by check certified by a Rhode Island bank or credit union, and such other instruments and documents to which Seller may be reasonably entitled under any provision of this Agreement.

16. **NOTICE OF VIOLATIONS**: If there is any notice or violation order outstanding against the Property, Seller shall immediately provide written notice to the Buyer with a true copy of any notice of violations or orders issued and notify the enforcing officer in writing of Seller’s intent to transfer the property.

17. **FURTHER ASSURANCES**: Each of the parties hereto agrees to execute and deliver such other documents, instruments, and affidavits as may reasonably be required to effect the transaction contemplated herein, including without limitation, any affidavits and agreements which may be required by Buyer’s title insurance company.

18. **NOTICES**: All notices as required in this Agreement shall be in writing. All notices are to be conveyed by mail, personal delivery, or fax. Notices shall be effective when post marked, upon personal delivery, or upon fax transmittal date. Notices to the Seller shall be sent or delivered to the Seller to the attention of the City Treasurer at the address in Section 1 of this Agreement, with a copy to: Peter D. Ruggiero, Warwick City Solicitor, 20 Centerville Road, Warwick, Rhode Island 02886 (Fax: 401-737-0735). Notices to the Buyer shall be sent or delivered to the address that appears in Section 1 of this Agreement.

19. **DEFAULT**: Upon default by the Buyer or the Seller in the performance of this Agreement, the non-defaulting party may terminate this Agreement by written notice to the defaulting party as its sole and exclusive remedy and this Agreement shall thereupon become void and of no further force or effect whatsoever.

20. **ASSIGNMENT AND SURVIVORSHIP**: This Agreement may not be assigned by either party without written consent of the other, and shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

21. **THE FOLLOWING ADDENDUM(S) ARE MADE A PART OF THIS AGREEMENT:** Seller's Lead Disclosure Form and R.I. Real Estate Sales Disclosure Form (if appropriate).

22. **CONSTRUCTION OF AGREEMENT:** This Agreement may be executed in one or more counterparts and each shall be deemed to be an original. If two or more persons are named herein as Buyer, their obligations hereunder shall be joint and several. All references to time periods shall be counted in calendar days.

23. **NO RECORDING:** This Agreement may not be recorded in the Land Evidence Records of the City of Warwick. In the event Buyer records or causes this Agreement to be recorded in violation of the foregoing prohibition, the Buyer, at Seller's election at any time thereafter, shall be deemed in default hereunder entitling the Seller to the remedies provided herein for the Buyer's default including, without limitation, the right to retain any unexpended or unencumbered Deposit. In addition, in the event this Agreement is recorded in violation of the foregoing prohibition against recording, the Seller is hereby authorized and empowered as the true and lawful attorney-in-fact for the Buyer to record an affidavit of the Seller stating that the Seller has elected to hold the Buyer in default hereunder and all third parties may conclusively rely upon the recording by the Seller of such an affidavit establishing that the Buyer no longer has any right, title or interest in and to this Agreement or the Property. This power of attorney shall be deemed irrevocable and coupled with an interest in and to the Property. The Buyer agrees to execute, acknowledge and deliver, in recordable form, any such further documents, assurances, or instruments as the Seller may request in order to further confirm that the Buyer no longer has any right, title or interest in and to this Agreement or the Property and in the event that the Buyer refuses or fails to forthwith execute same, the Seller is hereby appointed the true and lawful attorney-in-fact of the Buyer to execute same, which power of attorney shall be deemed irrevocable and coupled with an interest in the Property.

24. **GOVERNING LAW:** This Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Rhode Island and the Code of Ordinances of the City of Warwick.

25. **WAIVERS AND EXTENSIONS:** No waiver of any breach of any agreement or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other agreement or provision herein contained. No extension of time for performance of any obligations or acts shall be deemed an extension of time for performance of any other obligations or acts.

26. **BROKERS:** Buyer and Seller each represent and warrant to the other that they have not dealt with any brokers or real estate sale persons with respect to the transaction contemplated by this Agreement, and that no person is entitled to claim a commission or other fee in connection with the transaction contemplated herein. Buyer and Seller further agree to indemnify and hold harmless the other party and its respective successors and assigns against and from all claims, losses, liabilities and expenses including attorney's fees arising out of any claim by any brokers, consultants, finders or like agents, which are based upon alleged dealings with said parties. The provisions of this action shall survive the closing.

27. **ENTIRE AGREEMENT:** We, the parties hereto, each declare that this instrument contains the entire Agreement between us, subject to no understandings, conditions, or representations other than those expressly stated here. This Agreement may not be changed, modified, or amended in whole or in part except in writing, signed by all parties.

WITNESS the signatures of the above parties on the date(s) set forth below.

Witness:

Buyer:
CARPIONATO PROPERTIES, INC

Duly Authorized

Date: _____

Seller:
City of Warwick

By:

David Olsen, City Treasurer

Date: _____

WETLANDS DISCLOSURE

An explanation of the Wetlands Disclosure Requirements: Rhode Island law requires that a buyer be notified prior to the sale of real estate if it has been designated as wetlands by the Department of Environmental Management. Each city and town has maps of designated wetlands. These maps are of a scale that makes it very difficult to identify an individual parcel of real estate. There are many properties which contain wetlands, but about which no previous determination has been made. Wetlands are defined according to the type of plant life which is present, or according to whether the property is subject to flooding. The legal definition of wetlands also includes a buffer area ranging from the edge of the biological wetlands. It is illegal to excavate, drain, fill with trash, garbage, sewage, highway runoff, drainage ditch effluents, earth, rock, borrow, gravel sand, clay, peat or other materials or effluents upon; divert water flows into or out of dike, dam, invert, change, add to or take from or otherwise alter a wetland without a written approval from the State.

A Buyer should be particularly concerned with the wetlands designation if he plans to build an accessory structure to, or to add onto, a house on the real estate when the real estate is served by an individual septic disposal system. If you are buying an existing house that is served by a municipal sewage system, this disclosure may only be a concern to you if the property is designated as being a wetland and you are building an addition or a new structure on the property.