

## **INSTRUCTIONS FOR SUBMITTING SEALED BIDS**

### **Properties Offered**

Two properties are being offered at John's Neck Point, in Lancaster County, Virginia.

### **The Morgan Tract**

The first property is a 9.842+/- acre tract with 2.524+/- acres above water and King's Grant riparian rights to 7.318 submerged acres in Carter's Cove ("**The Morgan Tract**"). The Morgan Tract is the only asset of W.F. Morgan & Sons, Inc. The land is not being sold outright in this auction. The owners of W. F. Morgan & Sons, Inc. will sell the corporation. Ownership of the corporation, which owns the land as its only asset, will be transferred by a sale of all the outstanding shares of W.F. Morgan & Sons, Inc. A contract for the purchase and sale of the stock is available on the website for the auction.

### **The Westbrook Tract**

The second tract ("**The Westbrook Tract**") is described as Tax Map Parcels 194 and 194B consisting of .87+/- acres of land sold by limited warranty deed, and 1.92+/- acres submerged land sold by quit claim deed without warranty. The Westbrook tract is owned by John's Neck Land Trust #1. A contract for the purchase and sale of the Westbrook tract is available on the website for the auction.

### **Properties Sold Separately and/or Combined**

Bidders may submit bids for just Morgan or just Westbrook or offers for both Morgan and Westbrook contingent upon being able to buy both. All bidders should inspect the properties, all information available on the website, and conduct their own investigations of the properties being offered, prior to submitting bids.

### **Sealed Bid Deadline**

Sealed bids are due at the offices of Interstate Auction Company of Virginia, Inc. located at 3230 Nansemond Parkway, Suffolk, Virginia 23434 (757-538-0123) by 5:00 pm on Tuesday, December 5, 2006. Bids will be opened privately by the auctioneer and the owner at 5:30 pm.

### **Best and Final Auction**

If deemed necessary, at the sole discretion of the sellers and auctioneers, there will be a best and final auction conducted on Thursday, December 7<sup>th</sup>. The top 2 to 5 bidders from the sealed bid auction will be invited to participate in the best and final auction in order to determine the final high bidder(s). Bidders who are invited to participate in the best and final live auction, based on their qualifying sealed bids, will be allowed to bid over the phone, by fax, using the internet or directly to the auctioneer.

### **Instructions for Submitting Sealed Bids for Morgan**

1. Inspect the Property
2. Review all the information provided on the website
3. Print out the Stock Purchase Agreement for Morgan
4. Print out Exhibit 1 Financial Statements

5. Fill in the "Bid Amount" at the top of page 1.
6. Fill in the "Buyer's Premium" amount equal to 10 percent of the bid amount.
7. Fill in the "Purchase Price" equal to the Bid Amount plus the Buyer's Premium.
8. Fill in the "Initial Contract Deposit" blank with \$50,000.
9. Enter the date below the deposit amount.
10. Page 4, Section 2.1 Enter the Contract Price. This will be the same amount as the Purchase Price shown on page 1. Do not enter the bid amount here.
11. If you want to purchase both tracts and your offer for W.F. Morgan & Sons, Inc. is contingent upon you also buying the Westbrook tract, then initial the blank in Section 4.6 on page 11. If your offer for Morgan is not contingent upon Westbrook, then do not initial the blank.
12. Sign as Purchaser, and print your name below your signature.
13. Attach a cashier's check for \$50,000 payable to Interstate Auction Company of Virginia, Inc. Escrow Agent.
14. Attach the Exhibit 1 Financial Statements to page 16.
15. Initial and date the bottom of each page and all exhibits.
16. If you have been represented by a buyer's broker who has registered you with Interstate Auction Company according to the terms and conditions in the auction brochure and the broker registration form on the website, attach a copy of the completed broker registration form, acknowledged by Interstate Auction Company, to the contract.
17. Attach a cover letter stating how you can be reached after the bids are opened at 5:30 pm on Tuesday, December 5<sup>th</sup> and on Wednesday, December 6<sup>th</sup>.
18. Make a copy of the contract and check for your records.
19. If you are not making a contingent offer for Westbrook, then enclose the original signed contract for Morgan, along with all exhibits, earnest money check, and cover letter in a brown manila envelope and deliver the envelope by courier or in person to Interstate Auction Company of Virginia, Inc. located at 3230 Nansemond Parkway, Suffolk, Virginia 23434 (757-538-0123) by 5:00 pm on Tuesday, December 5, 2006.
20. If you are making an offer for Morgan contingent upon Westbrook, then proceed to the instructions for Westbrook prior to sending in your sealed bid.

### **Instructions for Submitting Sealed Bids for Westbrook**

1. Inspect the Property
2. Review all the information provided on the website
3. Print out the Auction Purchase Agreement for Westbrook
4. Print out the Title Commitment and Deeds for Westbrook
5. Fill in the "High Bid" amount for your bid for Westbrook at the top of page 1.
6. Fill in the "Buyer's Premium" amount equal to 10 percent of the high bid amount.
7. Fill in the "Total Purchase Price" equal to the High Bid Amount plus the Buyer's Premium.

8. If your offer for Westbrook is contingent upon an offer you made for Morgan, then initial the blank located at the bottom of Page 3 indicating that your offer is contingent upon your Morgan offer. If your offer for Westbrook is not contingent upon an offer for Morgan, leave this blank empty
9. Sign as Purchaser on the right side of page 4 and complete all the purchaser contact information below your signature.
10. If you have been represented by a buyer's broker who has registered you with Interstate Auction Company according to the terms and conditions in the auction brochure and the broker registration form on the website, attach a copy of the completed broker registration form, acknowledged by Interstate Auction Company, to the contract.
11. Attach a cashier's check for \$50,000 payable to Interstate Auction Company of Virginia, Inc. Escrow Agent. (A separate check will be required for each property.)
12. Attach the Title Commitment and Deeds for Westbrook as Exhibit A.
13. Initial and date the bottom of each page and all exhibits.
14. Attach a cover letter stating how you can be reached after the bids are opened at 5:30 pm on Tuesday, December 5<sup>th</sup> and on Wednesday, December 6<sup>th</sup>.
15. Make a copy of the contract and check for your records.
16. If you are not making a contingent offer for Morgan, then enclose the original signed contract for Westbrook, along with all exhibits, earnest money check, and cover letter in a brown manila envelope and deliver the envelope by courier or in person to Interstate Auction Company of Virginia, Inc. located at 3230 Nansemond Parkway, Suffolk, Virginia 23434 (757-538-0123) by 5:00 pm on Tuesday, December 5, 2006.
17. If you are making an offer for Westbrook contingent upon Morgan, then include both completed contracts with exhibits and separate earnest money checks and the cover letter in a brown manila envelope and deliver the envelope by courier or in person to Interstate Auction Company of Virginia, Inc. located at 3230 Nansemond Parkway, Suffolk, Virginia 23434 (757-538-0123) by 5:00 pm on Tuesday, December 5, 2006.

If you have any questions about how to complete the contract or how to submit bids, please contact: John Johnson at 404-303-1232 or Tom Hunter at 770-682-8552.

We will contact you to let you know that we have received your bid. After the bids have been opened and reviewed, we will contact you to let you know if your bid has been accepted, or if there will be a best and final phase for the auction, and if your bid has qualified you to participate. If your bid is not accepted, or your bid does not qualify you to be invited to a best and final phase, you will be notified, and your earnest money checks will be promptly returned.