

**Law Offices of  
Gebhardt & Smith LLP  
One South Street, Suite 2200  
Baltimore, Maryland 21202**

**SUBSTITUTE TRUSTEES' SALE OF 14 RESIDENTIAL DUPLEX UNITS  
LOCATED IN WICOMICO COUNTY, MARYLAND AND  
GENERALLY KNOWN AS 1007, 1009, 1011, 1013,  
1015, 1017, 1019, 1021 CAROLINE STREET, AND 806, 808, 810,  
812, 814, 816 HAMMOND STREET, SALISBURY, MD 21804  
AND ONE (1) VACANT 8600 +/- SQUARE FOOT LOT  
LOCATED ON HAMMOND STREET, IN SALISBURY, MARYLAND**

Under and by virtue of the power of sale contained in that certain *Purchase Money Deed of Trust, Security Agreement and Assignment of Leases and Rents*, dated February 6, 2009, executed and delivered by Caroline Townhomes, LLC (“Grantor”) to the trustees named therein and recorded among the Land Records of Wicomico County, Maryland, in Liber 3005, folio 334 (the “Deed of Trust”), the holder of the indebtedness secured by said Deed of Trust (the “Noteholder”) having subsequently appointed Michael G. Gallerizzo and Jason W. Hardman as Substitute Trustees in the place and stead of the original trustees under the Deed of Trust, by Deed of Appointment of Substitute Trustees, dated June 26, 2012, and recorded among the Land Records of Wicomico County, Maryland in Liber 3474, folio 004, default having occurred under the terms of said Deed of Trust and at the request of the party secured thereby, the undersigned Substitute Trustees (collectively, the “Trustees”) will offer for sale to the highest qualified bidder(s) at a public auction to be held at the premises of 1007 Caroline Street, Salisbury, Maryland 21894, on:

**Tuesday, September 15, 2015  
at 11:00 a.m.**

ALL OF THOSE properties being situate in Wicomico County, Maryland, and any improvements thereon, and being more particularly described as follows (collectively, the “Properties”):

ITEM ONE: ALL that lot, tract or parcel of land situate, lying and being in the City of Salisbury, Parsons Election District, Wicomico County and State of Maryland, being more particularly shown and designated as Lot Nos. 1, 2, 3, 4, Block 4, as shown on plat entitled “Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287, & 292, S.P. Woodcock’s Lots” made by Chris D. Curtis Surveying & Land Designs, dated July 22, 2002, and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 14, folio 537.

ITEM TWO: ALL that lot, tract or parcel of land situate, lying and being in the City of Salisbury, Parsons Election District, Wicomico County and State of Maryland, being more particularly shown and designated as Lot Nos. 5A, 6A and 7A, as shown on plat entitled “‘Corrective Plat’ of Lots 5, 6, & 7, Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292, S.P. Woodcock’s Lots for Caroline Apartments” made by Hampshire, Hampshire & Andrews, dated September 8, 2004, and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 14, folio 815.

The Properties are further described as follows:

Parcel 1: Lot 1, Unit A k/a 816 Hammond Street, Wicomico County Tax I.D. 05-116643

BEING KNOWN AND DESIGNATED as Lot 1, Unit A, as shown on the plat entitled “Corrective Plat” of Lots 1, 2 & 3, “Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292 S.P. Woodcock’s Lots for Caroline Apartments”, made by Hampshire, Hampshire & Andrews, Maryland Registered Land Surveyors, dated June 3, 2008 and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 15, folio 741.

Parcel 2: Lot 1, Unit B k/a 814 Hammond Street, Wicomico County Tax I.D. 05-123925

BEING KNOWN AND DESIGNATED as Lot 1, Unit B, as shown on the plat entitled "Corrective Plat" of Lots 1, 2 & 3, "Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292 S.P. Woodcock's Lots for Caroline Apartments", made by Hampshire, Hampshire & Andrews, Maryland Registered Land Surveyors, dated June 3, 2008 and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 15, folio 741.

Parcel 3: Lot 2, Unit A k/a 812 Hammond Street, Wicomico County Tax I.D. 05-116651

BEING KNOWN AND DESIGNATED as Lot 2, Unit A, as shown on the plat entitled "Corrective Plat" of Lots 1, 2 & 3, "Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292 S.P. Woodcock's Lots for Caroline Apartments", made by Hampshire, Hampshire & Andrews, Maryland Registered Land Surveyors, dated June 3, 2008 and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 15, folio 741.

Parcel 4: Lot 2, Unit B k/a 810 Hammond Street, Wicomico County Tax I.D. 05-123917

BEING KNOWN AND DESIGNATED as Lot 2, Unit B, as shown on the plat entitled "Corrective Plat" of Lots 1, 2 & 3, "Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292 S.P. Woodcock's Lots for Caroline Apartments", made by Hampshire, Hampshire & Andrews, Maryland Registered Land Surveyors, dated June 3, 2008 and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 15, folio 741.

Parcel 5: Lot 3, Unit A k/a 808 Hammond Street, Wicomico County Tax I.D. 05-116678

BEING KNOWN AND DESIGNATED as Lot 3, Unit A, as shown on the plat entitled "Corrective Plat" of Lots 1, 2 & 3, "Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292 S.P. Woodcock's Lots for Caroline Apartments", made by Hampshire, Hampshire & Andrews, Maryland Registered Land Surveyors, dated June 3, 2008 and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 15, folio 741.

Parcel 6: Lot 3, Unit B k/a 806 Hammond Street, Wicomico County Tax I.D. 05-123909

BEING KNOWN AND DESIGNATED as Lot 3, Unit B, as shown on the plat entitled "Corrective Plat" of Lots 1, 2 & 3, "Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292 S.P. Woodcock's Lots for Caroline Apartments", made by Hampshire, Hampshire & Andrews, Maryland Registered Land Surveyors, dated June 3, 2008 and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 15, folio 741.

Parcel 7: Lot 4, Unit A k/a 1019 Caroline Street, Wicomico County Tax I.D. 05-116686

BEING KNOWN AND DESIGNATED as Lot 4, Unit A, as shown on the plat entitled "Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292 S.P. Woodcock's Lots for Caroline Apartments", made by Chris D. Custis Surveying & Land Designs, dated July 22, 2002 and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 14, folio 537.

Parcel 8: Lot 4, Unit B k/a 1021 Caroline Street, Wicomico County Tax I.D. 05-123895

BEING KNOWN AND DESIGNATED as Lot 4, Unit B, as shown on the plat entitled "Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292 S.P. Woodcock's Lots for Caroline Apartments", made by Chris D. Custis Surveying & Land Designs, dated July 22, 2002 and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 14, folio 537.

Parcel 9: Lot 5A, Unit A k/a 1015 Caroline Street, Wicomico County Tax I.D. 05-116694

BEING KNOWN AND DESIGNATED as Lot 5A, Unit A, as shown on the plat entitled "Corrective Plat" of Lots 5, 6 & 7, "Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292 S.P. Woodcock's Lots for Caroline Apartments", made by Hampshire, Hampshire & Andrews, Maryland Registered Land Surveyors, dated September 8, 2004 and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 14, folio 815.

Parcel 10: Lot 5A, Unit B k/a 1017 Caroline Street, Wicomico County Tax I.D. 05-123887

BEING KNOWN AND DESIGNATED as Lot 5A, Unit B, as shown on the plat entitled "Corrective Plat" of Lots 5, 6 & 7, "Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292 S.P. Woodcock's Lots for Caroline Apartments", made by Hampshire, Hampshire & Andrews, Maryland Registered Land Surveyors, dated September 8, 2004 and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 14, folio 815.

Parcel 11: Lot 6A, Unit A k/a 1011 Caroline Street, Wicomico County Tax I.D. 05-116708

BEING KNOWN AND DESIGNATED as Lot 6A, Unit A, as shown on the plat entitled "Corrective Plat" of Lots 5, 6 & 7, "Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292 S.P. Woodcock's Lots for Caroline Apartments", made by Hampshire, Hampshire & Andrews, Maryland Registered Land Surveyors, dated September 8, 2004 and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 14, folio 815.

Parcel 12: Lot 6A, Unit B k/a 1013 Caroline Street, Wicomico County Tax I.D. 05-123879

BEING KNOWN AND DESIGNATED as Lot 6A, Unit B, as shown on the plat entitled "Corrective Plat" of Lots 5, 6 & 7, "Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292 S.P. Woodcock's Lots for Caroline Apartments", made by Hampshire, Hampshire & Andrews, Maryland Registered Land Surveyors, dated September 8, 2004 and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 14, folio 815.

Parcel 13: Lot 7A, Unit A k/a 1007 Caroline Street, Wicomico County Tax I.D. 05-001021

BEING KNOWN AND DESIGNATED as Lot 7A, Unit A, as shown on the plat entitled "Corrective Plat" of Lots 5, 6 & 7, "Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292 S.P. Woodcock's Lots for Caroline Apartments", made by Hampshire, Hampshire & Andrews, Maryland Registered Land Surveyors, dated September 8, 2004 and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 14, folio 815.

Parcel 14: Lot 7A, Unit B k/a 1009 Caroline Street, Wicomico County Tax I.D. 05-123860

BEING KNOWN AND DESIGNATED as Lot 7A, Unit B, as shown on the plat entitled "Corrective Plat" of Lots 5, 6 & 7, "Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292 S.P. Woodcock's Lots for Caroline Apartments", made by Hampshire, Hampshire & Andrews, Maryland Registered Land Surveyors, dated September 8, 2004 and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 14, folio 815.

Parcel 15: 8600 sq. ft. NS Hammond Street, Wicomico County Tax I.D. 05-001056

BEING KNOWN AND DESIGNATED as 8600 square feet, more or less, located on the north side of Hammond Street south of Middle Neck Branch as shown on the plat entitled ““Re-Subdivision of Lots 270, 271, 276, 277, 278, 279, 284, 285, 286, 287 & 292 S.P. Woodcock’s Lots for Caroline Apartments”, made by Chris D. Custis, Surveying & Land Designs, dated July 22, 2002 and recorded among the Land Records of Wicomico County, Maryland, in Plat Cabinet M.S.B. No. 14, folio 537.

The Properties are believed to be a multifamily project consisting of fourteen (14) residential duplex units (individually, a “Unit”, and collectively, the “Units”) and one (1) vacant 8600 +/- square foot lot (“Lot”). The Units are located in seven (7) two-story, townhouse buildings. Each building contains two (2) Units. Each Unit is believed to contain 1,280 +/- square feet, and is also believed to be connected to public water, sewer, telephone and electric.

**TERMS OF SALE:** The Trustees reserve the absolute and unconditional right to offer the Properties for sale in any order or manner as the Trustees deem appropriate and beneficial to the Noteholder. The Properties will likely first be offered for sale separately (except for the Lot), with the bid prices reserved. Thereafter, the Trustees will offer all of the Properties for sale as an entirety. The Trustees will choose the manner of sale that yields the highest collective bid price(s) for the Properties.

A deposit in the amount of \$50,000.00 will be required if the Properties are sold as an entirety, and \$5,000.00 for each Unit that is sold separately. The deposit(s) shall be paid in cash or by cashier’s check by the successful bidder(s) (the “Purchaser(s)”) to the Trustees at the time and place of sale. The Purchaser(s) shall be required to increase the amount of the deposit(s) to ten percent (10%) of the successful bid amount(s) within seven (7) calendar days of the date of the sale by delivering payment to the Trustees, in immediately available funds, of the amounts necessary to increase the deposit(s) as required above. The Trustees will require all potential bidders to qualify prior to the commencement of bidding by showing evidence of their ability to deliver the required deposit(s) at the time of the sale. The balance of the purchase price shall be due at settlement in cash or by cashier’s check within twenty (20) days following final ratification of the sale by the Circuit Court for Wicomico County, Maryland. Interest shall accrue on the unpaid balance of the purchase price at the rate of ten percent (10%) per annum from the date of sale to and including the date of settlement. In the event the Noteholder, or an affiliate or subsidiary of the Noteholder, is the successful bidder at the sale, such party will not be required to tender a deposit to the Trustees or to pay interest on the unpaid purchase money. Taxes, water and all other municipal charges and liens owed against the Properties that are not otherwise extinguished as a matter of law as a result of the foreclosure sale shall be the responsibility of the Purchaser(s) and shall be paid by the Purchaser(s) at settlement. The Trustees reserve the right to reject any and all bids, to extend the time for settlement, and to withdraw the Properties or any portions thereof from the sale for any reason and at their sole discretion.

The Properties will be sold in an “AS IS” condition and without any warranties or representations, either express or implied, as to the nature, condition or description of the improvements thereon. In addition, the Properties will be sold subject to all existing housing, building and zoning code violations which may exist on or with respect to the Properties, subject to all conditions or hazards which may exist on or with respect to the Properties, subject to all critical area and wetland violations which may exist on or with respect to the Properties, subject to all environmental problems or violations which may exist on or with respect to the Properties, and subject to all matters, recorded documents and restrictions of record affecting the Properties, to the extent such matters, recorded documents or restrictions of record are senior to the Deed of Trust. The Properties will also be sold subject to all senior liens and encumbrances that are not extinguished by operation of law or by the foreclosure sale of the Properties and subject to all easements, conditions, restrictions, rights of redemption, covenants, agreements, such state of facts that an accurate survey or physical inspection of the Properties might disclose, and all other agreements and documents of record affecting the Properties, but only to the extent that such agreements or documents are senior to the Deed of Trust. The Properties will not be sold

subject to any written or oral lease agreement(s) that may currently exist between the Grantor and any of the tenants of the Units.

The Purchaser(s) shall assume the risk of loss for the Properties immediately after the sale takes place. It shall be the responsibility of the Purchaser(s) to obtain possession of the Properties following final ratification of the sale by the Circuit Court for Wicomico County, Maryland and conveyance of the Properties by the Trustees to the Purchaser(s).

The Purchaser(s) shall pay, at settlement, all state and local transfer taxes, documentary stamps, recordation taxes and fees, title examination costs, attorneys' fees, conveyance fees, real estate taxes, water charges, other municipal liens and charges, and all other settlement costs and other costs associated with conveying any Unit(s) or the Properties to the Purchaser(s). As indicated above, the Purchaser(s) shall settle and comply with the sale terms within twenty (20) days following final ratification of the sale by the Circuit Court for Wicomico County, Maryland, unless said period is extended by the Trustees for good cause shown. Time is of the essence. Settlement shall be held at the offices of Gebhardt & Smith LLP, One South Street, Suite 2200, Baltimore, Maryland 21202, or such other place as may be agreed to by the Trustees.

In the event any Purchaser fails to go to settlement as required, in addition to any other legal or equitable remedies available to the Trustees, the Trustees may, subject to further order of the Court, resell the Unit(s) or Properties for which such Purchaser was the highest bidder, at such Purchaser's sole risk and expense, and retain and apply the aforementioned deposit to any deficiency in the purchase price sustained by the Trustees and/or the Noteholder, all costs and expenses of both sales, reasonable attorneys' fees, and any other damages sustained by the Trustees and/or the Noteholder as a result of the Purchaser's default, including, without limitation, all incidental damages. In the event a resale of any Unit(s) or the Properties results in a purchase price in excess of the amount originally bid by the defaulting Purchaser(s), the defaulting Purchaser(s) shall not be entitled to receive payment of any such excess amount and shall not be entitled to any distribution whatsoever from the resale proceeds.

If the Trustees are unable to convey any of the Properties as described above, each Purchaser's sole remedy at law or in equity shall be limited to the refund of such Purchaser's deposit without any interest thereon. Upon refund of the deposit to such Purchaser(s) as aforesaid, the sale to such Purchaser(s) shall be void and of no force or effect, and the Purchaser(s) shall have no claims against the Trustees, the Noteholder or the Auctioneer. The parties' respective rights and obligations regarding the terms of sale and the conduct of the sale shall be governed by and interpreted according to the laws of the State of Maryland.

The information contained herein was obtained from sources deemed to be reliable, but is offered for informational purposes only. The Trustees, the Noteholder and the Auctioneer do not make any representations or warranties with respect to the accuracy of this information.

Michael G. Gallerizzo and Jason W. Hardman,  
Substitute Trustees

**For further information, contact:**

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