NAICoastal

08/28/2025

Chincoteague Seacrets RE, LLC
Sent Via E-mail

**RE: LETTER OF INTENT – Lots 45-A-6 & 45-A-7A, Chincoteague, Virginia 23336**

Dear Chincoteague Seacrets RE, LLC:

NAI Coastal has been requested by the Town of Chincoteague, Virginia, and/or assignees ("Purchaser") to submit this letter of intent to purchase Lots 45-A-6 & 45-A-7A, Chincoteague, Virginia 23336, located in Accomack County, Virginia, under the terms stated below.

We look forward to receiving your proposal which addresses the following categories listed in order:

1. **SELLER**
   Chincoteague Seacrets RE, LLC

2. **PURCHASER**
   Town of Chincoteague, a municipal corporation and political subdivision of the Commonwealth of Virginia

3. **PREMISES**
   Lots 45-A-6 & 45-A-7A, Chincoteague, Virginia 23336, located in Accomack County, Virginia

4. **PROPERTY DESCRIPTION**
   That certain lot and parcel of land identified as Lots 45-A-6 & 45-A-7A, Chincoteague, Virginia 23336, located in Accomack County, Virginia and comprising approximately +/- 2.54 acres of land.

5. **PURCHASE PRICE**
   Two million Two hundred Fifty Thousand $2,250,000
   ~~One Million Nine Hundred Thousand and 00/100 Dollars ($1,900,000.00)~~ (the "Purchase Price").

6. **DEPOSIT**
   A good faith deposit of Fifty Thousand and 00/100 Dollars ($50,000.00) (the "Deposit") will be deposited by the Purchaser in escrow with an escrow agent or title company of Purchaser's choosing, within three (3) business days of execution of a purchase and sale contract for the property (the "Contract of Sale"). The Deposit shall be refundable to Purchaser at any time prior to expiration of the Due Diligence Period (defined below). At the time of final settlement, the Deposit will be applied to the Purchase Price.

7. **INTENTIONALLY DELETED**

8. **DUE DILIGENCE**
   Purchaser will require a due diligence period of ninety (90) days (the "Due Diligence Period") to enter onto and review the property and analyze the viability of the property for purpose of purchase. If during that Due Diligence Period the Purchaser, at its sole discretion and independent opinion, determines the property is not suitable for its purpose, or for any other reason or no reason, Purchaser may terminate the Contract of Sale by providing written notice thereof to Seller prior to expiration of the Due Diligence Period, in which event, the Deposit shall be returned to the Purchaser and the parties shall be released from all liability under the Contract of Sale. The Purchaser at its option my shorten the Due Diligence Period.

9. **EXCLUSIVE**
   Seller agrees that upon acceptance and ratification of this Letter of Intent, and pending execution of a Contract of Sale, the Seller will not continue to market, nor enter into an agreement with any other person or entity to sell the subject property .

10. **DUE DILIGENCE MATERIALS PROVIDED BY SELLER**
    Upon execution of the Contract of Sale, Seller shall provide to Purchaser any and all existing surveys, plats, inspections, environmental studies, and any other information in its possession or control which will help the Purchaser make a determination as to the suitability of the property for purchase (digital format is preferred).

11. **ENVIRONMENTAL**
    Purchaser is responsible for any and all environmental testing, including but not limited to pollution, underground tanks, mold, radon, lead based paint or any other issues which may have a negative impact on the property. Upon execution of the Contract of Sale, Seller will provide any information or reports in its possession or control relating to any environment issues.

12. **ASSIGNMENT**
    Purchaser may assign the Contract of Sale for the property with written notice to the Seller.

**13. CONTRACT OF SALE**

Upon execution of this Letter of Intent, the parties shall proceed to negotiate the Contract of Sale, the initial draft of which will be prepared by the Purchaser's attorney and will be delivered to the Seller or the Seller's attorney, as applicable. Neither party shall be obligated to sign the Contract of Sale or to agree to any particular terms, except that the terms contained herein shall be included in the Contract of Sale. Either party may terminate negotiations at any time, for any reason or no reason. After the Contract of Sale is signed, the Purchaser will undertake to hold all necessary public hearings and will place the purchase of the property on the agenda for a Town Council meeting. The Contract of Sale will not be binding upon the Purchaser unless and until the Town Council approves it by a requisite vote and all other Contingencies (defined below) are satisfied.

**14. CLOSING COSTS**

The Seller and Purchaser will pay all closing costs normally associated with the responsibility of each party in such a transaction in the jurisdiction where the property is located, and neither party has agreed to pay any portion of the closing costs of the other.

**15. CLOSING DATE**

Within thirty (30) days of the later of (i) expiration of the Due Diligence Period, and (ii) satisfaction of the Contingencies.

**16. POSSESSION**

At the time of settlement.

**17. COMMISSION**

A brokerage fee is to be paid by Seller to NAI Coastal at the time of settlement, pursuant to a separate agreement.

**18. CONTINGENCIES**

This Letter of Intent is a summary of the general terms and shall not be deemed to constitute a legally binding obligation on either party, except for Section 19 below regarding confidentiality, which shall be enforceable. Any such binding agreement would be contained in the Contract of Sale. ***Please note that execution of the Contract of Sale and the purchase of the property is expressly subject to and contingent upon the satisfaction of all legal requirements, including without limitation, those governing notice and public meetings and the vote of the Town Council, and any other matters as may be set forth in the Contract of Sale (the "Contingencies").***

**19. CONFIDENTIALITY**

Seller agrees to keep this Letter of Intent and all terms hereof confidential until such time, if any, that the Contract of Sale is signed and placed on the agenda for a Town Council meeting. The Town shall, to the extent permitted by the Virginia Freedom of Information Act, keep this Letter of Intent confidential until such Town Council meeting.

**20. EXCHANGE**

Seller and Purchaser are aware that either party may elect to perform an IRS 1031 Tax Deferred Exchange. Each may request of the other, cooperation in such exchange (at no cost to the other) and will agree to hold the other harmless from any and all claims, liabilities, or delays in time resulting from such an exchange.

This Letter of Intent is not binding on the parties (except for Section 19 above regarding confidentiality, which shall be binding and enforceable), but is the basis for the terms to be incorporated into the Contract of Sale, and represents an expression of their good faith efforts to consummate the transaction contained herein. The Letter of Intent shall become null and void if not signed by **September 8, 2025.**

Sincerely,

**NAI Coastal**
Chris Davis
Principal | Broker

**NAI Coastal**
Chelsye Phillips-Hutton
Advisor

Agreed and Accepted by:

**SELLER:**

**CHINCOTEAGUE SEACRETS RE LLC,**
a Virginia limited liability company

By: _____ (SEAL)
Name: Garry Lee Tilley
Title: Pres.

**BUYER:**

**TOWN OF CHINCOTEAGUE,**
a municipal corporation and
political subdivision of the
Commonwealth of Virginia

By: _____ (SEAL)
Name: DENISE P. BOWDEN
Title: MAYOR