

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

**MORTGAGE ASSIGNEES' SALE OF VALUABLE COMMERCIAL REAL  
PROPERTY CONSISTING OF SINGLE TENANT OCCUPIED RESTAURANT  
BUILDING AND ADJOINING 18-HOLE MINIATURE GOLF COURSE  
LOCATED AT 12407 COASTAL HIGHWAY, OCEAN CITY, MARYLAND 21842**

Under and by virtue of the authority granted and the power of sale contained in that certain Purchase Money Mortgage, dated June 29, 2009, executed by Prouse Holdings OC, LLC (the "Grantor"), and recorded among the Land Records of Worcester County, Maryland, in Liber 5299, folio 400 (the "Mortgage"), the holder of the indebtedness secured by said Mortgage (the "Noteholder") having subsequently assigned the Mortgage to Michael G. Gallerizzo and Jason W. Hardman (collectively, the "Mortgage Assignees") solely to exercise the power of sale and the authority to foreclose contained therein for the benefit of the Noteholder, by Assignment of Purchase Money Mortgage, dated July 17, 2014, and recorded among the Land Records of Worcester County, Maryland, in Liber 6407 folio 133, default having occurred under the terms of said Mortgage and at the request of the party secured thereby, the undersigned Mortgage Assignees will offer for sale to the highest qualified bidder at a public auction to be held at the premises described below, on:

**Tuesday, October 13, 2015  
at 11:00 a.m.**

ALL OF THAT property being situate in Worcester County, Maryland, and any improvements thereon, and being more particularly described as follows (collectively, the "Property"):

PARCEL 1: 12407 Coastal Highway, Lot 16A, Ocean City, MD 21842  
(Worcester County Tax ID Number 10-146100)

PARCEL 2: 12407 Coastal Highway, Lot 17A, Ocean City, MD 21842  
(Worcester County Tax ID Number 10-145937)

ALL those lots or parcels of land lying and being situate in the Town of Ocean City, in the Tenth Election District of Worcester County, Maryland, being more particularly designated and distinguished as Lots Number 16A and 17A as shown on a plat entitled "Resubdivision of Lots 16 & 17, Leeward Cay – Sect. Two", made by Becker Morgan Group, dated October 22, 2001 and recorded among the Land Records of Worcester County, Maryland in Plat Book SVH No. 173, folio 35; and being further described as Parcel 5158A on Tax Map 116.

The Property is believed to consist of two (2) lots containing 2.54+/- acres of land. The Property is believed to contain a one-and-a-half (1½) story restaurant building measuring 10,478+/- gross square feet (the "Building") and an adjoining 18-hole miniature golf course. The Building is currently leased and operated as a Grotto Pizza Restaurant and is believed to contain two (2) eat-in dining areas, a commercial grade kitchen, food prep areas and storage rooms, men's and women's restrooms, and a second-floor office and/or storage space. The Building is also believed to include a sprinkler system, a speaker system, and an HVAC system. On-site improvements are believed to consist of three (3) paved parking areas, concrete sidewalks, landscaping, lighting and signage. The Property is believed to be served by, or to have access to, public utilities and adequate parking. The Property is located at 12407 Coastal Highway, Ocean City, Maryland 21842.

**TERMS OF SALE:** A deposit in the amount of Two Hundred Fifty Thousand Dollars (\$250,000.00) shall be paid in cash or by cashier's check by the successful bidder (the "Purchaser") to the Mortgage Assignees at the time and place of sale. The Purchaser shall be required to increase the amount of the deposit to ten percent (10%) of the Purchaser's successful bid amount within seven (7) calendar days of the date of the sale by delivering a payment to the Mortgage Assignees, in immediately available funds, of the amount necessary to increase the deposit as required above. The Mortgage Assignees will require all potential bidders to qualify prior to the commencement of bidding by showing evidence of their ability to deliver the required deposit 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 Worcester 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 Mortgage Assignees or to pay interest on the unpaid purchase money. Taxes, water and all other municipal charges and liens owed against the Property that are not otherwise extinguished as a matter of law as a result of the foreclosure sale shall be the responsibility of the Purchaser and shall be paid by the Purchaser at settlement. The Mortgage Assignees reserve the right to reject any and all bids, to extend the time for settlement, and to withdraw the Property from the sale for any reason and at their sole discretion.

The Property 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 Property will be sold subject to all existing housing, building and zoning code violations which may exist on or with respect to the Property, subject to all conditions or hazards which may exist on or with respect to the Property, subject to all critical area and wetland violations which may exist on or with respect to the Property, subject to all environmental problems or violations which may exist on or with respect to the Property, and subject to all matters, recorded documents and restrictions of record affecting the Property, to the extent such matters, recorded documents or restrictions of record are senior to the Mortgage. The Property 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 Property and subject to all easements, conditions, restrictions, rights of redemption in favor of the U.S. Small Business Administration or any other person, entity or governmental agency, covenants, agreements, such state of facts that an accurate survey or physical inspection of the Property might disclose, and all other agreements and documents of record affecting the Property, but only to the extent that such agreements or documents are senior to the Mortgage. The portion of the Property containing the Building and parking lots related thereto *will* be sold subject to a Commercial Lease Agreement, dated January 1, 2015, between the Grantor and GPP Holdings, LLC. The portion of the Property containing the 18-hole miniature golf course *will not* be sold subject to any written or oral lease agreement(s) that may currently exist between the Grantor and NRG SPORTS LLC or any other tenant operating the miniature golf course on the Property.

The Purchaser shall assume the risk of loss for the Property immediately after the sale takes place. It shall be the responsibility of the Purchaser to obtain possession of the Property following final ratification of the sale by the Circuit Court for Worcester County, Maryland and conveyance of the Property by the Mortgage Assignees to the Purchaser.

The Purchaser 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 the Property to the Purchaser. As indicated above, the Purchaser shall settle and comply with the sale terms set forth herein within twenty (20) days following final ratification of the sale by the Circuit Court for Worcester County, Maryland (the "Court"), unless said period is extended by the Mortgage Assignees 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 Mortgage Assignees.

In the event the Purchaser fails to go to settlement as required, in addition to any other legal or equitable remedies available to the Mortgage Assignees, the Mortgage Assignees may, subject to further order of the Court, resell the Property at the Purchaser's sole risk and expense, and retain and apply the aforementioned deposit to any deficiency in the purchase price sustained by the Mortgage Assignees and/or the Noteholder, all costs and expenses of both sales, reasonable attorneys' fees, and any other damages sustained by the Mortgage Assignees and/or the Noteholder as a result of the Purchaser's default, including, without limitation, all incidental damages. In the event a resale of the Property results in a purchase price in excess of the amount originally bid by the defaulting Purchaser, the defaulting Purchaser 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 Mortgage Assignees are unable to convey the Property as described above, the Purchaser's sole remedy at law or in equity shall be limited to the refund of the Purchaser's deposit without any interest thereon. Upon refund of the deposit to the Purchaser as aforesaid, the sale to such Purchaser shall be void and of no force or effect, and the Purchaser shall have no claims against the Mortgage Assignees, 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 Mortgage Assignees, 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,  
Mortgage Assignees

**For further information, contact:**

Michael G. Gallerizzo, Esquire  
Gebhardt & Smith LLP  
One South Street, Suite 2200  
Baltimore, Maryland 21202  
Tel: 410-385-5046

Or

Allen & Marshall  
Auctioneers and Appraisers  
8000 Esham Road  
Parsonsburg, Maryland 21849  
Tel: (410) 835-0384  
Email: [www.amauctions.com](http://www.amauctions.com)