

MEMORANDUM
OF
TERMS AND CONDITIONS OF SALE

1. The undersigned Purchaser hereby acknowledges that he/she has this day purchased at a Mortgagee's Foreclosure Sale, at public auction, the parcel of property in Longmeadow, Hampden County, Massachusetts, located at 70 Severn Street, as more particularly described in the mortgage from Jeffrey A. Rahn Trustee of The Severn Realty Trust (the "Mortgagor") to PeoplesBank (the "Seller") dated August 13, 2004 and recorded in Land Registration Office of Hampden County as Document #158680. The Premises shall be conveyed to the undersigned (the "Purchaser"), or to the nominee designated by the Purchaser, within thirty (30) days following the date of sale (or if on that day said Registry of Deeds is not open, then on the first day thereafter that the Registry of Deeds is open), or earlier if the parties so agree, by a good and sufficient Foreclosure Deed under the Statutory Power of Sale conveying the Premises as described in the notice entitled "Mortgagee's Sale of Real Estate" (the "Notice of Sale"), a copy of which is attached hereto as Exhibit A, subject to all restrictions, easements, improvements, outstanding tax titles, municipal or other public tax titles, assessments, liens, claims or existing encumbrances of record created prior to or otherwise having priority over the mortgage, as set forth or referred to in the Notice of Sale.

2. The purchase price of \$ _____ and closing costs, state documentary stamps and recording fees are to be paid in cash or by certified or by bank check(s) drawn on Boston funds payable directly (and not by way of endorsement) to the order of the Seller as

hereinafter described. The delivery of a deposit of SEVEN THOUSAND FIVE HUNDRED (\$7,500) DOLLARS, which has been made to bind the bargain, the receipt of which, subject to collection is hereby acknowledged, shall be applied against the purchase price or otherwise accounted for at the time and place of delivery of the deed and shall be forfeited to the use of the Seller in the event that the Purchaser shall fail to comply with the terms of this Agreement, but such a forfeiture shall not relieve or discharge the Purchaser from the Purchaser's obligations hereunder.

The balance is to be paid as aforesaid within twenty (20) days of the date of sale, to be deposited in escrow with the law firm of RESNIC, BEAUREGARD, WAITE AND DRISCOLL, 330 Whitney Avenue, Suite 400, Holyoke, Massachusetts, pending recording of the deed which is to be delivered, accepted and recorded within ten (10) days thereafter. The Purchaser shall also be responsible for all reasonable closing costs, state documentary stamps and recording fees as aforesaid.

3. The deed shall be delivered and the consideration paid at the offices of Resnic, Beauregard, Waite and Driscoll, 330 Whitney Avenue, Suite 400, Holyoke, Massachusetts 01040, at 10:00 o'clock a.m. on the date fixed for conveyance, or at such other place or hour as the parties hereto shall in writing agree, it being agreed that time is of the essence of this Agreement.

The Property shall be conveyed by the usual mortgagee's deed (Massachusetts General Laws Chapter 183, Appendix Form 11) under the statutory power of sale.

The Property and fixtures shall be conveyed "as is" and "where is" and with all faults subject to the present manner of use and occupancy of the Property, and the Seller makes no representation or warranty as to the condition of the same.

Buyer acknowledges and agrees with the Seller that, with respect to the Property, Seller has not, does not and will not make any warranties or representations, express or implied, or arising by operation of law, including, but in no way limited to, any warranty of condition, merchantability, habitability or fitness for a particular use, or with respect to the value, profitability or marketability of the Property.

Buyer acknowledges that Seller does not and will not make any representation or warranty with regard to compliance with any environmental protection, pollution and land use or zoning laws, rules, regulations, orders or requirements including but not limited to those pertaining to the handling, generating, treating, storing or disposing of any hazardous waste or substance.

In addition, the Seller shall not be required to take any action or to comply with any law or municipal ordinance, orders or requirements noted in or issued by any department of building, fire, labor, health or other federal, state, county, municipal or other governmental agencies having jurisdiction over or affecting the Property on the date hereof. Specifically, but not in limitation of the foregoing, Seller shall not be responsible pursuant to G.L. c.148 §26F for the provision of smoke and/or carbon monoxide detectors. Any and all costs incurred pursuant to the foregoing shall be borne by the Buyer and not by the Seller.

4. The Buyer acknowledges that the Buyer has been informed of the existence and the provision of the so-called Massachusetts Lead Paint Statute, Massachusetts General Laws, Chapter 111, Section 197 et seq., and has been provided with a so-called "lead paint notification package" with respect to the removal of lead paint from residential premises occupied by a child or children under six years of age. The Buyer acknowledges that the Seller has made no representation or warranty with respect to the presence or absence of lead paint in the property and the Buyer agrees that the responsibility and cost, if any, of complying with said statute shall be borne solely by the Buyer.

5. The Property shall be conveyed and transferred subject to any outstanding tenancies and/or leases, the rights of parties in possession, and to tax title, municipal taxes and assessments, any outstanding water or sewer bills or liens, the provisions of applicable state and local law, including building codes, zoning ordinances and G.L. c.21E.

6. If the Seller shall be unable to give title or make conveyance as above stipulated, or, if for any reason, including, without limiting the generality of the foregoing, the existence of a bankruptcy proceeding of any kind, whether voluntary or involuntary, or any order or requirement in connection therewith, or any requirement of a court of competent jurisdiction, impairs the authority of the Seller to give title or to make conveyance hereunder, said deposit shall be refunded and thereupon all obligations of either party hereunder shall cease, and this Agreement shall be void and without recourse to either party, provided, however:

- (a) If, on the date fixed above for conveyance, a period of thirty (30) days shall not have expired after written notice from the Purchaser of a defect in title, the time for performance shall, if the Seller so elects, be extended until the expiration of

such period to enable the Seller to make reasonable efforts to cure such defect; and

- (b) If the Purchaser so elects, at either the original or extended time for performance, to pay said purchase price without deductions for defects in title, the Seller shall convey such title as the Seller has to the premises.

7. Until the delivery of the deed, Seller shall continue to maintain insurance on the premises against fire and other hazards as presently insured. If the premises shall have been damaged by fire or casualty insured against, the Seller shall, unless the Seller has previously restored the premises to their former condition, pay over or assign to Purchaser, on delivery of the deed, all amounts recovered or recoverable on account of such insurance, less any amounts reasonably expended by the Seller for partial restoration.

8. In the event the premises contains an on-site sewage disposal system, the Seller shall not be responsible for complying with the Commonwealth of Massachusetts regulations pertaining thereto and shall not be responsible for obtaining an inspection of the system or repairing and/or replacing the sewage system components in order to bring the system into compliance with the Code of Massachusetts Regulations Ch. 310 CMR 15.00.

9. The property shall be conveyed in "as is" condition, subject to the present manner of use and occupancy of the property. The Buyer acknowledges that Buyer has not been influenced to enter this transaction by, nor has it relied upon, any warranties or representations of the Seller or the Auctioneer not set forth or incorporated in this Memorandum.

10. If the Buyer shall fail to fulfill the Buyer's agreements herein, all deposits made hereunder by the Buyer shall be retained by the Seller and the Buyer shall reimburse the Seller

for all costs and expenses incurred by the Seller, in excess of the amount of the deposit, due to the Buyer's default, including the costs and expenses of subsequent sales of the Property or any portion thereof and attorneys' and auctioneers' fees in connection therewith. The Seller shall also be free to sell the property to the second highest bidder at the public auction in accordance with the terms announced at the public auction.

11. The acceptance of the foreclosure deed by Purchaser shall be deemed to be a full performance and discharge of every agreement and obligation of Seller.

Executed under seal this 10th day of July, 2009.

PURCHASER

SELLER
PEOPLESBANK
