

[December, 2016]

[Name/Address of Purchaser]

**LETTER OF INTENT**

\_\_\_\_\_, 201\_\_

I-195 Redevelopment District  
Attn: Chairperson  
315 Iron Horse Way, Suite 101  
Providence, RI 02908

**Re: Parcel [ ], Providence, Rhode Island**

Ladies and Gentlemen:

We present this Letter of Intent (“LOI”) for the purchase of Parcel [ ] located on [ ] Street in Providence, Rhode Island. This LOI sets forth the proposed terms for the negotiation of a Purchase and Sale Agreement (the “Agreement”) for the Property (as defined below).

**Buyer:** [ ], or its nominee (to be further defined in the Agreement).

**Seller:** I-195 Redevelopment District.

**Property:** Parcel [ ] located at [ ] in Providence, Rhode Island containing approximately [ ] acres. Seller shall convey the Property with clear and marketable title as further provided in the Agreement.

**Purchase Price:** [ ] Dollars (\$[ ]) payable at Closing (as hereinafter defined), inclusive of all deposits.

**Initial Deposit and Third Party Expense Deposit:** Upon execution of the Agreement, Buyer shall deposit [ ] Dollars (\$[ ]) [Note: 5% of purchase price] (the “Initial Deposit”) into escrow with Pilgrim Title Insurance Company (“Escrow Agent”). In addition to the Initial Deposit, upon execution of the Agreement, Buyer shall deposit [ ] Dollars (\$[ ]) with Seller (the “Third Party Expense Deposit”). Seller may apply the Third Party Expense Deposit to pay Seller’s professional fees and expenses and the fees and expenses of third parties that Seller may retain to analyze Buyer’s financial capability and development plans.

***Due Diligence:***

Buyer shall have [sixty (60)] days from the execution of the Agreement (the “Due Diligence Period”) to complete its review of the Property.

If by the end of the Due Diligence Period, Buyer determines, at its sole discretion, for any or no reason, not to proceed with the transaction, then Buyer may terminate the Agreement and the Deposit and any interest earned thereon, together with any balance of the Third Party Expense Deposit, shall be returned to Buyer and all obligations by and between the parties shall cease except those provisions which are stated in the Agreement as surviving such termination.

If Buyer does not terminate the transaction by the end of the Due Diligence Period, Buyer shall deposit an additional [ ] Dollars [(\$ )] [Note: 10% of the purchase price for a total deposit of 15%] (the “Second Deposit”) with the Escrow Agent. The Initial Deposit and the Second Deposit (collectively referred to as the “Deposit”) shall remain in escrow until Closing and shall be applied to the Purchase Price at Closing.

In connection with Buyer’s due diligence, Seller shall make available to Buyer upon execution of this LOI (to the extent the information is available to Seller) certain information concerning the Property through an online data room. It is anticipated Buyer will conduct a Phase I environmental audit, appraisal, engineering studies and such feasibility and other studies and investigations regarding the condition of the Property as Buyer may consider prudent. No Phase II environmental site assessment or any other invasive testing of any nature will be permitted unless Seller grants its written approval to same, which approval shall be not be unreasonably withheld.

***Permitting:***

Buyer shall have [one hundred eighty (180)] days from the execution of the Agreement (the “Permitting Period”) to obtain all permits and approvals (other than a building permit), including permits and approvals from Seller (“Permits and Approvals”), to permit Buyer to build a [ ] (the “Project”) on the Property. In the event that Buyer, after exercising commercially reasonable efforts, is unable to obtain all necessary Permits and Approvals by the end of the Permitting period, then Buyer may terminate the Agreement and the Deposit and any interest earned thereon shall be returned to Buyer and all obligations by and between the parties shall

cease except those provisions which are stated in the Agreement as surviving such termination.

***Additional Conditions:***

The obligations of the parties under the Agreement will be subject to satisfaction of each of the following conditions:

(a) [ ]

(b) [ ]

***Closing:***

Subject to satisfaction of the contingencies above, Closing shall take place not later than sixty (60) days after the end of the Permitting Period.

***Defaults:***

The Agreement shall provide that upon default by either party, the non-defaulting party will have all remedies available at law and in equity, including suits for damages and specific performance. In addition, the obligations of Buyer under the Agreement will be guaranteed by a credit-worthy entity acceptable to Seller.

***Construction Commencement and Completion Condition:***

Buyer acknowledges the provisions of R.I.G.L. § 42-64.14-8(b)(5) which provides that as a condition to any contract for the sale of land by Seller, construction must commence “within twelve (12) months from the effective date of the contract and all construction shall be complete within three (3) years from the commencement of said construction” and that the Property will be conveyed subject to these requirements. Buyer further acknowledges that at Closing Buyer will be obligated to enter into a Development Agreement with Seller confirming these requirements.

***Costs:***

Seller is exempt from conveyance taxes. Title insurance premiums and charges and all due diligence costs will be the responsibility of Buyer. Buyer and Seller will each pay their own legal and professional fees and other costs and expenses.

***Brokerage:***

Buyer and Seller each will represent and warrant to the other that it has not dealt with any broker with respect to the transaction contemplated by this LOI. Seller and Buyer will indemnify each other from any claims arising out of discussions of Seller or Buyer (as the case may be) with any broker.

***Exclusivity:***

In consideration of Buyer’s efforts and expenses in analyzing and proposing this transaction, Seller agrees that Seller will not negotiate with any third party for the sale, purchase or other

disposition of the Property until either Seller or Buyer elects to terminate negotiation of an Agreement but not less than thirty (30) days from the date hereof.

***Confidentiality:***

Buyer acknowledges that Seller is a quasi-governmental entity and accordingly, by law the Agreement, if executed, must be made available to the public upon request. Notwithstanding the foregoing, to the extent permitted by law, Seller will maintain in confidence any proprietary or financial information provided to Seller by Buyer and designated as confidential.

With the exception of the paragraphs titled Exclusivity and Confidentiality above, which are intended to be binding, this LOI is not intended to be binding and will not give rise to any right or obligation based on any legal or equitable theory (including any right to continue negotiations), it being intended that only a subsequent formal written contract (the Agreement), if executed and delivered by the parties, will bind the parties as to any matter which is the subject of this LOI. In further clarification of the foregoing, either party may at any time withdraw from and terminate (without recourse) any discussions or negotiations with respect to this LOI or the proposed Agreement, and neither party will be bound to the other unless and until the Agreement is executed by all parties. Until the execution of such Agreement, no enforceable rights or obligations exist hereunder excluding the Exclusivity provision referenced above.

It is anticipated the Agreement shall be fully executed not later than thirty (30) days from the date on which Seller executes this LOI.

This LOI shall be valid until 5:00 p.m. on \_\_\_\_\_, 201\_\_, at which time it will expire if not sooner accepted by Seller.

We look forward to your timely response.

Sincerely,

**BUYER:**

[            ]

By: \_\_\_\_\_

Name: [     ]

Title: [     ]

**AGREED AND ACCEPTED BY:**

**SELLER:**

**I-195 Redevelopment District**

By: \_\_\_\_\_

[     ]

Chairperson