

ROBERT F. VAVRINA and
JAMES D. LAUDEMAN, JR.,
SUBSTITUTE TRUSTEES

VS.

EGIDIO G. CORONICA and
TERRI L. CORONICA, his wife

* IN THE CIRCUIT COURT
* FOR
* QUEEN ANNE'S COUNTY
* IN EQUITY 7544
*

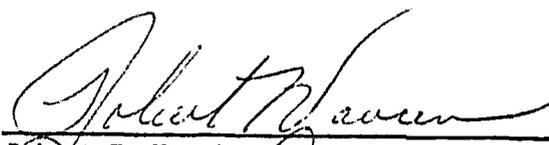
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Mr. Clerk:

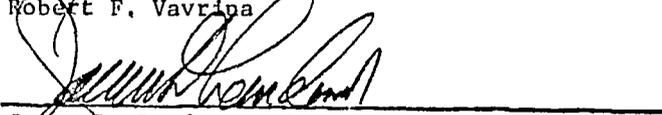
Please docket the above entitled foreclosure case and file among the papers the following instruments marked Plaintiffs' Exhibit 'A', 'B' and 'C', respectively,

1. Original Deed of Trust between Egidio G. Coronica and Terri L. Coronica, his wife, and Edwin M. Hurd and David C. McElroy Trustee(s), dated October 21, 1977 and recorded among the Land Records of Queen Anne's County in Liber CWC 127 folio 356; the Trustees of record having been removed and the Plaintiffs appointed Substitute Trustees by instrument dated February 9, 1984, and duly recorded among the aforesaid Land Records.
2. Original Deed of Trust Note secured by above Deed of Trust, dated October 21, 1977 in the amount of Thirty Three Thousand One Hundred Fifty and 00/100ths Dollars (\$33,150.00), held by Baltimore Federal Savings and Loan Association.
3. Copy of Removal of Trustee(s) and Appointment of Substitute Trustees, dated February 9, 1984, whereby the Plaintiffs herein were appointed Substitute Trustees; to be replaced with the original document upon release from the Land Records Office of this Court following completion of recording processes.

FEB 17 1984
QUEEN ANNE'S COUNTY



Robert F. Vavrina



James D. Laudeman, Jr.

Substitute Trustees

CALLAHAN, CALWELL & LAUDEMAN

BY: 

Robert F. Vavrina, Partner

Attorneys for Plaintiff

210 E. Redwood Street
Baltimore, Maryland 21202
(301) 539-6841

667 17

DEED OF TRUST

THIS PURCHASE MONEY DEED OF TRUST is made this 31st day of October, 1977, among the Grantor, EGIDIO G. CORONICA and TERRI L. CORONICA, his wife, (herein "Borrower"), EDWIN M. HURD and DAVID C. McELROY (herein "Trustee"), and the Beneficiary, BALTIMORE FEDERAL SAVINGS AND LOAN ASSOCIATION, a corporation organized and existing under the laws of the United States of America, whose address is Fayette and St. Paul Streets, Baltimore, Maryland 21202 (herein "Lender").

BORROWER, in consideration of the indebtedness herein recited and the trust herein created, irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the 4th Elec. Dist. of Queen Anne's County, Kent Island, State of Maryland:

BEING KNOWN AND DESIGNATED as Lot No. 21, Block J, as shown on a Plat entitled, "Romancoke on the Bay, Second Section", which Plat is recorded among the Land Records of Queen Anne's County in Plat Book TSP No. 1, Page 43. The improvements thereon being known as 668 Ackerman Drive.

BEING the same property described in a Deed dated of even date and recorded among the Land Records of the aforesaid County prior hereto from Abraham L. Manning, Jr. and Beverly Ann Manning, his wife.

Said propety being in fee simple.

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QUEEN ANNE'S COUNTY

which has the address of 668 Ackerman Drive, Stevensville, Q. A. Co., Md., 21666
(Street) (City)

(State and Zip Code) (herein "Property Address");

The aforesaid property having been purchased in whole or in part with the sums secured hereby, TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents (subject however to the rights and authorities given herein to Lender to collect and apply such rents), royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Deed of Trust; and all of the foregoing, together with said property (or the leasehold estate if this Deed of Trust is on a leasehold) are herein referred to as the "Property";

To SECURE to Lender (a) the repayment of the indebtedness evidenced by Borrower's note dated of even date herewith, (herein "Note"), in the principal sum of \$33,150.00 Dollars, with interest thereon, providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on November 1, 2001; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Deed of Trust; and the performance of the covenants and agreements of Borrower herein contained; and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 21 hereof (herein "Future Advances").

Borrower covenants that Borrower is lawfull seised of the estate hereby conveyed and has the right to grant and convey the Property, that the Property is unencumbered, and that Borrower will warrant and defend specially the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Deed of Trust.

2. **Funds for Taxes and Insurance.** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments which may attain priority over this Deed of Trust, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Deed of Trust that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Deed of Trust.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within 30 days from the date notice is mailed by Lender to Borrower requesting payment thereof.

Upon payment in full of all sums secured by this Deed of Trust, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 18 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Deed of Trust.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, then to the principal of the Note, and then to interest and principal on any Future Advances.

4. **Charges; Liens.** Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Deed of Trust, and leasehold payments or ground rents, if any, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Deed of Trust; provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

5. **Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Deed of Trust.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Deed of Trust is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Deed of Trust would be impaired, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments. If under paragraph 18 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Deed of Trust immediately prior to such sale or acquisition.

6. **Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Deed of Trust is on a leasehold. If this Deed of Trust is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Deed of Trust, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Deed of Trust as if the rider were a part hereof.

7. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the loan secured by this Deed of Trust, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law. Borrower shall pay the amount of all mortgage insurance premiums in the manner provided under paragraph 2 hereof.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Deed of Trust. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

8. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Deed of Trust such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Deed of Trust immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments.

10. **Borrower Not Released.** Extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Borrower and Borrower's successors in interest.

11. **Forbearance by Lender Not a Waiver.** Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Deed of Trust.

12. **Remedies Cumulative.** All remedies provided in this Deed of Trust are distinct and cumulative to any other right or remedy under this Deed of Trust or afforded by law or equity, and may be exercised concurrently, independently or successively.

13. **Successors and Assigns Bound; Joint and Several Liability; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof.

14. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Deed of Trust shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Deed of Trust shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

15. **Uniform Deed of Trust; Governing Law; Severability.** This form of deed of trust combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. This Deed of Trust shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Deed of Trust or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Deed of Trust and the Note are declared to be severable.

16. **Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note and of this Deed of Trust at the time of execution or after recordation hereof.

17. **Transfer of the Property; Assumption.** If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Deed of Trust, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Lender may, at Lender's option, declare all the sums secured by this Deed of Trust to be immediately due and payable. Lender shall have waived such option to accelerate if, prior to the sale or transfer, Lender and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sums secured by this Deed of Trust shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph 17, and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Borrower from all obligations under this Deed of Trust and the Note.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 14 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 18 hereof.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

18. **Acceleration; Remedies.** Except as provided in paragraph 17 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, including the covenants to pay when due any sums secured by this Deed of Trust, Lender prior to acceleration shall mail notice to Borrower as provided in paragraph 14 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 30 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and sale. If the breach is not cured on or before the date specified in the notice, Lender at Lender's option may declare all of the sums secured by this Deed of Trust to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable attorney's fees.

If Lender invokes the power of sale, Lender shall mail or cause Trustee to mail written notice of sale to Borrower in the manner prescribed by applicable law. Trustee shall give notice of sale by public advertisement for the time and in the manner prescribed by applicable law. Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in such order as Trustee may determine. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender, or Lender's designee, may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all costs and expenses of the sale, including, but not limited to, Trustee's fees of 5% of the gross sale price, reasonable attorney's fees and costs of title evidence; (b) to all sums secured by this Deed of Trust; and (c) the excess, if any, to the person or persons legally entitled thereto.

19. **Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Deed of Trust, Borrower shall have the right to have any proceedings begun by Lender to enforce this Deed of Trust discontinued at any time prior to the earlier to occur of (i) the fifth day before sale of the Property pursuant to the power of sale contained in this Deed of Trust or (ii) entry of a judgment enforcing this Deed of Trust if: (a) Borrower pays Lender all sums which would be then due under this Deed of Trust, the Note and notes securing Future Advances, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Deed of Trust; (c) Borrower pays all reasonable expenses incurred by Lender and Trustee in enforcing the covenants and agreements of Borrower contained in this Deed of Trust and in enforcing Lender's and Trustee's remedies as provided in paragraph 18 hereof, including, but not limited to, reasonable attorney's fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Deed of Trust, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Deed of Trust shall continue unimpaired. Upon such payment and cure by Borrower, this Deed of Trust and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

20. **Assignment of Rents; Appointment of Receiver.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 18 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 18 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the rents of the Property, including those past due. All rents collected by the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Deed of Trust. The receiver shall be liable to account only for those rents actually received.

21. **Future Advances.** Upon request of Borrower, Lender, at Lender's option prior to release of this Deed of Trust, may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this Deed of Trust when evidenced by promissory notes stating that said notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Deed of Trust, not including sums advanced in accordance herewith to protect the security of this Deed of Trust, exceed the original amount of the Note.

22. **Release.** Upon payment of all sums secured by this Deed of Trust, Lender or Trustee shall release this Deed of Trust without charge to Borrower. Borrower shall pay all costs of recordation, if any.

23. **Substitute Trustee.** Lender at Lender's option may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder by an instrument recorded in the city or county in which this Deed of Trust is recorded. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon the Trustee herein and by applicable law.

IN WITNESS WHEREOF, Borrower has executed this Deed of Trust.

Test.
Barbara A. O'Brien Egidio G. Coronica (Seal)
 BARBARA A. O'BRIEN, EGIDIO G. CORONICA -Borrower
 *TERRI L. Coronica* (Seal)
 TERRI L. CORONICA -Borrower

STATE OF MARYLAND, *Baltimore City* County ss:

I Hereby Certify, That on this *21st* day of *October*, 19*77*, before me, the subscriber, a Notary Public of the State of Maryland, in and for the *City of Baltimore*, personally appeared, EGIDIO G. CORONICA and TERRI L. CORONICA, his wife, known to me or satisfactorily proven to be the person(s) whose name(s) are subscribed to the within instrument and acknowledge that they executed the same for the purposes therein contained.

As WITNESS: my hand and notarial seal.

My Commission expires: 7/1/78

Barbara A. O'Brien
 BARBARA A. O'BRIEN Notary Public
 NOTARY PUBLIC
 BALTIMORE COUNTY

STATE OF Maryland, *Baltimore City* County ss:

I Hereby Certify, That on this *21st* day of *Oct*, 19*77*, before me, the subscriber, a Notary Public of the State of Maryland, in and for the *City of Baltimore*, personally appeared, JAMES D. LAUDEMAN, JR., the agent of the party secured by the foregoing Deed of Trust, and made oath in due form of law that the consideration recited in said Deed of Trust is true and bona fide as therein set forth and that the amount of the loan secured by the foregoing Deed of Trust was disbursed by the party or parties secured to the Borrower or to the person responsible for disbursement of funds in the closing transaction or their respective agent at a time no later than the execution and delivery by the Borrower of this Deed of Trust; and also made oath that he is the agent of the party or parties secured and is duly authorized to make this affidavit.

As WITNESS: my hand and notarial seal.

My Commission expires: 7/1/78

Barbara A. O'Brien
 BARBARA A. O'BRIEN Notary Public
 NOTARY PUBLIC
 BALTIMORE COUNTY

This is to certify that the within instrument was prepared by or under the supervision of the undersigned, an Attorney duly admitted to practice before the Court of Appeals of Maryland.

Edmund M. Ward
 EDMUND M. WARD
 Attorney

DEED OF TRUST

FROM
 EGIDIO G. CORONICA and
 TERRI L. CORONICA, his wife,
 TO
 EDWIN M. HURD and
 DAVID C. MCELROY,
 Trustees

Received for Record *Oct 27, 1977*
 at *16:18* o'clock *A* M. Same day recorded
 in *Liber 356* No. *127* Folio *356*
Queen Anne
 etc., one of the Land Records of

and examined per
Charles W. Cecil, Clerk

Cost of Record, \$ *17.00pd*
 RECORDING OFFICER: PLEASE RETURN TO

CALLAHAN, CALWELL & LAUDEMAN
 ATTORNEYS AT LAW
 210 EAST WASHINGTON STREET
 BALTIMORE, MARYLAND 21202

File No. 87722
 Written by *nch*
 Approved by *[Signature]*
 Ready for Record

70, 824

(2)

1001-09500-53012

US \$ 33,150.00

Baltimore, Maryland
City

October 21, 1977

FOR VALUE RECEIVED, the undersigned ("Borrower") promise(s) to pay BALTIMORE FEDERAL SAVINGS AND LOAN ASSOCIATION, or order, the principal sum of \$33,150.00 Dollars, with interest on the unpaid principal balance from the date of this Note, until paid, at the rate of 9.50% percent per annum. Principal and interest shall be payable at Fayette and St. Paul Streets, Baltimore, Maryland, 21202, or such other place as the Note holder may designate, in consecutive monthly installments of Two Hundred Seventy Eight and 77/100 Dollars (US \$ 278.77), on the first day of each month beginning December, 1977. Such monthly installments shall continue until the entire indebtedness evidenced by this Note is fully paid, except that any remaining indebtedness, if not sooner paid, shall be due and payable on November 1, 1987.

If any monthly installment under this Note is not paid when due and remains unpaid after a date specified by a notice to Borrower, the entire principal amount outstanding and accrued interest thereon shall at once become due and payable at the option of the Note holder. The date specified shall not be less than thirty days from the date such notice is mailed. The Note holder may exercise this option to accelerate during any default by Borrower regardless of any prior forbearance. If suit is brought to collect this Note, the Note holder shall be entitled to collect all reasonable costs and expenses of suit, including, but not limited to, reasonable attorney's fees.

Borrower shall pay to the Note holder a late charge of five (5%) percent of any monthly installment not received by the Note holder within fifteen (15) days after the installment is due.

Borrower may prepay the principal amount outstanding in whole or in part. The Note holder may require that any partial prepayments (i) be made on the date monthly installments are due and (ii) be in the amount of that part of one or more monthly installments which would be applicable to principal. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of any subsequent monthly installments or change the amount of such installments, unless the Note holder shall otherwise agree in writing.

Presentment, notice of dishonor, and protest are hereby waived by all makers, sureties, guarantors and endorsers hereof. This Note shall be the joint and several obligation of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their successors and assigns.

Any notice to Borrower provided for in this Note shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address stated below, or to such other address as Borrower may designate by notice to the Note holder. Any notice to the Note holder shall be given by mailing such notice by certified mail, return receipt requested, to the Note holder at the address stated in the first paragraph of this Note, or at such other address as may have been designated by notice to Borrower.

The indebtedness evidenced by this Note is secured by a Deed of Trust, dated of even date herewith, and reference is made to the Deed of Trust for rights as to acceleration of the indebtedness evidenced by this Note.

TEST:

Barbara A. O'Brien
BARBARA A. O'BRIEN

668 Ackerman Drive, Stevensville,
Property Address
Q. A. Co., Md., 21666

Egidio G. Coronica (Seal)
EGIDIO G. CORONICA

Terri L. Coronica (Seal)
TERRI L. CORONICA

..... (Seal)

(Execute Original Only)

MARYLAND - 1 to 4 Family-675-FNMA/FHLMC UNIFORM INSTRUMENT

BFS & L 2-77

REMOVAL OF TRUSTEES AND APPOINTMENT OF SUBSTITUTE TRUSTEES

THIS DEED OF APPOINTMENT, made this 9th day of February, 1984, by and between BALTIMORE FEDERAL SAVINGS AND LOAN ASSOCIATION, party of the first part, and ROBERT F. VAVRINA and JAMES D. LAUDEMAN, JR., SUBSTITUTE TRUSTEES, parties of the second part.

WHEREAS, Egidio G. Coronica and Terri L. Coronica, his wife, delivered a Purchase Money Deed of Trust to as TRUSTEES, dated October 21, 1977, and recorded among the Land Records of Queen Anne's County Maryland, in Liber CWC 127 Folio 356, to secure the prompt payment of a certain Deed of Trust Note dated of even date, the owner of the indebtedness being the party of the first part herein; and

WHEREAS, said Deed of Trust provides that the holder of the Note is entitled to remove, substitute and add Trustees by an instrument recorded among the Land Records where the property lies.

NOW, THEREFORE, pursuant to the authority contained in said Deed of Trust, this instrument witnesseth that the holder of the indebtedness, the within named party of the first part, hereby removes the TRUSTEES of record as TRUSTEES, and substitutes and appoints the parties of the second part, the said

ROBERT F. VAVRINA and JAMES D. LAUDEMAN, JR., as SUBSTITUTE TRUSTEES, with the same rights, powers, discretions and obligations to act as Substitute Trustees in any manner permitted by said Deed of Trust.

WITNESS the due execution hereof.

BALTIMORE FEDERAL SAVINGS AND LOAN ASSOCIATION

Alma Clark BY: Jayne H. McGeehan (SEAL)
Alma Clark, Asst. Secretary Jayne H. McGeehan, Vice President

STATE OF MARYLAND, CITY ~~XXXXXX~~ OF BALTIMORE, TO WIT:

I HEREBY CERTIFY, that on this 9th day of February, 1984, before me, the subscriber, a Notary Public of said State, personally appeared Jayne H. McGeehan, Vice President,

of Baltimore Federal Savings and Loan Association, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he / she executed the same for the purposes therein contained, as the duly authorized officer of said corporation, by signing the name of the corporation by himself / herself as such officer, and in my presence signed and sealed the same.

AS WITNESS my hand and Notarial Seal.

Frances C. Brannock
Frances C. Brannock Notary Public

My commission expires: July 1, 1986

ROBERT F. VAVRINA and
JAMES D. LAUDEMAN, JR.,
SUBSTITUTE TRUSTEES

VS.

EGIDIO G. CORONICA and
TERRI L. CORONICA, his wife

* IN THE CIRCUIT COURT
* FOR
* QUEEN ANNE'S COUNTY
* IN EQUITY 7544
*

NON-MILITARY SERVICE AFFIDAVIT

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY that, before me, the subscriber, a Notary Public of said State, personally appeared James A. Kane, Assistant Vice President, of Baltimore Federal Savings and Loan Association, and made oath in due form of law, that to the best of his/her information, knowledge and belief -

- (1) Said Defendant(s) is/are not in the Military Service of the United States of America,
- (2) Said Defendant(s) is/are not in the Military Service of any Nation allied with the United States of America,
- (3) Said Defendant(s) has/have not been ordered to report for induction under the Selective Training and Service Act,
- (4) Said Defendant(s) is/are not a member(s) of the Enlisted Reserve Corps who has/have been ordered to report for Military Service.

BALTIMORE FEDERAL SAVINGS AND LOAN ASSOCIATION

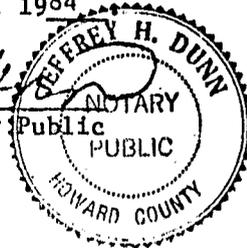
BY: *James A. Kane*
James A. Kane, Assistant Vice President

Affiant

Subscribed and sworn to before me this

23rd day of January, 1984

Jeffrey H. Dunn
Notary Public



ROBERT F. VAVRINA and
JAMES D. LAUDEMAN, JR.,
SUBSTITUTE TRUSTEES

VS.

EGIDIO G. CORONICA and
TERRI L. CORONICA, his wife

* IN THE CIRCUIT COURT
* FOR
* QUEEN ANNE'S COUNTY
* IN EQUITY 7544
*

STATEMENT OF DEED OF TRUST DEBT

Statement of claim of Baltimore Federal Savings and Loan Association,
holder of the Note secured by Deed of Trust from Egidio G. Coronica and
Terri L. Coronica, his wife, to Edwin M. Hurd and
David C. McElroy, Trustee(s), dated October 21, 1977
and recorded among the Land Records of Queen Anne's County,
in Liber CWC 127 Folio 356.

Amount of indebtedness	\$ 33,150.00
Less - amount paid on principal	<u>1,536.11</u>
	31,613.89
Plus - interest from 10-1-83 thru 1-23-84	<u>942.66</u>
	32,556.55
Plus - overdraft in escrow account	<u>44.94</u>
	\$ 32,601.49.

Interest per diem \$ 8.34

STATE OF MARYLAND
TO WIT:

, CITY ~~MARYLAND~~ OF BALTIMORE

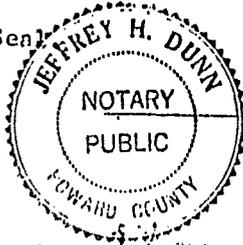
I HEREBY CERTIFY, that on this 23rd day of January,
19 84, before me, the subscriber, a Notary Public of the State aforesaid,
personally appeared James A. Kane, Assistant Vice President,

of Baltimore Federal Savings and Loan Association,

holder of the Note in the above entitled cause, and made oath that the foregoing
is a just and true statement of the amount of the claim under the Deed of Trust
filed in the said cause remaining due and unpaid.

WITNESS my hand and Notarial Seal

My commission expires:



Jeffrey H. Dunn
Notary Public

Vavrina vs. Coronica
Equity #754
215 Ackerman Drive

KNOW ALL MEN BY THESE PRESENTS, THAT we,.....
Robert F. Vavrina and James D. Laudeman, Jr.,.....
210 E. Redwood Street, Baltimore, Maryland 21202,.....

as principal, and the FIREMAN'S FUND INSURANCE COMPANY, a body corporate, duly incorporated under
the laws of the State of California, as surety, are held and firmly bound unto the STATE OF MARYLAND, in the
full and just sum of..... Thirty Six Thousand and 00/100ths

(\$ 36,000.00) Dollars, to be paid to the said State or its certain Attorney, to which payment
well and truly to be made and done, we bind ourselves and each of us, our and each of our heirs, executors, ad-
ministrators, successors or assigns, jointly and severally, firmly by these presents, sealed with our seals and
dated this..... 20th..... day of..... February....., in the year of our Lord..... 1984

WHEREAS, the above bounden.....
Robert F. Vavrina and James D. Laudeman, Jr., Substitute Trustees,
by virtue of the power contained in a mortgage deed of trust from..... Egidio G. Coronica, et ux,
..... to Edwin M. Hurd, et al, Trustees,
bearing date the..... 21st..... day of..... October, 1977,
and recorded among the Land Records of..... Queen Anne's County,
in Liber No. CWC 127....., Folio..... 356..... and by Appointment of Substitute
Trustees dated February 9, 1984 and recorded among the aforesaid Land Records
prior hereto, wherein said Substitute Trustees replaced the Trustees of record,

is about to sell the land and premises described in said mortgage deed of trust, default having been made in
the payment of the money as specified, and in the conditions and covenants therein contained.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, that if the above bounden.....
Robert F. Vavrina and James D. Laudeman, Jr.,.....

do and shall well and truly and faithfully perform the trust reposed in..... them.....
under the mortgage deed of trust aforesaid, and shall abide by and fulfill any order or decree which shall be
made by any Court of Equity in relation to the sale of said property, or the proceeds thereof, then the above
obligation to be void; otherwise to be and remain in full force and virtue in law.

IN TESTIMONY WHEREOF, the above bounden.....
Robert F. Vavrina and James D. Laudeman, Jr.,.....

XXXX have hereto set..... their..... hands and seals and the said body corporate has caused these
presents to be duly signed by its duly authorized agent and attorney-in-fact, the day and year first herein above
written.

Signed, sealed and delivered
in the presence of
James McDonald
James McDonald, witness as to both
Principals

Robert F. Vavrina (SEAL)
Robert F. Vavrina
James D. Laudeman, Jr. (SEAL)
James D. Laudeman, Jr.
FIREMAN'S FUND INSURANCE COMPANY

CERTIFIED COPY OF POWER OF
ATTORNEY ATTACHED

As to Surety
Deborah T. Jacques
Deborah T. Jacques
Surety approved

by
Ross B. Faulhaber
Ross B. Faulhaber
Attorney-in-fact

WITNESSETH MY HAND AND SEAL
OF THE COUNTY OF BALTIMORE

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber MWM No. 3, folio 397, a Bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 12th day of March, 1984.



Marguerite W. Mankin
Marguerite W. Mankin, Clerk of the
Circuit Court for Queen Anne's County

REMOVAL OF TRUSTEES AND APPOINTMENT OF SUBSTITUTE TRUSTEES

THIS DEED OF APPOINTMENT, made this 9th day of February, 1984, by and between BALTIMORE FEDERAL SAVINGS AND LOAN ASSOCIATION, party of the first part, and ROBERT F. VAVRINA and JAMES D. LAUDEMAN, JR., SUBSTITUTE TRUSTEES, parties of the second part.

FEB 17 21 1984 2 825 *****1750
FEB 17 84 A 2 825 *****1750

WHEREAS, Egidio G. Coronica and Terri L. Coronica, his wife, delivered a Purchase Money Deed of Trust to as TRUSTEES, dated October 21, 1977, recorded among the Land Records of Queen Anne's County Maryland, in Liber CWC 127 Folio 356, to secure the prompt payment of a certain Deed of Trust Note dated of even date, the owner of the indebtedness being the party of the first part herein; and

WHEREAS, said Deed of Trust provides that the holder of the Note is entitled to remove, substitute and add Trustees by an instrument recorded among the Land Records where the property lies.

NOW, THEREFORE, pursuant to the authority contained in said Deed of Trust, this instrument witnesseth that the holder of the indebtedness, the within named party of the first part, hereby removes the TRUSTEES of record as TRUSTEES, and substitutes and appoints the parties of the second part, the said

ROBERT F. VAVRINA and JAMES D. LAUDEMAN, JR., as SUBSTITUTE TRUSTEES, with the same rights, powers, discretions and obligations to act as Substitute Trustees in any manner permitted by said Deed of Trust.

WITNESS the due execution hereof.

BALTIMORE FEDERAL SAVINGS AND LOAN ASSOCIATION

Alma Clark BY: Jayne H. McGeehan (SEAL)
Alma Clark, Asst. Secretary Jayne H. McGeehan, Vice President

STATE OF MARYLAND, CITY ~~XXXXXXXX~~ OF BALTIMORE, TO WIT:

I HEREBY CERTIFY, that on this 9th day of February, 1984, before me, the subscriber, a Notary Public of said State, personally appeared Jayne H. McGeehan, Vice President,

of Baltimore Federal Savings and Loan Association, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he / she executed the same for the purposes therein contained, as the duly authorized officer of said corporation, by signing the name of the corporation by himself / herself as such officer, and in my presence signed and sealed the same.

AS WITNESS my hand and Notarial Seal.

Frances C. Brannock
Frances C. Brannock Notary Public

My commission expires: July 1, 1986

ROBERT F. VAVRINA and
JAMES D. LAUDEMAN, JR.,
SUBSTITUTE TRUSTEES

VS.

EGIDIO G. CORONICA and
TERRI L. CORONICA, his wife

* IN THE CIRCUIT COURT
* FOR
* QUEEN ANNE'S COUNTY
* IN EQUITY
* #7544

REPORT OF SALE

TO THE HONORABLE, THE JUDGE OF SAID COURT:

The Report of Sale of Robert F. Vavrina and James D. Laudeman, Jr.,
Substitute Trustees, in Deed of Trust dated October 21, 1977
and recorded among the Land Records of Queen Anne's County,
in Liber CWC 127 , folio 356 , from the Defendant(s)
herein to Edwin M. Hurd and David C. McElroy,
Trustee(s), the Trustee(s) of record having been removed and the Flaintiffs
herein substituted in place thereof by instrument dated February 9, 1984
and duly recorded among the aforesaid Land Records, said Deed of Trust and
Deed of Appointment having been filed in said cause pending, respectfully
shows -

That after giving Bond, with security for the faithful discharge of their
trust, which was duly filed and approved, and having given notice of the time,
place, manner and terms of sale, by advertisements inserted in the
Queen Anne's Record Observer, a
newspaper published in Queen Anne's County , for
three successive weeks preceeding the day of sale, Robert F. Vavrina,
one of said Substitute Trustees, under and by virtue of the power and authority
contained in said Deed of Trust, (after default having occurred thereunder) did,
pursuant to said notice, on March 9, 1984,
at 1:00 o'clock P.M., attend ~~XXXXXX~~
~~XXXXXXXXXXXXXXXXXXXX~~ on the premises and then and there sold the fee simple
~~XXXXXXXXXX~~ property situate, lying and being in Queen Anne's County,
Maryland, known as , 215 Ackerman Drive;

more particularly and at length described in the aforementioned Deed of Trust, and in the attached copy of advertisement of sale.

The property was sold to A. John Briscuso,

in fee simple ~~XX~~
at and for the sum of Thirty Four Thousand Five Hundred and 00/100ths
Dollars (\$34,500.00), said purchaser(s) being then and there the
highest bidder.

Robert F. Vavrina

Robert F. Vavrina

James D. Laudeman, Jr.

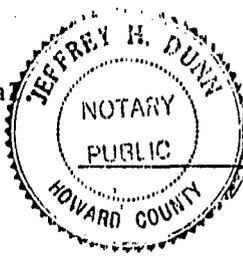
James D. Laudeman, Jr.

Substitute Trustees

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY, That on this 12th day of March
19 84 , before me, the subscriber, a Notary Public of the State of Maryland,
personally appeared Robert F. Vavrina and James D. Laudeman, Jr., Substitute
Trustees, and made oath in due form of law that the facts stated in the foregoing
Report of Sale are true, as therein set forth, and that the sale thereby reported
was fairly made.

AS WITNESS my hand and Notarial Seal



Jeffrey H. Dunn
Notary Public
JEFFREY H. DUNN

CALLAHAN, CALWELL & LAUDEMAN

Solicitors
210 E. Redwood Street
Baltimore, Md. 21202
301-539-6841

**Substitute
Trustees' Sale**

OF
VALUABLE, FEE SIMPLE,
DWELLING PROPERTY
215 Ackerman Drive,
Romencoke on the Bay Subdivision
Kent Island
Queen Anne's County, Md.

Under and by virtue of the power and authority contained in a Deed of Trust from Egidio G. Coronico and Terri L. Coronica, his wife, to Edwin M. Hurd and David C. McElroy, Trustees, dated October 21, 1977, and recorded among the Land Records of Queen Anne's County in Liber CWC 127, Folio 356, default having occurred thereunder, and at the request of the party secured thereby, the undersigned, Substitute Trustees, will sell at public auction on the premises, on

Fri., March 9, 1984

At 1:00 O'Clock P.M.

all that fee simple property and the improvements thereon, situate in Queen Anne's County, and described as follows:

BEING KNOWN AND DESIGNATED as Lot No. 21, Block J, as shown on a Plat entitled "Romencoke on the Bay, Second Section", which Plat is recorded among the Land Records of Queen Anne's County in Plat Book TSP No. 1, Page 43. The improvements thereon being known as Ackerman Drive.

Together with all the buildings thereon, and all the rights, alleys, ways, waters, privileges, appurtenances and advantages thereunto belonging, or in anywise appertaining.

Subject to covenants, conditions, restrictions, easements, etc., and utility agreements of record, if any, affecting the property.

The property is improved by a detached, 1 story, frame, ranch style dwelling.

TERMS OF SALE:

A cash, certified or cashier's check deposit of \$4,000.00 will be required of the purchaser at the time and place of sale, balance of purchase price upon final ratification of sale by the Circuit Court for Queen Anne's County and to bear interest at the rate of ten per cent per annum from date of sale to date of settlement. The purchaser will be required to complete settlement of the purchase within five days of the ratification of the sale by the Court otherwise the property will be resold at the risk and expense of the purchaser. Taxes, public charges and assessments, ground rent and water rent to be adjusted to date of sale. All such taxes, public charges and assessments, payable on an annual basis, including sanitary and/or metropolitan district charges to be adjusted for the current year to date of sale and assumed thereafter by the purchaser. Cost of all documentary stamps and transfer taxes, if any, shall be borne by the purchaser.

Robert F. Vavrina
James D. Laudemon, Jr.
Substitute Trustees

Joseph A. Jackson, Jr.,
Auctioneer

RB 2 22 31 047

ROBERT F. VAVRINA and
JAMES D. LAUDEMAN, JR.,
SUBSTITUTE TRUSTEES

VS.

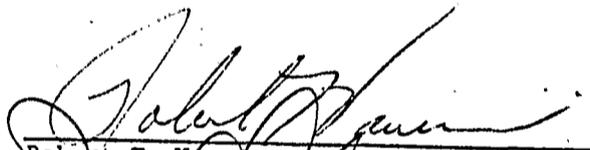
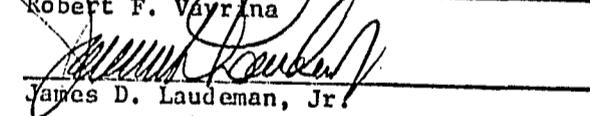
EGIDIO G. CORONICA and
TERRI L. CORONICA, his wife

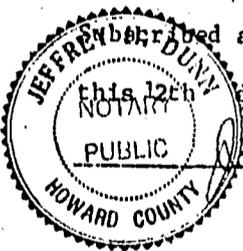
* IN THE CIRCUIT COURT
* FOR
* QUEEN ANNE'S COUNTY
* IN EQUITY
* #7544

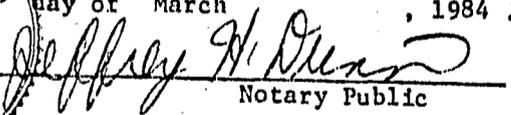
AFFIDAVIT OF NOTICE

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY that, before me, the subscriber, a Notary Public of said State, personally appeared Robert F. Vavrina and James D. Laudeman, Jr., Substitute Trustees, authorized to make sale of property herein, and made oath in due form of law that they have given notice by certified mail, to the defendant(s), to the present record owner(s), and to those holders of subordinate mortgages or security interests entitled to notice, at their last known address, of the time, place and terms of sale of the property reported herein, in compliance with Rule W74 a 2 (c) of the Maryland Rules of Procedure.


Robert F. Vavrina

James D. Laudeman, Jr.
Substitute Trustees
Affiants



Subscribed and sworn to before me,
this 12th day of March, 1984.

Notary Public
JEFFREY H. DUNN

RECORDED
MAY 15 1984
COURT CLERK
QUEEN ANNE'S COUNTY

ROBERT F. VAVRINA and
JAMES D. LAUDEMAN, JR.,
SUBSTITUTE TRUSTEES

VS.

EGIDIO G. CORONICA and
TERRI L. CORONICA, his wife

* IN THE CIRCUIT COURT
* FOR
* QUEEN ANNE'S COUNTY
* IN EQUITY
* #7544

AMENDED
STATEMENT OF DEED OF TRUST DEBT

Statement of claim of Baltimore Federal Savings and Loan Association,
holder of the Note secured by Deed of Trust from Egidio G. Coronica and
Terri L. Coronica, his wife, to Edwin M. Hurd and
David C. McElroy, Trustee(s), dated October 21, 1977
and recorded among the Land Records of Queen Anne's County,
in Liber CWC 127 Folio 356.

Amount of indebtedness	\$ 33,150.00
Less - amount paid on principal	<u>1,536.11</u>
	31,613.89
Plus - interest from 10-1-83 thru 3-9-84	<u>1,326.46</u>
	32,940.35
Plus - overdraft in escrow account	<u>213.94</u>
	\$ 33,154.29

Interest per diem \$ 8.34

STATE OF MARYLAND, CITY ~~XXXXXXX~~ OF BALTIMORE
TO WIT:

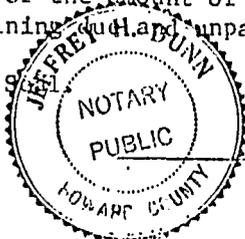
I HEREBY CERTIFY, that on this 12th day of March,
19 84, before me, the subscriber, a Notary Public of the State aforesaid,
personally appeared James A. Kane, Assistant Vice President,

of Baltimore Federal Savings and Loan Association,

holder of the Note in the above entitled cause, and made oath that the foregoing
is a just and true statement of the amount of the claim under the Deed of Trust
filed in the said cause remaining ~~due~~ unpaid.

WITNESS my hand and Notarial

My commission expires:



Jeffrey H. Dunn
Notary Public
JEFFREY H. DUNN

ORDER NISI ON SALE

ROBERT F. VAVRINA and
JAMES D. LAUDEMAN, JR.,
Substitute Trustees

vs.

EGIDIO G. CORONICA and
TERRI L. CORONICA, his wife

In the Circuit Court
for Queen Anne's County
In Equity

Cause No. 7544

ORDERED, this 27th day of March, 19 84, that
the sale of the real property, made and reported in this cause by
Robert F. Vavrina and James D. Laudeman, Jr., Substitute Trustees, be ratified and confirmed,
on or after the 30th day of April, 19 84, unless
cause to the contrary thereof be previously shown; provided a copy of this order be inserted
in some newspaper published in Queen Anne's County, Maryland, once in each of three suc-
cessive weeks before the 23rd day of April, 19 84.

The report states the amount of sales to be \$34,500.00.

Margaret St. Wenkin Clerk

Filed March 27, 1984

Centreville, Md. 3/7 19 84

We Hereby Certify

That the annexed advertisement of
Substitute Trustees's sale
Egidio & Terri Coronica
was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 9th day of March 19 84
And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER/BAY TIMES was on the
22nd day of Feb.
19 84, and the last insertion on the
7th day of March
19 84.

Publishers, Record Observer

Per Robert F. Vavrine

CALLAHAN, CALWELL & LAUDEMAN
Solicitors
217 E. Redwood Street
Baltimore, Md. 21202
301-539-6841

Substitute Trustees' Sale

OF
VALUABLE, FEE SIMPLE,
DWELLING PROPERTY
215 Ackerman Drive,
Romancoke on the Bay Subdivision
Kent Island

Queen Anne's County, Md.

Under and by virtue of the power and authority contained in a Deed of Trust from Egidio G. Coronica and Terri L. Coronica, his wife, to Edwin M. Hurd and David C. McElroy, Trustees, dated October 21, 1977, and recorded among the Land Records of Queen Anne's County in Liber CWC 127, Folio 356, default having occurred thereunder, and at the request of the party secured thereby, the undersigned, Substitute Trustees, will sell at public auction on the premises, on

Fri., March 9, 1984

At 1:00 O'Clock P.M.

all that fee simple property and the improvements thereon, situate in Queen Anne's County, and described as follows:

BEING KNOWN AND DESIGNATED as Lot No. 21, Block J, as shown on a Plat entitled "Romancoke on the Bay, Second Section", which Plat is recorded among the Land Records of Queen Anne's County in Plat Book TSP No. 1, Page 43. The improvements thereon being known as Ackerman Drive.

Together with all the buildings thereon, and all the rights, alleys, ways, waters, privileges, appurtenances and advantages thereunto belonging, or in anywise appertaining.

Subject to covenants, conditions, restrictions, easements, etc., and utility agreements of record, if any, affecting the property.

The property is improved by a detached, 1 story, frame, ranch style dwelling.

TERMS OF SALE:

A cash, certified or cashier's check deposit of \$4,000.00 will be required of the purchaser at the time and place of sale, balance of purchase price upon final ratification of sale by the Circuit Court for Queen Anne's County and to bear interest at the rate of ten per cent per annum from date of sale to date of settlement. The purchaser will be required to complete settlement of the purchase within five days of the ratification of the sale by the Court otherwise the property will be resold at the risk and expense of the purchaser. Taxes, public charges and assessments, ground rent and water rent to be adjusted to date of sale. All such taxes, public charges and assessments, payable on an annual basis, including sanitary and/or metropolitan district charges to be adjusted for the current year to date of sale and assumed thereafter by the purchaser. Cost of all documentary stamps and transfer taxes, if any, shall be borne by the purchaser.

Robert F. Vavrine
James D. Laudeman, Jr.
Substitute Trustees

Joseph A. Jackson, Jr.,
Auctioneer

RB-2-22-3-047

RECORDED - 11 APR 24
Centreville, Md. 4/18 19 84

We Hereby Certify

That the annexed advertisement of
Order Nisi - Coronica
 was published in the RECORD
 OBSERVER, a newspaper published
 in Queen Anne's County, Maryland, once
 in each of 3 successive weeks before
 the 23rd day of April 19 84
 And that the first insertion of said ad-
 vertisement in the said RECORD
 OBSERVER/BAY TIMES was on the
4th day of April
 19 84, and the last insertion on the
18th day of April
 19 84.

Publishers, Record Observer
 For Betty M. Comegys

**ORDER NISI
 ON SALE**
**ROBERT F. VAVRINA and
 JAMES D. LAUDEMAN,
 JR.,**
 Substitute Trustees
 vs.
**EGIDIO G. CORONICA and
 TERRI L. CORONICA, his
 wife**
 In the Circuit Court
 for
 Queen Anne's County
 In Equity
 Cause No. 7544
 ORDERED, this 27th day
 of March, 1984, that the
 sale of the real property,
 made and reported in this
 cause by Robert F. Vavrina
 and James D. Laudeman,
 Jr., Substitute Trustees,
 be ratified and confirmed,
 on or after the 30th day of
 April, 1984, unless cause to
 the contrary thereof be
 previously shown; provided
 a copy of this order be
 inserted in some newspa-
 per published in Queen
 Anne's County, Maryland,
 once in each of three
 successive weeks before
 the 23rd day of April, 1984.
 The report states the
 amount of sales to be
 \$34,500.00
 Marguerite W. Mankin
 Clerk
 True Copy, Test:
 Marguerite W. Mankin
 Clerk
 By: Betty M. Comegys
 Deputy Clerk
 Filed March 27, 1984
 RB 4 04 31 06

ROBERT F. VAVRINA and
JAMES D. LAUDEMAN, JR.,
SUBSTITUTE TRUSTEES

VS.

EGIDIO G. CORONICA and
TERRI L. CORONICA, his wife

* IN THE CIRCUIT COURT
* FOR
* QUEEN ANNE'S COUNTY
* IN EQUITY
* #7544

PURCHASER'S AFFIDAVIT

STATE OF MARYLAND, CITY ~~XXXXXXXX~~ OF BALTIMORE, TO WIT:

I HEREBY CERTIFY that on this 9th day of March, 1984, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared A. JOHN BRISCUO

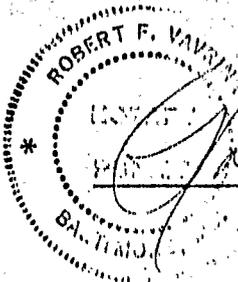
who made oath in due form of law that

- (1) he is the purchaser at the foreclosure sale in these proceedings,
- (2) he is not acting as agent for anyone,
- (3) there are no others interested as principals,
- (4) he has not directly or indirectly discouraged anyone from bidding for the said property known as 215 ACKERMAN DRIVE mentioned in the Report of Sale to be filed in these proceedings.

Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

A. John Briscuso
A. John Briscuso

Purchaser



Robert Vavrina
ROBERT F. VAVRINA Notary Public

ALLEGEDLY...
MAY 1984
11:00 AM

ROBERT F. VAVRINA and
JAMES D. LAUDEMAN, JR.,
SUBSTITUTE TRUSTEES

VS.

EGIDIO G. CORONICA and
TERRI L. CORONICA, his wife

* IN THE CIRCUIT COURT
* FOR
* QUEEN ANNE'S COUNTY
* IN EQUITY
* #7544

ORDER OF SALE RATIFICATION

ORDERED, By the Circuit Court for Queen Anne's County,
this 4th day of May, 1984,
that the sale(s) made by Robert F. Vavrina and James D. Laudeman, Jr.,
Substitute Trustees, for the sale of the Real Estate described in the
proceedings in the above entitled cause, and reported by said Substitute
Trustees to this Court, be and the same is hereby finally ratified and
confirmed, no cause to the contrary having been shown, although due notice
appears to have been given as required by the Order Nisi passed in said
cause, and that the said Substitute Trustees be allowed the usual commissions
and all proper expenses for which they shall produce vouchers to the Auditor.

FILED

MAY 4 1984

CIRCUIT COURT
QUEEN ANNE'S CO.

Taylor Harker

Judge

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

ROBERT F. VAVRINA and	:	
JAMES D. LAUDEMAN, JR.,	:	
SUBSTITUTE TRUSTEES	:	
v.	:	Chancery #7544
EGIDIO G. CORONICA and	:	
TERRI L. CORONICA, his wife	:	
:	:	
:	:	

AUDITOR'S ACCOUNT

PROCEEDS OF FORECLOSURE SALE			
Sale Price, as reported		\$ 34,500.00	
Interest on \$ 30,500.00 @ 10%			
from 03/10/84 to 06/19/84			
101 days @ \$8.36 per day		852.72	
Real property taxes \$ 374.60			
from 03/10 to 06/30/84			
112 days @ \$1.06			
(adj. per settlement)		<u>115.97</u>	
GROSS AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 35,468.69
COMMISSIONS, payable to Fiduciary	\$ 1,725.00		
ATTORNEY FEE, per Mortgage	8.00		
EXPENSES OF SALE			
Court costs	\$ 154.50		
Advertising			
Notices of sale			
Record-Observer \$210.00			
Sunpapers <u>287.76</u>	497.76		
Report of sale	63.00		
Bond premium	75.00		
Auctioneer's fee	86.25		
Road Assessment	9.39		
Notary fees	5.00		
Certified mail	<u>3.30</u>	894.20	
AUDITOR'S FEE AND COSTS			
Fee for audit	\$ 45.00		
Postage & copies	<u>1.80</u>	<u>46.80</u>	<u>2,674.00-</u>
NET AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 32,794.69

AUDITOR'S ACCOUNT

CHANCERY #7544

PAGE 2

INDEBTEDNESS DUE UNDER MORTGAGE		
Principal, per Statement of Debt	\$ 31,613.89-	
Interest to 01/23/84, per Statement	942.66-	
Escrow balance, per Statement	210.03-	
Interest on principal @ 9.5%		
01/24/84 to 05/09/84		
157 days @ \$8.34	<u>892.38-</u>	\$33,658.96-
AVAILABLE FOR DISTRIBUTION, as above		<u>32,794.69</u>
DEFICIT		\$ 864.27-

NOTICE

The attached Account was filed on July 2, 1984. Exceptions to the Account must be filed within ten (10) days of that date. If timely exceptions are not filed, the Account may thereupon be ratified. The amount allowed to each claimant is stated in the attached Account.

AUDITOR'S ACCOUNT

CHANCERY #7544

PAGE 3

CERTIFICATE OF AUDITOR

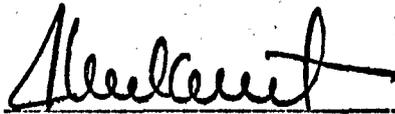
I hereby certify that I have examined the Suggested Account, together with the receipts, vouchers, statements, suggested distribution and affidavit submitted by the Fiduciary in Chancery Cause #7544. On the basis of the facts which appear upon the face of the proceedings and proofs submitted to me, it is my opinion that the claims set forth in the foregoing Auditor's Account have been established and are properly allowable by law in the amounts there set forth.

I further certify that on July 2, 1984, copies of the Auditor's Account and Notice conforming to the requirements of Maryland Rule 2-543 and Second Circuit Rule 12 d were mailed to the following:

Robert E. Vavrina, Esquire
210 East Redwood Street
Baltimore, Maryland 21202

Egidio G. Coronica
215 Ackerman Drive
Stevensville, Maryland 21666

Terri L. Coronica
215 Ackerman Drive
Stevensville, Maryland 21666



John W. Sause, Jr.
Auditor

The Second Judicial Circuit of Maryland

CENTREVILLE, MARYLAND 21617

CLAYTON C. CARTER, ASSOCIATE JUDGE



REASON FOR RETURN

- Unclaimed Return
- Addressee unknown
- Insufficient Address
- No such street number
- No such office in state
- Do not mail in this envelope

Egidio G. Coronica
 215 Ackerman Drive
 Stevensville, Maryland 21666

Handwritten: Marked by [unclear]

The Second Judicial Circuit of Maryland

CENTREVILLE, MARYLAND 21617

CLAYTON C. CARTER, ASSOCIATE JUDGE



RECEIVED
ADDRESS ONLY
POSTAGE WILL BE PAID BY ADDRESSEE
NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

Terri L. Coronica
215 Ackeyman Drive
Stevensville, Maryland 21666

17
1988
March 17, 1988



IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

ROBERT F. VAVRINA and :
JAMES D. LAUDEMAN, JR., :

SUBSTITUTE TRUSTEES :

v. :

Chancery #7544

EGIDIO G. CORONICA and :
TERRI L. CORONICA, his wife :

: : : : :

ORDER RATIFYING AUDIT

The matter coming before the Court on the Account heretofore filed by the Auditor and it appearing from the Auditor's Certification that the requirements of Rule 2-543 (e) have been met, and no exceptions having been filed within 10 days of the date when the Account was filed, it is this 20th day of July, 1984, by the Circuit Court for Queen Anne's County,

ORDERED that the Account of the Auditor is hereby ratified and confirmed, and the Fiduciary shall apply the proceeds accordingly with a due proportion of interest after same has been or may be received.



Judge

1984 JUL 20 PM 2:00

L. CLARK EWING, ASSIGNEE
16 South Washington Street
Easton, Maryland 21601

Plaintiff

vs.

GORDON L. REED
JOLENE K. REED
PINE WOODS RESORT CAMPGROUND
ASSOCIATES, a Pennsylvania
limited partnership
Rt. 1, Box 90A
Millington, Maryland 21651

IN THE CIRCUIT COURT
FOR QUEEN ANNE'S COUNTY

MARYLAND

JUN 25-82 * 25208 *****60 00
JUN 25-82 A 525208 *****60 00

CHANCERY NO. 7156

ORDER TO DOCKET SUIT, INC.

Mrs. Marguerite W. Mankin

Madam:

Please docket suit as above entitled and file therein a certified copy of the Mortgage by and between Gordon L. Reed and Jolene K. Reed, his wife, and Pine Woods Resort Campground Associates, A Pennsylvania limited partnership, "Mortgagor" and Raymond Richard Clark and James William Akin Clark, his wife, "Mortgagee," dated July 30, 1981, and recorded in Liber 177, folio 292 among the Land Records of Queen Anne's County, Maryland, by authority of L. Clark Ewing, Assignee of said Mortgage.

Please also docket the Military Affidavit and Statement of Debt Due Under the Mortgage.


L. Clark Ewing, Assignee of Mortgage

Ewing, Dietz & Turner, P.A.
16 South Washington Street
P.O. Box 1146
Easton, Maryland 21601-1146
Telephone: (301)-822-1988

RECEIVED
CLERK OF COURT
1982 JUN 25 AM 8:47
QUEEN ANNE'S COUNTY

LCE/cl

L. CLARK EWING, ASSIGNEE
16 South Washington Street
Easton, Maryland 21601
Plaintiff

VS

GORDON L. REED
JOLENE K. REED
PINE WOODS RESORT CAMPGROUND ASSOCIATES
Rt. 1, Box 90A
Millington, Maryland 21651

IN THE CIRCUIT COURT

FOR QUEEN ANNE'S COUNTY

CHANCERY NO. 7156

MILITARY AFFIDAVIT

STATE OF MARYLAND, COUNTY OF TALBOT, TO-WIT:

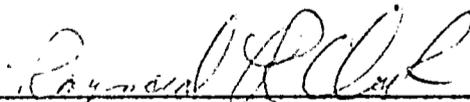
I HEREBY CERTIFY that, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Raymond R. Clark, a person competent to be a witness who has personal knowledge of the facts herein stated, and made oath in due form of law that:

(1) Pine Woods Resort Campground Associates is stated in the mortgage involved in this proceeding to be a Pennsylvania limited partnership and Gordon L. Reed made oath that he is a "General Partner."

(2) Gordon L. Reed is a male approximately fifty-eight years of age and Jolene K Reed is a female approximately forty-eight years of age; neither of them is in the military service of the United States or in the military service of any nation allied with the United States.

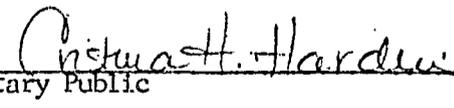
(3) Neither of them has been ordered to report for induction under the Selective Training and Service Act of 1940 as amended.

(4) Neither of them is a member of the Enlisted Reserve Corps who has been ordered to report for military service.



Raymond R. Clark

Subscribed and sworn to before me this 2nd day of June, 1982



Notary Public

My Commission expires:

July 1, 1986



RECEIVED
CLERK OF THE COURT
1982 JUN 25 AM 8:47
QUEEN ANNE'S COUNTY
LIST# 17 PAGE 51

17 32

L. CLARK EWING, ASSIGNEE
16 South Washington Street
Easton, Maryland 21601

Plaintiff

vs.

GORDON L. REED
JOLENE K. REED
PINE WOODS RESORT CAMPGROUND
ASSOCIATES, a Pennsylvania
limited partnership
Rt. 1, Box 90A
Millington, Maryland 21651

IN THE CIRCUIT COURT
FOR QUEEN ANNE'S COUNTY
MARYLAND

CHANCERY NO. 7156

STATEMENT OF DEBT DUE UNDER MORTGAGE

To principal due as of October 30, 1981	\$ 93,327.66
Interest for 7 months to May 30, 1982 on above balance.....	\$ 8,166.17
Interest to June 23, 1982.....	\$ 933.28
TOTAL DUE TO JUNE 23, 1982.....	\$102,427.11

Raymond R. Clark
Raymond R. Clark

STATE OF MARYLAND, COUNTY OF TALBOT, TO-WIT:

I HEREBY CERTIFY, that on this 22nd day of June, 1982, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared RAYMOND R. CLARK, one of the owners of the aforesaid mortgage, in the above entitled cause and made oath that the foregoing is a true statement of the debt due under the mortgage remaining due and unpaid as of June , 1982.

Christina H. Hardy
Notary Public

My commission expires:

July 1, 1986



RECEIVED
CLERK, CIRCUIT COURT
1982 JUN 25 AM 8:47
QUEEN ANNE'S COUNTY

LCE/cl

W. R. McCrone, Jr., Inc.
Registered Professional Engineers

THIS MORTGAGE, made this 30th day of July, 1981, by and between Gordon L. Reed and Jolene K. Reed, his wife, and Pine Woods Resort Campground Associates, A Pennsylvania limited partnership, of the first part, hereinafter collectively referred to as MORTGAGOR, and Raymond Richard Clark and James William Akin Clark, his wife, as tenants by the entirety, of the second part, hereinafter referred to as MORTGAGEE.

WHEREAS, the Mortgagor is justly indebted to the Mortgagee for a loan contemporaneous herewith, evidenced by a promissory note of even date herewith in the principal sum of One Hundred Thousand Dollars (\$100,000.00) payable, with interest thereon from the date hereof at the rate of fifteen (15%) per centum per annum on the unpaid principal until paid, at the designated office of the holder, in the manner following: Payable in thirty-six (36) equal, consecutive monthly installments of Three Thousand Four Hundred Sixty-six Dollars and fifty-four cents (\$3,466.54) each, with the first payment being due on the 30th day of August, 1981, and the final payment being due on July 1984, if not paid sooner. Borrower(s) may prepay this mortgage at any time without penalty.

AND, WHEREAS, the better to secure the repayment of said loan, with interest, this mortgage is executed and delivered.

NOW, THEREFORE, THIS MORTGAGE WITNESSETH, that in consideration of the premises and the sum of One Dollar (\$1.00) this day paid, the receipt whereof is hereby acknowledged, the Mortgagor does hereby grant, convey and assign unto the Mortgagee, in fee simple, the following described real estate, to wit:

PARCEL NO. 1

BEGINNING FOR THE SAME at a concrete monument set at the intersection of the division line between Lot 5 and Lot 4, with the northernmost side of a forty (40) foot wide road on a plat entitled "Plat One, Dogwood Lodge" and recorded among the Land Record Books of Queen Anne's County, Maryland, in Liber T.S.P. 20, folio 300;

THENCE, leaving said beginning point so fixed and binding on the aforesaid division line, North 00° 37' 06" West 245 feet more or less to the approximate mean high water line of the Chester River, passing in transit a concrete monument set 185.00 feet from the beginning thereof;

THENCE, leaving said point and binding on the approximate mean high water line of the aforesaid river in a northeasterly direction 490 feet more or less to a point at the intersection of the division line between Lot 2 and Lot 3 of the aforementioned Plat One of Dogwood Lodge;

THENCE, leaving said point and binding on the aforesaid division line, South 00° 38' 42" East 435.69 feet more or less to a concrete monument found, passing in transit a concrete monument found 295.69 feet from the end thereof;

THENCE, leaving said concrete monument and binding on the northernmost side of the aforementioned road, the following two (2) courses and distances: South 58° 33' 18" West 26.40 feet to a concrete monument found and South 89° 22' 54" West 377.18 feet to the place of beginning. Containing in all 2.633 acres of land, more or less, as surveyed by J. R. McCrone, Jr., Inc., Registered Professional Engineers and Land Surveyors in March of 1981.

SUBJECT to the legal operation and effect of two (2) recorded subdivision plats (1) "Plat No. 1", Dogwood Lodge, recorded in Liber T.S.P. 20, folio 300, and (2) "Plat No. 2" Dogwood Lodge, recorded in Liber T.S.P. No. 29, folio 551, both Land Record Books for Queen Anne's County, Maryland, and no abandonment thereof is intended by the foregoing description.

BEING the same land described in Parcel No. 1 in a deed from Richard Raymond Clark and James William Akin Clark to Gordon L. Reed and Jolene K. Reed intended to be recorded immediately prior hereto.

PARCEL NO. 2

BEGINNING FOR THE SAME at a concrete monument found at the intersection of the southwesternmost corner of Lot 10, with the northwesternmost corner of a forty (40) foot wide road, as shown on a plat entitled "Plat One, Dogwood Lodge", and recorded among the Land Record Books of Queen Anne's County, Maryland, in Liber T.S.P. 20, folio 300. Said Beginning point being further located at the northwesternmost corner of the herein described parcel;

THENCE, leaving said beginning point so fixed and binding on the northernmost side of the aforementioned forty (40) foot wide road, the following two (2) courses and distances: North $89^{\circ} 23' 49''$ East 610.69 feet to a concrete monument set and North $89^{\circ} 22' 54''$ East 366.14 feet to a point;

THENCE, leaving said point and binding on the easternmost outline of the herein described parcel, South $00^{\circ} 36' 11''$ West 239.74 feet to a point;

THENCE, leaving said point and binding on the southernmost outline of the herein described parcel, South $89^{\circ} 23' 49''$ West 935.00 feet to a point on the easternmost outline of the lands of Anthony Ruvolo (see C.W.C. 74/674);

THENCE, leaving said point and binding on the division line between the aforesaid Ruvolo lands and the herein described lands, North $09^{\circ} 19' 53''$ West 242.40 feet to the place of beginning. Containing in all 5.25 acres of land, more or less, as surveyed by J. R. McCrone, Jr., Inc., Registered Professional Engineers and Land Surveyors in March of 1981.

SUBJECT to the legal operation and effect of two (2) recorded subdivision plats (1) "Plat No. 1" Dogwood Lodge, recorded in Liber T.S.P. No. 20, folio 300, and (2) "Plat No. 2" Dogwood Lodge, recorded in Liber T.S.P. No. 29, folio 551, both Land Record Books for Queen Anne's County, Maryland, and no abandonment thereof is intended by the foregoing description.

BEING the same land described in Parcel No. 2 in a deed from Richard Raymond Clark and James William Akin Clark to Gordon L. Reed and Jolene K. Reed intended to be recorded immediately prior hereto.

PARCEL NO. 3

BEGINNING FOR THE SAME at a concrete monument set at the intersection of division line between the lands of David J. Eckenrode (see T.S.P. 72/41) and the herein described lands, with the northernmost side of Maryland Route 544;

THENCE, leaving said beginning point so fixed and binding on the northernmost side of Maryland Route 544, the following three (3) courses and distances: South $81^{\circ} 29' 25''$ West 382.19 feet to a point, South $81^{\circ} 02' 58''$ West 400.00 feet to a point and South $85^{\circ} 20' 19''$ West 141.49 feet to a concrete monument set at the intersection of the division line between the lands of Charles E. Clark (see C.W.C. 49/553) and the herein described lands;

THENCE, leaving said concrete monument found and the aforesaid Maryland Route 544 and binding on the aforesaid division line, the following two (2) courses and distances: North 09° 10' 27" West 905.94 feet to a concrete monument found, passing in transit a concrete monument found 36.07 feet from the beginning thereof and South 83° 13' 00" West 99.52 feet to a concrete monument found on the easternmost outline of the lands of Anthony Ruvolo (see C.W.C. 74/674);

THENCE, leaving said concrete monument and binding on the division line between the aforesaid Ruvolo and the herein described lands, North 09° 19' 53" West 1538.49 feet to a point;

THENCE, leaving said point and binding on the division line between the herein described lands and the lands to be conveyed to others, the following two (2) courses and distances: North 89° 23' 49" East 935.00 feet to a point and North 00° 36' 11" East 239.74 feet to a point on the northernmost outline of the herein described parcel;

THENCE, leaving said point and binding on the northernmost outline of the herein described parcel, the following two (2) courses and distances: North 89° 22' 54" East 11.04 feet to a concrete monument found and North 58° 33' 18" East 492.98 feet to a concrete monument found on the westernmost outline of the lands of David A. Eastman (see C.W.C. 43/267);

THENCE, leaving said concrete monument and binding on the division line between the aforesaid Eastman lands and the herein described lands, South 09° 28' 00" East 2252.09 feet to a stone found at the intersection of the division line between the aforementioned Eckenrode lands and the herein described lands;

THENCE, leaving said stone and binding on the division line between the aforesaid Eckenrode lands and the herein described lands, the following two (2) courses and distances: South 83° 37' 44" West 419.96 feet to a stone found and South 09° 26' 28" East 516.21 feet to the place of beginning, passing in transit a stone found 11.52 feet from the end thereof. Containing in all 74.780 acres of land, more or less, as surveyed by J. R. McCrone, Jr., Inc., Registered Professional Engineers and Land Surveyors in March of 1981.

SUBJECT to the legal operation and effect of two (2) recorded subdivision plats (1) "Plat No. 1" Dogwood Lodge, recorded in Liber T.S.P. No. 20, folio 300, and (2) "Plat No. 2" Dogwood Lodge, recorded in Liber T.S.P. No. 29, folio 551, both Land Record Books for Queen Anne's County, Maryland, and no abandonment thereof is intended by the foregoing description.

BEING the same land described in a deed from Richard Raymond Clark and James William Akim Clark to Pine Woods Resort Campground Associates intended to be recorded immediately prior hereto.

1981 JUL 30 PM 2:46
QUEEN ANNE'S COUNTY

JUL 30-81 X 24982 *****17 00
JUL 30-81 A 24982 *****17 00

TOGETHER with all buildings and improvements now and hereafter on said land, and all and every the rights, roads, alleys, ways, waters, privileges, appurtenances and advantages thereto belonging or in any wise appertaining, including all heating, lighting and plumbing fixtures now or hereafter attached to or used in connection with the premises herein described, and all rents, issues and profits accruing from the premises hereby mortgaged.

PROVIDED that if the said principal sum of money loaned as aforesaid, and the interest thereon, as evidenced by the said promissory note and any renewals or part renewals thereof, shall be paid when due, and the Mortgagor shall perform all the covenants herein on his part to be performed then this mortgage shall be void; and until default be made in the premises, the Mortgagor shall possess the aforesaid property and be entitled to collect and retain the rents, issues and profits thereon.

AND the Mortgagor covenants with the Mortgagee as follows: (1) To repay the indebtedness, together with interest, secured by this mortgage, when due, (2) to pay a late charge not to exceed five cents for each dollar of delinquent principal and interest, or a minimum charge of \$2.00, on each payment more than fifteen days in arrears, to cover the extra expense involved in handling delinquent payments, (3) to keep the improvements on the premises insured against loss or damage by fire and such other hazards as may be required by the Mortgagee, to the amount of at least the insurable value thereof, in an insurance company or companies selected by the Mortgagee, and to have all said policies so framed or endorsed that the proceeds arising from said policies, in case of loss or damage, shall be payable to the Mortgagee only, and may, at his option, be applied to the extinguishment of the indebtedness and sums secured by this mortgage, whether then due or not, or used for the reconstruction of the improvements on the mortgaged property, and to deliver all said policies to the Mortgagee to be kept by him, (4) to pay all taxes, water and sewer charges, insurance premiums, public dues and assessments, for which the Mortgagor and/or the property hereby mortgaged may become liable, when payable; in the event the Mortgagor fails to make the said payments, the Mortgagee is hereby authorized to pay the same, and the Mortgagee shall have a lien hereunder on said premises for the amount so paid, (5) to permit, commit or suffer no waste, impairment or deterioration of said property, or any part thereof, and upon the failure of the Mortgagor to keep the improvements on said property in good condition and repair, the Mortgagee may demand the immediate repair thereof or an increase in the amount of security or the immediate repayment of the indebtedness hereby secured, and the failure of the Mortgagor to comply with said demand of the Mortgagee for a period of thirty days shall constitute a breach of this mortgage, and at the option of the Mortgagee, immediately mature the entire principal and interest hereby secured, and the Mortgagee may, without notice, institute proceedings to foreclose this mortgage and apply for the appointment of a receiver as herein provided, (6) that the holder of this mortgage in any case to foreclose it, shall be entitled (without regard to the adequacy of any security for the debt) to the appointment of a receiver to collect the rents, issues and profits of said premises and account therefor as the Court may direct, (7) that in case of default in the payment of said debt, or interest, or any part of either, when due, or in any covenant of this Mortgage, then the whole debt intended to be secured and all moneys owing hereunder or secured hereby shall, at the option of the Mortgagee, be due and demandable, and the Mortgagee, or Alex P. Rasin, III his hereby duly constituted attorney for the purpose, are hereby authorized to sell said premises after giving not less than twenty days notice of the time, place, manner and terms of sale in some newspaper published in the County where the mortgaged property or some portion thereof is located, and such other notice as the party selling may deem expedient, for cash, or for cash and credit, and to apply the proceeds of sale as follows, to wit: first, to the payment of all expenses incident to such sale, including a counsel fee of \$ 1.00.00 for conducting the proceedings if without contest, but if legal services be rendered to the party selling under the above power of sale, in connection with any contested matter in the proceedings, then such other counsel fees and expenses shall be allowed out of the proceeds of sale as the Court may deem proper, and also to the payment of a commission to the party making sale equal to the commission allowed trustees making sales of property under a decree of a Court of equity in the County where the sale is reported; second, to the payment of all claims of the Mortgagee, whether the same shall have matured or not; and third, the balance, if any, to the Mortgagor or to whomsoever shall be entitled to the same. Half of such commissions and all such expenses and costs shall be paid by the Mortgagor in the event that the mortgage debt shall be paid when suit has been docketed in the proper Court for the purpose under the power of sale granted herein, (8) that in the event of sale of the mortgaged property under the power of sale granted herein, all annual crops, pitched, planted or growing upon said property at the time of sale shall pass to the purchaser of said property as part thereof, (9) that the Mortgagor will warrant specially the property hereby conveyed and will execute such further assurances of said land as may be requisite.

The covenants herein contained shall bind and the benefits and advantages shall inure to the respective heirs, executors, administrators, successors and assigns of the parties hereto. Whenever used the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

WITNESS the hand and seal of the Mortgagor:

WITNESS:

Betsy A. Hamilton
Betsy A. Hamilton
Betsy A. Hamilton

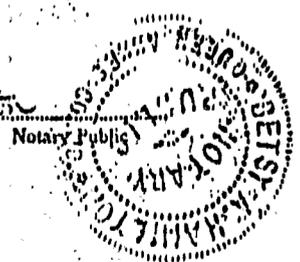
PINE WOODS RESORT
CAMPGROUND ASSOCIATES
By: Gordon L. Reed (SEAL)
Gordon L. Reed, General Partner
Gordon L. Reed (SEAL)
Jolene K. Reed (SEAL)
Jolene K. Reed

STATE OF MARYLAND
COUNTY OF QUEEN ANNE'S:

On this the 27th day of July, 1981, before me, Betsy A. Hamilton, the undersigned officer, personally appeared Gordon L. Reed & Jolene K. Reed & Gordon L. Reed, General Partner, known to me to be the person (s) whose name (s) is/are subscribed in the within instrument and acknowledged that they executed the same for the purposes therein contained; and at the same time appeared Raymond Richard Clark and James William Akin Clark, his wife

and made oath in due form of law that the consideration set forth in said mortgage is true and bona fide as therein set forth, and made oath in due form of law that the consideration set forth in said mortgage is true and bona fide as therein set forth, IN WITNESS WHEREOF I hereunto set my hand and official seal.

Betsy A. Hamilton
Betsy A. Hamilton, Notary Public



My commission expires July 1, 1982.

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken
and copied from Liber MWM No. 177, folio 292, a Land
Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto
subscribe my name and affix the
Seal of the Circuit Court for
Queen Anne's County, this 27th
day of May 19 82.


Marguerite W. Mankin
Marguerite W. Mankin, Clerk of Circuit
Court for Queen Anne's County.

ASSIGNMENT OF MORTGAGE

THIS ASSIGNMENT OF MORTGAGE is made this 10th day of June, 1982, between RAYMOND RICHARD CLARK and JAMES WILLIAM AKIN CLARK, his wife, (hereinafter called "Assignors") and L. CLARK EWING (hereinafter called "Assignee").

R E C I T A L S

Gordon L. Reed and Jolene K. Reed, his wife, and Gordon L. Reed, General Partner of Pine Woods Resort Campground Associates, a Pennsylvania limited partnership, executed a Mortgage dated July 30, 1981, and recorded among the Land Records of Queen Anne's County, Maryland in Liber MWM No. 177, folio 292 ("Mortgage") to Raymond Richard Clark and James William Akin Clark, his wife, to secure the payment of \$100,000.00 evidenced by a Promissory Note in said amount of even date therewith.

Assignors, by this instrument pursuant to Rules W70-W79, inclusive, of the Maryland Rules of Procedure, do hereby assign the Mortgage to the Assignee for the purpose of foreclosure by means of the power of sale contained therein, pursuant to Section 7-105 of the Real Property Article of the Annotated Code of Maryland, 1981 Repl. Volume.

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt is hereby acknowledged by Assignors, Assignors hereby assign, transfer, convey and set over the Assignee all of their right, title and interest in and to the aforesaid Mortgage and to all sums due and to become due thereunder, for the purpose of instituting and completing foreclosure proceedings with respect to said Mortgage which is now in default, and otherwise

FILED

JUL 19 1982

CIRCUIT COURT
QUEEN ANNE'S CO.

LIBER 186 PAGE 209

collecting all indebtedness due thereunder.

TO HAVE AND TO HOLD said Mortgage unto the Assignee, his heirs, personal representatives and assigns, absolutely for the purposes hereinabove specified.

IN WITNESS WHEREOF, Assignors have executed this Assignment under seal the day and year first above written.

WITNESS:

Cristina H. Harding Raymond Richard Clark (SEAL)
RAYMOND RICHARD CLARK

James William Akin Clark (SEAL)
JAMES WILLIAM AKIN CLARK

JUN 25-82 * 25209 *****9 00
JUN 25-82 A #25209 *****9 00

STATE OF MARYLAND, COUNTY OF Kent TO WIT:

I HEREBY CERTIFY, That on this 3rd day of June, 1982, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared RAYMOND RICHARD CLARK, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and he acknowledged that he executed the same for the purposes therein contained, and further acknowledged said instrument to be his act and deed.

AS WITNESS my hand and Notarial Seal.

Cristina H. Harding
Notary Public

My commission expires: 7/1/82

District of Columbia
~~STATE OF MARYLAND~~, COUNTY OF District of Columbia TO WIT:

I HEREBY CERTIFY, That on this 10th day of June, 1982, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared JAMES WILLIAM AKIN CLARK, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and she acknowledged that she executed the same for the purposes therein contained, and further acknowledged said instrument to be her act and deed.

AS WITNESS my hand and Notarial Seal.

Nadine A. Richards
Notary Public

My commission expires: 10-14-83

CLERK
1982 JUN 25 AM 8:49
QUEEN ANNE'S COUNTY

17 AUG 40

L. CLARK EWING, ASSIGNEE 16 South Washington Street Easton, Maryland 21601	:	IN THE CIRCUIT COURT
	:	FOR QUEEN ANNE'S COUNTY
Plaintiff	:	MARYLAND
vs.	:	
GORDON L. REED JOLENE K. REED PINE WOODS RESORT CAMPGROUND ASSOCIATES, a Pennsylvania limited partnership Rt. 1, Box 90A Millington, Maryland 21651	:	CHANCERY NO. 7156 EQUITY

CLERK OF COURT
 1982 JUL 30 4 43 31
 QUEEN ANNE'S COUNTY

AFFIDAVIT OF MAILING CERTIFIED NOTICE

STATE OF MARYLAND, COUNTY OF TALBOT, TO WIT:

Cynthia R. Lewis, a witness of lawful age, having been first duly sworn upon her oath, deposes and states:

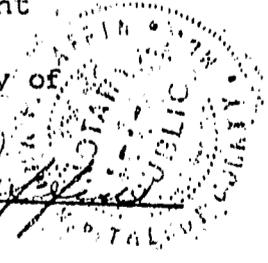
That she is a secretary employed at Ewing, Dietz & Turner, P.A., a law firm in the Town of Easton, Maryland. That on July 23, 1982, as a part of her duties in such law firm, that she mailed by Certified Mail, Certified Nos. 986386, 986387, and 986388, being three Certified letters, copies of which are attached hereto, and said three Certified letters containing a copy of the advertisement for the sale appearing in The Record-Observer. Certified No. 986386 was addressed to Gordon L. Reed, 1013 Glenside Road, West Chester, PA, 19380, the return receipt of which is attached hereto; Certified No. 986387 was addressed to Jolene K. Reed, 1013 Glenside Road, West Chester, PA, 19380, the return receipt of which is attached hereto; and Certified No. 986388 was addressed to Pine Woods Resort Campground, 1013 Glenside Road, West Chester, PA, 19380, the return receipt of which is attached hereto.

Affiant avers that she is competent to be a witness and has personal knowledge of the facts herein stated.

Cynthia R. Lewis
 CYNTHIA R. LEWIS, Affiant

SUBSCRIBED AND SWORN to before me, this 29th day of July, 1982.

Norma L. Dufford
 Notary Public



My Commission expires:
7/1/86.

No. 986386

RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

TO (NAME AND ADDRESS) Gordon L. Reed 1013 Glenside Road West Chester, PA 19380	
POSTAGE	\$.20
CERTIFIED MAIL	.75
SPECIAL DELIVERY	
RESTRICTED DELIVERY	
CONSULT POSTMASTER FOR FEES	
OPTIONAL SERVICES	
RETURN RECEIPT SERVICE	.60
SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	\$ 1.55
POSTMARK OR DATE	JUL 26 1982 EASTON, PA

PS Form 3811, Apr. 1976

PS Form 3811, Jan. 1979

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
 Show to whom and date delivered.....
 Show to whom, date and address of delivery.....
 RESTRICTED DELIVERY
 Show to whom and date delivered.....
 RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery.\$

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Gordon L. Reed
1013 Glenside Road
West Chester, PA 19380

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 986386

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent

4. DATE OF DELIVERY
Mrs. Gordon L. Reed
7/26/82

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

GPO : 1979-300-489

No. 986387

RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

TO (NAME AND ADDRESS) Jolene K. Reed 1013 Glenside Road West Chester, PA 19380	
POSTAGE	\$.30
CERTIFIED MAIL	.75
SPECIAL DELIVERY	
RESTRICTED DELIVERY	
CONSULT POSTMASTER FOR FEES	
OPTIONAL SERVICES	
RETURN RECEIPT SERVICE	.60
SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	\$ 1.55
POSTMARK OR DATE	JUL 26 1982 EASTON, PA

PS Form 3811, Apr. 1976

PS Form 3811, Jan. 1979

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
 Show to whom and date delivered.....
 Show to whom, date and address of delivery.....
 RESTRICTED DELIVERY
 Show to whom and date delivered.....
 RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery.\$

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Mrs. Jolene K. Reed
1013 Glenside Road
West Chester, PA 19380

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 986387

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent

4. DATE OF DELIVERY
Mrs. Jolene K. Reed
7/26/82

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

GPO : 1979-300-489

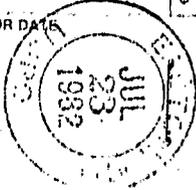
17 42

No. 986388

RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SHIP TO		Pine Woods Resort Campground
SHIP ADDRESS		1013 Glenside Road
POST OFFICE AND ZIP CODE		West Chester, PA 19380
POSTAGE		\$.36
CONSULT POSTMASTER FOR FEES	CERTIFIED MAIL	.75¢
	SPECIAL DELIVERY	¢
	RESTRICTED DELIVERY	¢
	OPTIONAL SERVICES	
	RETURN RECEIPT SERVICE	.60¢
SHOW TO WHOM AND DATE DELIVERED		¢
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY		¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY		¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY		¢
TOTAL POSTAGE AND FEES		\$ 1.55
POSTMARK OR DATE		

PS Form 3800, Apr. 1976



PS Form 3811, Jan. 1979

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

★ SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)

Show to whom and date delivered.¢

Show to whom, date and address of delivery.¢

RESTRICTED DELIVERY
Show to whom and date delivered.¢

RESTRICTED DELIVERY.
Show to whom, date, and address of delivery. \$ ____

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Pine Woods Resort Campground Assoc.
1013 Glenside Road
West Chester, PA 19380

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	986388	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE Addressee Authorized agent

4. DATE OF DELIVERY: 7/26/82

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE OF _____

CLERK'S INITIALS

★ GPO : 1979-200-499



LCE/cl

LAW OFFICES
EWING, DIETZ & TURNER
PROFESSIONAL ASSOCIATION
18 SOUTH WASHINGTON STREET
POST OFFICE BOX 1140
EASTON, MARYLAND 21601

L. CLARK EWING
PHILIP E. L. DIETZ, JR.
HENRY P. TURNER
CHRISTOPHER BURLEE KENOR

(301) 822-1988

July 23, 1982

CERTIFIED MAIL NO.
RETURN RECEIPT REQUESTED

Mr. Gordon L. Reed
1013 Glenside Road
West Chester, Pennsylvania 19380

Re: Foreclosure Sale:
Property known as Dogwood Lodge
Queen Anne's County, Maryland

Dear Mr. Reed:

Pursuant to Maryland Rule W74 a 2 (c), I am hereby notifying you that the foreclosure sale of the above-captioned property will take place at public auction to be held in front of the court house door in Centreville, Maryland, on Friday, August 13, 1982, at 11:00 A.M. and will be sold then and there to the highest bidder. A deposit of \$10,000.00, payable in cash or by certified or cashier's check, will be required from the purchaser.

Enclosed is a photocopy of an advertisement appearing in the Record-Observer, a newspaper published in and for Queen Anne's County, setting forth the particulars.

It is obviously in your best interest to have your property sold at the highest possible price. To achieve this goal, it is recommended that your property, including the interior, be open for inspection by prospective bidders on an informal telephone call basis and that it be displayed in the best possible condition.

A photocopy of this letter is being sent to you by regular mail.

Very truly yours,

L. Clark Ewing

LCE/cl
Enclosure

EWING, DIETZ & TURNER

PROFESSIONAL ASSOCIATION
16 SOUTH WASHINGTON STREET
POST OFFICE BOX 1146

EASTON, MARYLAND 21601

(301) 822-1988

July 23, 1982

L. CLARK EWING
PHILIP E. L. DIETZ, JR.
HENRY P. TURNER
CHRISTOPHER BURLEE KENIG

CERTIFIED MAIL NO.
RETURN RECEIPT REQUESTED

Mrs. Jolene K. Reed
1013 Glenside Road
West Chester, Pennsylvania 19380

Re: Foreclosure Sale:
Property known as Dogwood Lodge
Queen Anne's County, Maryland

Dear Mrs. Reed:

Pursuant to Maryland Rule W74 a 2 (c), I am hereby notifying you that the foreclosure sale of the above-captioned property will take place at public auction to be held in front of the court house door in Centreville, Maryland, on Friday, August 13, 1982, at 11:00 A.M. and will be sold then and there to the highest bidder. A deposit of \$10,000.00, payable in cash or by certified or cashier's check, will be required from the purchaser.

Enclosed is a photocopy of an advertisement appearing in the Record-Observer, a newspaper published in and for Queen Anne's County, setting forth the particulars.

It is obviously in your best interest to have your property sold at the highest possible price. To achieve this goal, it is recommended that your property, including the interior, be open for inspection by prospective bidders on an informal telephone call basis and that it be displayed in the best possible condition.

A photocopy of this letter is being sent to you by regular mail.

Very truly yours,

L. Clark Ewing

LCJ/cl
E. J. [unclear]

EWING, DIETZ & TURNER

PROFESSIONAL ASSOCIATION
10 SOUTH WASHINGTON STREET

POST OFFICE BOX 1146
EASTON, MARYLAND 21601

(301) 822-1088

July 23, 1982

L. CLARK EWING
PHILIP E. L. DIETZ, JR.
HENRY P. TURNER
CHRISTOPHER BURLLE KEHOE

CERTIFIED MAIL NO.
RETURN RECEIPT REQUESTED

Pine Woods Resort Campground Associates
1013 Glenside Road
West Chester, Pennsylvania 19380

Re: Foreclosure Sale:
Property known as Dogwood Lodge
Queen Anne's County, Maryland

Gentlemen:

Pursuant to Maryland Rule W74 a 2 (c), I am hereby notifying you that the foreclosure sale of the above-captioned property will take place at public auction to be held in front of the court house door in Centreville, Maryland, on Friday, August 13, 1982, at 11:00 A.M. and will be sold then and there to the highest bidder. A deposit of \$10,000.00, payable in cash or by certified or cashier's check, will be required from the purchaser.

Enclosed is a photocopy of an advertisement appearing in the Record-Observer, a newspaper published in and for Queen Anne's County, setting forth the particulars.

It is obviously in your best interest to have your property sold at the highest possible price. To achieve this goal, it is recommended that your property, including the interior, be open for inspection by prospective bidders on an informal telephone call basis and that it be displayed in the best possible condition.

A photocopy of this letter is being sent to you by regular mail.

Very truly yours,

L. Clark Ewing

LCE/cl
Enclosure

L. CLARK EWING, ASSIGNEE
18 South Washington Street
Easton, Maryland 21601
Plaintiff

vs.

GORDON L. REED
JOLENE K. REED
PINE WOODS RESORT CAMPGROUND
ASSOCIATES, a Pennsylvania limited partnership
Rt. 1, Box 90A, Millington, Maryland 21661
IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND
CHANCERY NO. 7156 Equity

Assignee's Sale

Valuable Waterfront Tract of Land and Improvements

Under and by virtue of the power of sale contained in a certain mortgage from Gordon L. Reed and Jolene K. Reed, his wife, and Pine Woods Resort Campground Associates, a Pennsylvania limited partnership, Mortgagor, to Raymond Richard Clark and James William Akin Clark, his wife, Mortgagee, said mortgage dated the 30th day of June, 1981, and recorded in Liber 177, folio 292 among the Land Records of Queen Anne's County, Maryland; default having occurred under the terms thereof, and the said mortgage having been duly assigned to L. Clark Ewing for foreclosure; the Assignee will offer for sale at public auction:

On Friday, August 13, 1982

At 11:00 A.M.

Before the Court House Door
Centreville, Maryland 21617

ALL three tracts or parcels of land situate, lying and being on the North side of State Route 544, one and four tenths (1.4) miles West of U.S. Route 301 and extending northerly therefrom to the Chester River said three tracts or parcels of land containing a total of 82.663 acres more or less. The said parcel is also located nine tenths (0.9) miles East of the intersection of State Route 290 and State Route 544. Entrance road is at mailbox marked "Hollingsworth." For a complete metes and bounds description of the property, see Exhibit A attached hereto and hereby made a part hereof.

This parcel has excellent developmental possibilities.

Being the same property conveyed to the said Gordon L. Reed and Jolene K. Reed, his wife, and the said Pine Woods Resort Campground Associates by the following deeds: Deed from Raymond Richard Clark and James William Akin Clark, his wife to Gordon L. Reed and Jolene K. Reed, his wife, dated July 30, 1981, and recorded among the Land Records of Queen Anne's County in Liber 177, folio 289; Deed from Raymond Richard Clark and James William Akin Clark, his wife, to Pine Woods Resort Campground Associates, dated July 30, 1981, and recorded among the Land Records of Queen Anne's County in Liber 177, folio 286.

DESCRIPTION OF IMPROVEMENTS

Improvements consist of the following:

One-story House: Two bedrooms, living room, dining room, kitchen, one full bath, and crawl space, with oil-fired furnace heat.

One-story Cottage: One bedroom, combination living room-dining room, kitchen, and one full bath, with oil-fired furnace heat.

Storage Shed: Enclosed on four sides, medium sized.

TERMS OF SALE

At the time and place of sale, a deposit in the amount of at least Ten Thousands (\$10,000.00) Dollars must be made in cash or by a certified or cashier's check. The balance is to be paid at settlement by cash or certified funds which must occur within fifteen days (15) following final ratification of sale by Circuit Court for Queen Anne's County, unless said period is extended by the Assignee, his successors and assigns, for good cause shown; time being of the essence. Interest to be paid on the unpaid purchase price at the rate of fifteen (15) percent per annum from the date of sale to date of settlement payable on an annual basis. All taxes and assessments, if any, to be adjusted to date of sale and assumed thereafter by the purchaser. Cost of all documentary stamps and transfer taxes, agricultural transfer taxes, if any, legal fees and other expenses to be paid by purchaser.

The Seller reserves the right to reject any and all bids.
For inspection, contact the undersigned

L. Clark Ewing, Assignee

EXHIBIT A
PARCEL NO. 1

BEGINNING FOR THE SAME at a concrete monument set at the intersection of the division line between Lot 5 and Lot 4, with the northernmost side of a forty (40) foot road on a plat entitled "Plat One, Dogwood Lodge" and recorded among the Land Record Books of Queen Anne's County, Maryland, in Liber T.S.P. 20, folio 300;

THENCE, leaving said beginning point so fixed and binding on the aforesaid division line, North 00° 37' 06" West 245 feet more or less to the approximate mean high water line of the Chester River, passing in transit a concrete monument set 185.00 feet from the beginning thereof;

THENCE, leaving said point and binding on the approximate mean high water line of the aforesaid river in a northeasterly direction 430 feet more or less to a point at the intersection of the division line between Lot 2 and Lot 3 of the aforementioned Plat One of Dogwood Lodge;

THENCE, leaving said point and binding of the aforesaid division line, South 00° 30' 42" East 235.69 feet more or less to a concrete monument found, passing in transit a concrete monument found 296.69 feet from the end thereof;

THENCE, leaving said concrete monument and binding on the northernmost side of the aforementioned road, the following two (2) courses and distances, South 58° 33' 19" West 29.40 feet to a concrete monument found and South 89° 22' 54" West 377.18 feet to the place of beginning. Containing in all 2.533 acres of land, more or less, as surveyed by J. R. McCrone, Jr., Inc., Registered Professional Engineers and Land Surveyors in March of 1981.

SUBJECT to the legal operation and effect of two (2) recorded subdivision plats (1) "Plat No. 1", Dogwood Lodge, recorded in Liber T.S.P. 20, folio 300, and (2) "Plat No. 2", Dogwood Lodge, recorded in Liber T.S.P. No. 29, folio 551, both Land Record Books for Queen Anne's County, Maryland, and no abandonment thereof is intended by the foregoing description.

BEING the same land described in Parcel No. 1 in a Deed from Richard Raymond Clark and James William Akin Clark to Gordon L. Reed and Jolene K. Reed, dated July 30, 1981, and recorded among the Land Records of Queen Anne's County in Liber 177, folio 218.

PARCEL NO. 2

BEGINNING FOR THE SAME at a concrete monument found at the intersection of the southwestern-most corner of Lot 10, with the northwesternmost corner of a forty (40) foot wide road, as shown on a plat entitled "Plat One, Dogwood Lodge," and recorded among the Land Record Books of Queen Anne's County, Maryland, in Liber T.S.P. 20, folio 300. Said Beginning point being further located at the northwesternmost corner of the herein described parcel;

THENCE, leaving said beginning point so fixed and binding on the northernmost side of the aforementioned forty (40) foot wide road, the following two (2) courses and distances, North 89° 22' 54" East 810.08 feet to a concrete monument set and North 89° 22' 54" East 366.14 feet to a point;

THENCE, leaving said point and binding on the easternmost outline of the herein described parcel, South 00° 36' 11" West 239.74 feet to a point;

THENCE, leaving said point and binding on the southernmost outline of the herein described parcel, South 89° 23' 49" West 936.00 feet to a point on the easternmost outline of the lands of Anthony Ruvolo (see C.W.C. 74-674);

THENCE, leaving said point and binding on the division line between the aforesaid Ruvolo lands and the herein described lands, North 09° 19' 53" West 242.40 feet to the place of beginning. Containing in all 5.25 acres of land, more or less, as surveyed by J. R. McCrone, Jr., Inc., Registered Professional Engineers and Land Surveyors in March of 1981.

SUBJECT to the legal operation and effect of two (2) recorded subdivision plats (1) "Plat No. 1", Dogwood Lodge, recorded in Liber T.S.P. No. 20, folio 300, and (2) "Plat No. 2", Dogwood Lodge, recorded in Liber T.S.P. No. 29, folio 551, both Land Record Books for Queen Anne's County, Maryland, and no abandonment thereof is intended by the foregoing description.

BEING the same land described in Parcel No. 2 in a Deed from Richard Raymond Clark and James William Akin Clark to Gordon L. Reed and Jolene K. Reed, dated July 30, 1981, and recorded among the Land Records of Queen Anne's County in Liber 177, folio 225.

PARCEL NO. 3

BEGINNING FOR THE SAME at a concrete monument set at the intersection of division line between the lands of David J. Eckarude (see T.S.P. 72/41) and the herein described lands, with the northernmost side of Maryland Route 544;

THENCE, leaving said beginning point so fixed and binding on the northernmost side of Maryland Route 544, the following three (3) courses and distances, South 81° 29' 25" West 382.19 feet to a point, South 81° 02' 58" West 400.00 feet to a point and South 85° 20' 19" West 141.49 feet to a concrete monument set at the intersection of the division line between the lands of Charles E. Clark (see C.W.C. 69-553) and the herein described lands;

THENCE, leaving said concrete monument found and the aforementioned Maryland Route 544 and binding on the aforesaid division line the following two (2) courses and distances, North 09° 10' 27" West 906.94 feet to a concrete monument found, passing in transit a concrete monument set 3.07 feet from the beginning thereof and South 81° 13' 00" West 94.52 feet to a concrete monument found on the easternmost outline of the lands of Anthony Ruvolo (see C.W.C. 74-674);

THENCE, leaving said concrete monument and binding on the division line between the aforesaid Ruvolo and the herein described lands, North 00° 19' 53" West 1538.49 feet to a point;

THENCE, leaving said point and binding on the division line between the herein described lands and the lands to be conveyed to others, the following two (2) courses and distances, North 89° 23' 49" East 935.00 feet to a point and North 00° 36' 11" East 239.74 feet to a point on the northernmost outline of the herein described parcel;

THENCE, leaving said point and binding on the northernmost outline of the herein described parcel, the following two (2) courses and distances, North 89° 22' 54" East 11.04 feet to a concrete monument found and North 58° 33' 18" East 402.98 feet to a concrete monument found on the westernmost outline of the lands of David A. Eastman (see C.W.C. 43-287);

THENCE, leaving said concrete monument and binding on the division line between the aforesaid Eastman lands and the herein described lands, South 09° 28' 00" East 2262.00 feet to a stone found at the intersection of the division line between the aforementioned Eckarude lands and the herein described lands;

THENCE, leaving said stone and binding on the division line between the aforesaid Eckarude lands and the herein described lands, the following two (2) courses and distances, South 83° 37' 44" West 419.95 feet to a stone found and South 09° 26' 28" East 510.21 feet to the place of beginning, passing in transit a stone found 11.52 feet from the end thereof. Containing in all 74.780 acres of land, more or less, as surveyed by J. R. McCrone, Jr., Inc., Registered Professional Engineers and Land Surveyors in March of 1981.

SUBJECT to the legal operation and effect of two (2) recorded subdivision plats (1) "Plat No. 1", Dogwood Lodge, recorded in Liber T.S.P. No. 20, folio 300, and (2) "Plat No. 2", Dogwood Lodge, recorded in Liber T.S.P. No. 29, folio 551, both Land Record Books for Queen Anne's County, Maryland, and no abandonment thereof is intended by the foregoing description.

BEING the same land described in a deed from Richard Raymond Clark and James William Akin Clark to Pine Woods Resort Campground Associates dated July 30, 1981, and recorded among the Land Records of Queen Anne's County in Liber 177, folio 276.

Ewing, Dietz & Turner, P.A.
16 South Washington Street, P.O. Box 1146
Easton, Maryland 21601
Telephone: (301)-822-1988

RO-7-21-41-032

IN THE CIRCUIT COURT

OF Queen Anne's County

STATE OF MARYLAND

Equity # 7156

17 PAGE 48

L. Clark Ewing, Assignee

vs

Gordon L. Reed and Jolene K. Reed,
Pine Woods Resort Camp Ground Asso.,
Pennsylvania Limited Partnership

BOND OF Assignee
TO SELL

KNOW ALL MEN BY THESE PRESENTS: That we, L. Clark Ewing, Assignee

and the UNITED STATES FIDELITY AND GUARANTY COMPANY, a body corporate under the laws of the State of Maryland, as Surety, are held and firmly bound unto the State of Maryland in the full and just sum of One Hundred Three Thousand and 00/100 Dollars (\$ 103,000.00), to be paid to the said State or its certain Attorney, to which payment well and truly to be made and done, we bind ourselves and each of us, our and each of our heirs, executors, administrators, successors or assigns, jointly and severally, firmly by these presents.

Sealed with our seals and dated this 27th day of July, in the year of our Lord, nineteen hundred and Eighty-Two

WHEREAS, the above bounden L. Clark Ewing, Assignee

from Gordon L. Reed and Jolene K. Reed and James William Akin Clark by virtue of the power contained in a mortgage to Raymond Richard Clark bearing date the 30th day of July, 19 81 and recorded among the Land Records of Queen Anne's County in Liber No. 177 Folio 292 and

L. Clark Ewing, Assignee

is about to sell the land and premises described in said mortgage, default having been made in the payment of the money as specified, and in the conditions and covenants therein contained.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH that if the above bounden

L. Clark Ewing, Assignee

do and shall well and truly and faithfully perform the trust reposed in him under the mortgage aforesaid, and shall abide by and fulfill any order or decree which shall be made by any Court of Equity in relation to the sale of said mortgaged property, or the proceeds thereof, then the above obligation to be void; otherwise to be and remain in full force and virtue in law.

Signed, sealed and delivered

In the presence of

James L. Daffin

L. Clark Ewing (SEAL)

(SEAL)

UNITED STATES FIDELITY AND GUARANTY COMPANY

By *Janet L. Moore*
Janet L. Moore, Attorney-in-Fact

RECORDED
CLERK OF COURT
1982 AUG -6 AM 10:44
QUEEN ANNE'S COUNTY

CERTIFIED COPY OF POWER OF ATTORNEY ATTACHED

LIBER

3 PAGE 251

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

I HEREBY CERTIFY, that the foregoing is truly taken and copied from Liber MWM No. 3, folio 251, a Bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 6th day of August, 1982.

Marquerite W. Staskin

Clerk of the Circuit Court for Queen Anne's
County

17 AUG 50

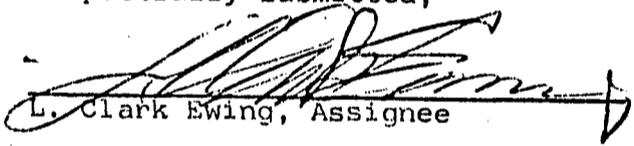
L. CLARK EWING, ASSIGNEE 16 South Washington Street Easton, Maryland 21601	:	IN THE CIRCUIT COURT
	:	FOR QUEEN ANNE'S COUNTY
Plaintiff	:	MARYLAND
vs.	:	
GORDON L. REED JOLENE K. REED PINE WOODS RESORT CAMPGROUND ASSOCIATES, a Pennsylvania limited partnership Rt. 1, Box 90A Millington, Maryland 21651	:	CHANCERY NO. 7156 EQUITY

PETITION FOR LEAVE TO WITHDRAW BOND

Comes now, L. Clark Ewing, Assignee, and respectfully petitions this Honorable Court to permit him to withdraw the original Bond filed herein and hereby states:

1. The Mortgagors have declared bankruptcy and Assignee has learned that if the original Bond is returned to the bonding company, the Bond can be cancelled without payment of any premium. Assignee will file a copy of same in this proceeding.

Respectfully submitted,

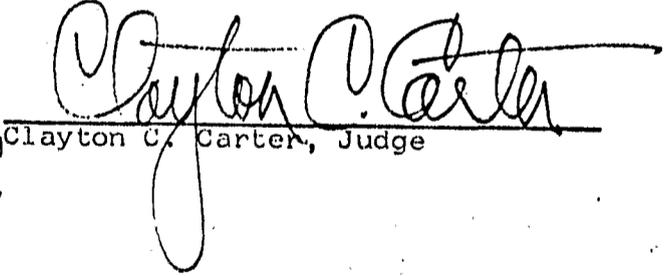

L. Clark Ewing, Assignee

CLERK
1982 AUG 16 AM 10: 07
QUEEN ANNE'S COUNTY

ORDER

Upon consideration of the Assignee's Petition for Leave to Withdraw the original Bond filed herein, it is this 25th day of August, 1982,

ORDERED, that L. Clark Ewing, Assignee, is hereby granted permission to withdraw the original Bond, provided that a copy of said Bond remains in the file of this proceeding.


Clayton C. Carter, Judge

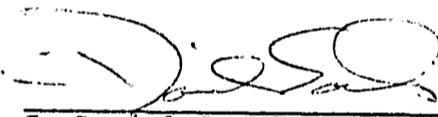
CLERK
1982 AUG 25 PM 3: 10
QUEEN ANNE'S COUNTY

LCE/cl

L. CLARK EWING, ASSIGNEE * IN THE CIRCUIT COURT FOR
v. * QUEEN ANNE'S COUNTY, MARYLAND
GORDON L. REED
JOLENE K. REED
PINE WOODS RESORT CAMPGROUND * EQUITY NO. 7156

AFFIDAVIT OF COMPLIANCE

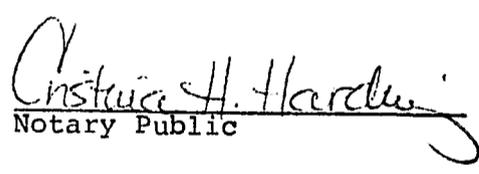
I, C. Daniel Saunders, Assignee in the above entitled matter, make oath that I mailed to the above named Defendants at their last known address, on January 26th, 1984, a copy of the advertisement of sale, with the time, place and terms of sale listed, that said mailing was by certified mail and in accordance with the provisions of Maryland Rule W74(c).

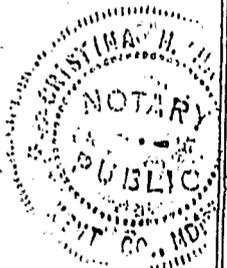

C. Daniel Saunders
Assignee

STATE OF MARYLAND, KENT COUNTY, to wit:

I HEREBY CERTIFY that on this 26th day of ~~JANUARY~~, 1983, before me, the subscriber, a Notary Public in and for the State and County aforementioned, personally appeared C. DANIEL SAUNDERS, and made oath in due form of law that the matters and facts contained in the foregoing instrument are true and correct and that the same was signed freely and voluntarily.

My commission expires:
July 1, 1986


Christina H. Hardley
Notary Public



C. DANIEL SAUNDERS
ATTORNEY AT LAW
P. O. BOX 188
CHESTERTOWN, MD 21613

JAN 26 1984
QUEEN ANNE'S COUNTY

LAW OFFICES
BOLGER AND PICKER
800 SUBURBAN STATION BUILDING
PHILADELPHIA, PENNSYLVANIA 19103

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

IN RE: Gordon L. Reed and
Jolene K. Reed,
Individually, and as General Partners
of the Pine Woods Resort
Campground Association, a
Pennsylvania Limited Partnership

Bankruptcy No. 82-03814G

L. CLARK EWING, Assignee
16 South Washington Street
Easton, Maryland 21601

vs.

GORDON L. REED and
JOLENE K. REED, Individually,
and t/a Pine Woods Resort
Campground Association,
A Pennsylvania Limited
Partnership

Route 1
Box 90A
Millington, Maryland 21651
and

JAMES O'CONNELL, ESQUIRE,
Public Ledger Building
Sixth & Chestnut Streets
Philadelphia, PA 19106

FILED
FEB 3 1984
CIRCUIT COURT
QUEEN ANNE'S COUNTY

ORDER GRANTING RELIEF FROM AUTOMATIC STAY

Upon consideration of the Motion for Relief From the Automatic Stay filed by L. Clark Ewing, Assignee, and the exhibits attached thereto and in support thereof, and it appearing to the Court that immediate, substantial and irreparable injury will result to the Plaintiff should it not be allowed to foreclose upon the real property known as the Pine Woods Resort Campground Association located in Queen Anne's County, Maryland, and more particularly described in Exhibit "A" attached to said

Motion, given as security for the payment of its Mortgage and Note dated July 30, 1981, it is, by the United States Bankruptcy Court for the Eastern District of Pennsylvania, this 16th day of *December*, 1983, ORDERED that the automatic stay, as provided for in 11 U.S.C. §362(a) be and the same hereby is terminated as to the property described now in the possession of the Chapter 13 Debtor and Plaintiff is hereby authorized to proceed and foreclose its Mortgage against said property.

David F. Waddell
JUDGE, U.S. Bankruptcy Court

KNOW ALL MEN BY THESE PRESENTS: that I, C. Daniel Saunders, Attorney at Law, 106 Church Alley, Chestertown, Maryland 21620, as principal, and the PEERLESS INSURANCE COMPANY, Keene, New Hampshire, as Surety, are held and firmly bound unto the State of Maryland, in the full and just sum of One Hundred Three Thousand (\$103,000.00) Dollars, to be paid to the said State or its certain Attorney, to which payment well and truly to be made and done, we bind ourselves and each of us, our and each of our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents:

SEALED with our seals and dated this 9th day of February, 1984.

WHEREAS, the above bounden C. Daniel Saunders, by virtue of the power contained in the Mortgage from Gordon L. Reed and Jolene K. Reed, his wife, and Gordon L. Reed, General Partner of Pine Woods Resort Campground Associates, a Pennsylvania Limited Partnership, unto Raymond Richard Clark and James William Akin Clark, his wife, dated July 20, 1981 and assigned to L. Clark Ewing for the purpose of foreclosure on July 1, 1982, and assigned by the said L. Clark Ewing unto C. Daniel Saunders for foreclosure on November 18, 1983, both assignments being recorded among the Land Records for Queen Anne's County, Maryland. C. Daniel Saunders is about to sell the land and premises described in the aforementioned Mortgage, default having occurred.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, that if the above bounden C. Daniel Saunders, does and shall well and truly and faithfully perform the trust reposed in him under the Mortgage aforementioned, and shall abide by and fulfill any order or decree which shall be made by any court of equity in relation to the sale of said property, or the proceeds thereof, then the above obligation to be void, otherwise to be and remain in full force and virtue in law.

IN TESTIMONY WHEREOF, the above bounden C. Daniel Saunders has hereunto set his hand and seal and the said body corporate has caused these presents to be duly signed by its Attorney-in-Fact, the day and year first above written.

SIGNED, SEALED and DELIVERED in the presence of:

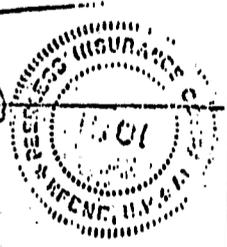
Cristina H. Harcey

C. Daniel Saunders (SEAL)

PEERLESS INSURANCE COMPANY

Cristina H. Harcey

By: [Signature]
Attorney-in-Fact



JANIEL SAUNDERS
ATTORNEY AT LAW
P. O. BOX 150
CHESTERTOWN, MD 21613

*copy of power of attorney
sent to [unclear] 2/9/84*

CERTIFIED COPY OF POWER OF ATTORNEY ATTACHED

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copies from Liber MWM No. 3, folio 386, a Bond Record Book for Queen Anne's County.



IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County this 24th day of February, 1984.

Marguerite W. Mankin
Marguerite W. Mankin, Clerk of the
Circuit Court for Queen Anne's County

THIS ASSIGNMENT of Mortgage is made this 15th day of November, 1983, between L. CLARK EWING, hereinafter called "Assignor" and C. DANIEL SAUNDERS, hereinafter called "Assignee".

WHEREAS, Gordon L. Reed and Jolene K. Reed, his wife, and Gordon L. Reed, General Partner of Pine Woods Resort Campground Associates, a Pennsylvania Limited Partnership, executed a Mortgage dated July 20, 1981, and recorded among the Land Records for Queen Anne's County, Maryland in Liber MWM 177, folio 292 unto Raymond Richard Clark and James William Akin, Clark, his wife, to secure the payment of \$100,000.00 evidenced by a Promissory Note in said amount of even date therewith.

WHEREAS the aforementioned Mortgage was assigned by Raymond Richard Clark and James William Akin Clark to L. Clark Ewing for the purpose of exercising the power of sale therein on July 1, 1982. L. Clark Ewing, Assignor, by this instrument, pursuant to Maryland Rules W70 - W79 inclusive, does hereby assign the Mortgage to C. Daniel Saunders, Assignee, solely for the purpose of exercising the power of sale contained therein pursuant to §7-105 of the Real Property Article of the Annotated Code of Maryland.

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged by Assignor, Assignor hereby assigns, conveys, transfers, and sets over to the Assignee all of his right, title and interest in and to the aforesaid Mortgage which he obtained by Assignment recorded at Liber 186 Folio 209, recorded among the Land Records for Queen Anne's County, Maryland, to all sums due and to become due thereunder, for the purpose of completing foreclosure proceedings with respect to the aforesaid Mortgage which is now in default, and otherwise collecting all indebtedness due thereunder.

TO HAVE AND TO HOLD the said Mortgage unto the Assignee, his heirs, personal representatives and assigns, absolutely for the purposes hereinabove specified.

IN WITNESS WHEREOF, Assignor has executed this Assignment of Mortgage under seal the day and year first above written.

WITNESS:

DANIEL SAUNDERS
ATTORNEY AT LAW
P. O. BOX 100
HESTER TOWN, MD 21080


L. CLARK EWING

(SEAL)

FILED
FEB 0 1984
CIRCUIT COURT
QUEEN ANNE'S CO.

STATE OF Maryland

COUNTY OF Seatons

to wit:

I HEREBY CERTIFY that on this 15th day of February, 1983, before me, the subscriber, a Notary Public in and for the State and County aforementioned, personally appeared

L. CLARK EWING, Assignor herein
and made oath in due form of law that the matters and facts contained in the foregoing instrument are true and correct and that the same was signed freely and voluntarily.

My commission expires:
July 1, 1986

Christina H. Henderson
Notary Public

DANIEL BAUNDERS
ATTORNEY AT LAW
P. O. BOX 100
HIGHTSTOWN, MD 21020

ASSIGNMENT OF MORTGAGE

FEB -9-84 * 2 557 *****12
FEB -9-84 A #2 557 *****12

1984 FEB 11 2:03

THIS ASSIGNMENT of Mortgage is made this 18th day of November, 1983, between L. CLARK EWING, hereinafter called "Assignor" and C. DANIEL SAUNDERS, hereinafter called "Assignee".

WHEREAS, Gordon L. Reed and Jolene K. Reed, his wife, and Gordon L. Reed, General Partner of Pine Woods Resort Campground Associates, a Pennsylvania Limited Partnership, executed a Mortgage dated July 20, 1981, and recorded among the Land Records for Queen Anne's County, Maryland in Liber MWM 177, folio 292 unto Raymond Richard Clark and James William Akin Clark, his wife, to secure the payment of \$100,000.00 evidenced by a Promissory Note in said amount of even date therewith.

WHEREAS the aforementioned Mortgage was assigned by Raymond Richard Clark and James William Akin Clark to L. Clark Ewing for the purpose of exercising the power of sale therein on July 1, 1982. L. Clark Ewing, Assignor, by this instrument, pursuant to Maryland Rules W70 - W79 inclusive, does hereby assign the Mortgage to C. Daniel Saunders, Assignee, solely for the purpose of exercising the power of sale contained therein pursuant to §7-105 of the Real Property Article of the Annotated Code of Maryland.

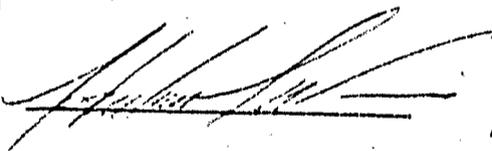
NOW, THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged by Assignor, Assignor hereby assigns, conveys, transfers, and sets over to the Assignee all of his right, title and interest in and to the aforesaid Mortgage which he obtained by Assignment recorded at Liber 186 Folio 209, recorded among the Land Records for Queen Anne's County, Maryland, to all sums due and to become due thereunder, for the purpose of completing foreclosure proceedings with respect to the aforesaid Mortgage which is now in default, and otherwise collecting all indebtedness due thereunder.

TO HAVE AND TO HOLD the said Mortgage unto the Assignee, his heirs, personal representatives and assigns, absolutely for the purposes hereinabove specified.

IN WITNESS WHEREOF, Assignor has executed this Assignment of Mortgage under seal the day and year first above written.

C. DANIEL SAUNDERS
ATTORNEY AT LAW
P. O. BOX 168
CHESTERTOWN, MD 21034

WITNESS:


L. CLARK EWING (SEAL)

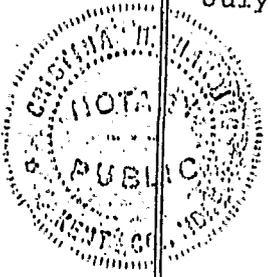
STATE OF Maryland
COUNTY OF Leont

to wit:

I HEREBY CERTIFY that on this 15th day of November, 1983, before me, the subscriber, a Notary Public in and for the State and County aforementioned, personally appeared L. CLARK EWING, Assignor herein and made oath in due form of law that the matters and facts contained in the foregoing instrument are true and correct and that the same was signed freely and voluntarily.

My commission expires:
July 1, 1986

Cristina H. Hardy
Notary Public



C. DANIEL SAUNDERS
ATTORNEY AT LAW
P.O. BOX 100
CROFTON, MD 21114

LIBRA 208 CASE 659
1983 NOV 17 53

L. CLARK EWING, ASSIGNEE	*	IN THE CIRCUIT COURT FOR
v.		
	*	QUEEN ANNE'S COUNTY, MD.
GORDON L. REED		
JOLENE K. REED		
PINE WOODS RESORT CAMPGROUND	*	EQUITY NO. 7156

REPORT OF SALE

TO THE HONORABLE, THE JUDGES OF SAID COURT:

The report of sale of real estate made by C. Daniel Saunders, Assignee, respectfully shows:

That default having occurred under the mortgage from Gordon L. Reed and Jolene K. Reed, his wife, and Pine Woods Resort Campground Associates, a Pennsylvania Limited Partnership, unto Raymond Richard Clark and James William Akin Clark, his wife, dated July 30, 1981, and recorded among the Land Records for Queen Anne's County, Maryland, in Liber M.W.M. No. 177, folio 292, which mortgage was assigned to L. Clark Ewing for foreclosure on July 1, 1982, and assigned by L. Clark Ewing to C. Daniel Saunders for foreclosure on November 18, 1983; the undersigned, after docketing suit for foreclosure, and after advertising the subject premises in the Queen Anne's Record-Observer, a newspaper printed and published in Queen Anne's County, Maryland, once in each of three (3) successive weeks before the 10th of February, 1984, and in accordance with the certificate of publication of the advertisement of sale filed previously herein, and after filing in the proceedings his bond to the State of Maryland, with surety approved by the Clerk of this Honorable Court, did attend in front of the Court House, Centreville, Maryland, on Friday, February 10, 1984, at 11:00 A.M., and after reading the attached advertisement, and having the auctioneer cry the sale, did offer the property for sale and did sell the same to Raymond Richard Clark at and for the sum of One Hundred Thousand (\$100,000.00) Dollars, said real estate being described generally as all three tracts or parcels of land situate, lying and being on the North side of Maryland Route 544, one and four tenths (1.4) miles West of U.S. Route 301, extending northerly to the Chester River and containing 82.663 acres of land, more or less, and fully described by metes and bounds in the aforementioned advertisement of sale filed herein.

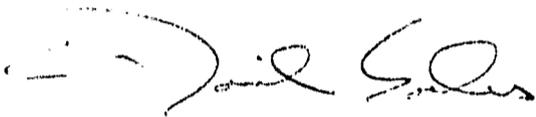
C. DANIEL SAUNDERS
 ATTORNEY AT LAW
 P. O. BOX 188
 CHESTERDOWN, MD 21030

Being the same lands described in the Mortgage dated July 30, 1981 from Gordon L. Reed and Jolene K. Reed, his wife, and Pine Woods Resort Campground Associates, a Pennsylvania Limited Partnership to Raymond Richard Clark and James William Akin Clark, his wife.

The purchaser having complied with the terms of sale as advertised, and it is believed that he will further comply with the other terms of sale, upon ratification of the sale by the Court.

The Report states the amount of sale to be One Hundred Thousand (\$100,000.00) Dollars.

Respectfully submitted,



C. Daniel Saunders
Attorney, Assignee

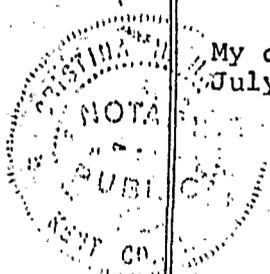
STATE OF *Maryland*
COUNTY OF *Kent*

to wit:

I HEREBY CERTIFY that on this 8th day of March, 1984, before me, the subscriber, a Notary Public in and for the State and County aforementioned, personally appeared C. DANIEL SAUNDERS and made oath in due form of law that the matters and facts contained in the foregoing instrument are true and correct and that the same was signed freely and voluntarily.

My commission expires:
July 1, 1986

Christina H. Harvick
Notary Public



C. DANIEL SAUNDERS
ATTORNEY AT LAW
P. O. BOX 188
CHRISTIANSTOWN, MD 21110

17
L. CLARK EWING, ASSIGNEE *
v. *
GORDON L. REED, et al *

IN THE CIRCUIT COURT FOR
QUEEN ANNE'S COUNTY, MD.
EQUITY NO. 7156

CERTIFICATION OF PUBLICATION

Centreville, Md. 2/8 19 84

We Hereby Certify

That the annexed advertisement of Assignee's sale - Gordon Reed - Pine Woods Resort was published in the RECORD OBSERVER, a newspaper published in Queen Anne's County, Maryland, once in each of 3 successive weeks before the 10th day of Feb. 19 84.

And that the first insertion of said advertisement in the said RECORD OBSERVER/BAY TIMES was on the 25th day of Jan. 1984, and the last insertion on the 8th day of Feb. 19 84.

Publishers, Record Observer

Per *[Signature]*

C. DANIEL SAUNDERS
ATTORNEY AT LAW
P. O. BOX 100
CHESTERTOWN, MD 21620

1984 FEB 11 11:30 AM
QUEEN ANNE'S COUNTY

C. Daniel Saunders, Assignee
P.O. Box 158/100 Church Alley
Chestertown, Md. 21620
Plaintiff

vs.

GORDON L. REED
JOLENE K. REED
PINE WOODS RESORT CAMPGROUND
ASSOCIATES,

a Pennsylvania limited partnership

Rt. 1, Box 90A, Millington, Maryland 21651

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND

CHANCERY NO. 7158 Equity

Assignee's Sale

Valuable Waterfront Tract of Land and Improvements

Under and by virtue of the power of sale contained in a certain mortgage from Gordon L. Reed and Jolene K. Reed, his wife, and Pina Woods Resort Campground Associates, a Pennsylvania limited partnership, Mortgagee, to Raymond Richard Clark and James William Akin Clerk, his wife, Mortgagee, said mortgage dated the 30th day of June, 1981, and recorded in Liber 177, folio 292 among the Land Records of Queen Anne's County, Maryland, default having occurred under the terms thereof, and the said mortgage having been duly assigned to L. Clark Ewing for foreclosure; the Assignee will offer for sale at public auction on:

Friday, Feb. 10, 1984

AT 11:00 a.m.

Before the Court House Door
Centreville, Maryland 21617

ALL three tracts or parcels of land situate, lying and being on the North side of State Route 544, one and four tenths (1.4) miles West of U.S. Route 301 and extending northerly therefrom to the Chester River said three tracts or parcels of land containing a total of 82.663 acres more or less. The said parcel is also located nine tenths (0.9) miles East of the Intersection of State Route 290 and State Route 544. Entrance road is at mailbox marked "Hollinsworth." For a complete map and bounds description of the property, see Exhibit A attached hereto and hereby made a part hereof.

This parcel has excellent developmental possibilities.

Being the same property conveyed to the said Gordon L. Reed and Jolene K. Reed, his wife, and the said Pine Woods Resort Campground Associates by the following deeds: Deed from Raymond Richard Clark and James William Akin Clerk, his wife to Gordon L. Reed and Jolene K. Reed, his wife, dated July 30, 1981, and recorded among the Land Records of Queen Anne's County in Liber 177, folio 289, Deed from Raymond Richard Clark and James William Akin Clerk, his wife, to Pine Woods Resort Campground Associates, dated July 30, 1981, and recorded among the Land Records of Queen Anne's County in Liber 177, folio 286.

DESCRIPTION OF IMPROVEMENTS

Improvements consist of the following:

One-story house: Two bedrooms, living room, dining room, kitchen, one full bath, and crawl space, with oil-fired furnace heat.

One-story cottage: One bedroom, combination-living room-dining room, kitchen, and one full bath, with oil-fired furnace heat.

Storage shed: Enclosed on four sides, medium sized.

TERMS OF SALE

At the time and place of sale, a deposit in the amount of at least Ten Thousand (\$10,000.00) Dollars must be made in cash or by a certified or cashier's check. The balance is to be paid at settlement by cash or certified funds which must occur within fifteen days (15) following final ratification of sale by Circuit Court for Queen Anne's County, unless said period is extended by the Assignee, his successors and assigns, for good cause shown, time being of the essence. Interest to be paid on the unpaid purchase price at the rate of

PARCEL NO. 2

BEGINNING FOR THE SAME at a concrete monument found at the intersection of the southwesternmost corner of Lot 10, with the northwesternmost corner of a forty (40) foot wide Dogwood Lodge, and recorded among the Land Record Books of Queen Anne's County, Maryland, in Liber T.S.P. 20, folio 300. Said Beginning point being further located at the northwesternmost corner of the herein described parcel;

THENCE, leaving said beginning point so fixed and binding on the northernmost side of the aforementioned forty (40) foot wide road, the following two (2) courses and distances: North 89°23'49" East 610.69 feet to a concrete monument set and North 89°22'54" East 366.14 feet to a point;

THENCE, leaving said point and binding on the easternmost outline of the herein described parcel, South 00°36'11" West 239.74 feet to a point;

THENCE, leaving said point and binding on the southernmost outline of the herein described parcel, south 89°23'49" West 935.00 feet to a point on the easternmost outline of the lands of Anthony Ruvolo (see C.W.C. 74/674);

THENCE, leaving said point and binding on the division line between the aforesaid Ruvolo lands and the herein described lands, North 00°10'52" West 242.40 feet to the place of beginning. Containing in all 5.25 acres of land, more or less, as surveyed by J.R. McCrone, Jr., Inc., Registered Professional Engineers and Land Surveyors in March of 1981.

SUBJECT to the legal operation and effect of two (2) recorded subdivision plats (1) "Plat No. 1" Dogwood Lodge, recorded in Liber T.S.P. No. 20, folio 300, and (2) "Plat No. 2" Dogwood Lodge, recorded in Liber T.S.P. No. 29, folio 551, both Land Record Books for Queen Anne's County, Maryland, and no abandonment thereof is intended by the foregoing description.

BEING the same land described in Parcel No. 2 in a Deed from Richard Raymond Clark and James William Akin Clerk to Gordon L. Reed and Jolene K. Reed, dated July 30, 1981, and recorded among the Land Records of Queen Anne's County in Liber 177, folio 289.

PARCEL NO. 3

BEGINNING FOR THE SAME at a concrete monument set at the intersection of division line between the lands of David J. Eckenrode (see T.S.P. 72/41) and the herein described lands, with the northernmost side of Maryland Route 544;

THENCE, leaving said beginning point so fixed and binding on the northernmost side of Maryland Route 544, the following three (3) courses and distances: South 81°29'25" West 382.19 feet to a point, South 81°02'58" West 400.00 feet to a point and South 85°20'19" West 141.49 feet to a concrete monument set at the intersection of the division line between the lands of Charles E. Clerk (See C.W.C. 49/553) and the herein described lands;

THENCE, leaving said concrete monument found and the aforementioned Maryland Route 544 and binding on the aforesaid division line, the following two (2) courses and distances: North 09°10'27" West 905.84 feet to a concrete monument found.

fifteen (15) percent per annum from the date of sale to date of settlement payable on an annual basis. All taxes and assessments, if any, to be adjusted to date of sale and assumed thereafter by the purchaser. Cost of all documentary stamps and transfer taxes, agricultural transfer taxes, if any, legal fees and other expenses to be paid by purchaser.

The Seller reserves the right to reject any and all bids.

For inspection, contact the undersigned.

C. Daniel Saunders, Assignee
PARCEL NO. 1

BEGINNING FOR THE SAME at a concrete monument set at the intersection of the division line between Lot 5 and Lot 4, with the northernmost side of a forty (40) foot road on a plat entitled "Plat One, Dogwood Lodge" and recorded among the Land Record Books of Queen Anne's County, Maryland, in Liber T.S.P. 20, folio 300;

THENCE, leaving said beginning point so fixed and binding on the aforesaid division line, North 00°37'06" West 245 feet more or less to the approximate mean high water line of the Chester River, passing in transit a concrete monument set 185.00 feet from the beginning thereof;

THENCE, leaving said point and binding on the approximate mean high water line of the aforesaid river in a northeasterly direction 490 feet, more or less to a point at the intersection of the division line between Lot 2 and Lot 3 of the aforementioned Plat One of Dogwood Lodge;

THENCE, leaving said point and binding of the aforesaid division line, South 00°38'42" East 435.69 feet more or less to a concrete monument found, passing in transit a concrete monument found 295.69 feet from the end thereof;

THENCE, leaving said concrete monument and binding on the northernmost side of the aforementioned road, the following two (2) courses and distances: South 58°33'18" West 26.40 feet to a concrete monument found and South 89°22'54" West 377.18 feet to the place of beginning. Containing in all 2.633 acres of land, more or less, as surveyed by J.R. McCrone, Jr., Inc., Registered Professional Engineers and Land Surveyors in March of 1981.

SUBJECT to the legal operation and effect of two (2) recorded subdivision plats (1) "Plat No. 1", Dogwood Lodge, recorded in Liber T.S.P. 20, folio 300, and (2) "Plat No. 2" Dogwood Lodge, recorded in Liber T.S.P. No. 29, folio 551, both Land Record Books for Queen Anne's County, Maryland, and no abandonment thereof if intended by the foregoing description.

BEING the same land described in Parcel No. 1 in a Deed from Richard Raymond Clark and James William Akin Clark to Gordon L. Reed and Jolene K. Reed, dated July 30, 1981, and recorded among the Land Records of Queen Anne's County in Liber 177, folio 289.

passing in transit a concrete monument found 36.07 feet from the beginning thereof and South 83°13'00" West 99.52 feet to a concrete monument found on the easternmost outline of the lands of Anthony Ruvolo (see C.W.C. 74/674);

THENCE, leaving said concrete monument and binding on the division line between the aforesaid Ruvolo and the herein described lands, North 09°19'53" West 1538.49 feet to a point;

THENCE, leaving said point and binding on the division line between the herein described lands and the lands to be conveyed to others, the following two (2) courses and distances: North 89°23'49" East 935.00 feet to a point and north 00°36'11" East 239.74 feet to a point on the northernmost outline of the herein described parcel;

THENCE, leaving said point and binding on the northernmost outline of the herein described parcel, the following two (2) courses and distances: North 89°22'54" East 11.04 feet to a concrete monument found and North 58°33'18" East 492.98 feet to a concrete monument found on the westernmost outline of the lands of David A. Eastman (See C.W.C. 43/267);

THENCE, leaving said concrete monument and binding on the division line between the aforesaid Eastman lands and the herein described lands, South 09°28'00" East 2252.09 feet to a stone found at the intersection of the division line between the aforementioned Eckenrode lands and the herein described lands;

THENCE, leaving said stone and binding on the division line between the aforesaid Eckenrode lands and the herein described lands, the following two (2) courses and distances: South 83°37'44" West 419.96 feet to a stone found and South 09°26'28" East 516.21 feet to the place of beginning, passing in transit a stone found 11.52 feet from the end thereof. Containing in all 74.780 acres of land, more or less, as surveyed by J.R. McCrone, Jr., Inc., Registered Professional Engineers and Land Surveyors in March of 1981.

SUBJECT to the legal operation and effect of two (2) recorded subdivision plats (1) "Plat No. 1" Dogwood Lodge, recorded in Liber T.S.P. No. 20, folio 300, and (2) "Plat No. 2" Dogwood Lodge, recorded in Liber T.S.P. No. 29, folio 551, both Land Record Books for Queen Anne's County, Maryland, and no abandonment thereof is intended by the foregoing description.

BEING the same land described in a deed from Richard Raymond Clark and James William Akin Clark to Pine Woods Resort Campground Associates dated July 30, 1981, and recorded among the Land Records of Queen Anne's County in Liber 177, folio 286.

C. Daniel Saunders
P.O. Box 158/106 Church Alley
Chestertown, Maryland 21620
(301) 778-4510

RG-1-25-31-037

17 MAR 64

L. CLARK EWING, ASSIGNEE * IN THE CIRCUIT COURT FOR
v. * QUEEN ANNE'S COUNTY, MARYLAND
GORDON L. REED *
JOLENE K. REED *
PINE WOODS RESORT CAMPGROUND EQUITY NO. 7156

MEMORANDUM OF SALE

I, Norman Dixon, certify that I was the auctioneer at the foreclosure sale in the matter of L. Clark Ewing, Assignee v. Gordon L. Reed, Jolene K. Reed and Pine Woods Resort Campground, and the property was sold on February 10, 1984 to Raymond R. Clark for the sum of One Hundred Thousand (\$100,000.00) Dollars.

AS WITNESS my hand and seal this 10th day of FEB., 1984.



(SEAL)

Norman L. Dixon
Auctioneer

C. DANIEL SAUNDERS
ATTORNEY AT LAW
P. O. BOX 158
CHRISTYTOWN, MD 21020

FILED 17 FEB 15

L. CLARK EWING, ASSIGNEE * IN THE CIRCUIT COURT FOR
 v. * QUEEN ANNE'S COUNTY, MARYLAND
 GORDON L. REED *
 JOLENE K. REED *
 PINE WOODS RESORT CAMPGROUND EQUITY NO. 7156

PURCHASER'S AFFIDAVIT

STATE OF MARYLAND, COUNTY OF KENT, to wit:

I HEREBY CERTIFY that on this 14th day of February, 1984, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Raymond R. Clark, the purchaser of the Dogwood Lodge Property referred to in these proceedings in Queen Anne's County, Maryland, and made oath in due form of law as follows:

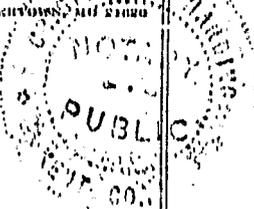
1. That the purchaser acted on his own behalf and not as agent for anyone;
2. That no others are interested as principals;
3. That purchaser has not directly or indirectly discouraged anyone from bidding for said property.

AS WITNESS my hand and notarial seal.

Christina A. Hardy
 Notary Public

My commission expires:

G. DANIEL BAUNDER
 ATTORNEY AT LAW
 P. O. BOX 141
 CHARLES COUNTY, MD 20742



FEB 14 1984
 QUEEN ANNE'S COUNTY

ORDER NISI ON SALE

L. CLARK EWING, Assignee

vs.

GORDON L. REED
JOLENE K. REED
PINE WOODS RESORT CAMPGROUND

In the Circuit Court
for Queen Anne's County
In Equity

Cause No. 7156

ORDERED, this 9th day of March, 1984, that the sale of the real property, made and reported in this cause by C. Daniel Saunders, Attorney, Assignee, be ratified and confirmed, on or after the 9th day of April, 1984, unless cause to the contrary thereof be previously shown; provided a copy of this order be inserted in some newspaper published in Queen Anne's County, Maryland, once in each of three successive weeks before the 2nd day of April, 1984.

The report states the amount of sales to be \$100,000.00.

Marguerite St. Martin Clerk

Filed March 9, 1984

1984 APR 17 10 03

L. CLARK EWING, ASSIGNEE * IN THE CIRCUIT COURT FOR
v. * QUEEN ANNE'S COUNTY, MD.
GORDON L. REED, et al * EQUITY NO. 7156

AFFIDAVIT

STATE OF MARYLAND, KENT COUNTY, to wit:

I HEREBY CERTIFY that on this 27th day of April, 1984, before me, the subscriber, a Notary Public in and for the State and County aforementioned, personally appeared C. DANIEL SAUNDERS, and made oath in due form of law as follows:

1. He prepared the Report of Sale filed in these proceedings, and the contents of that Report are true.

2. The Report of Sale states the amount of sale to be One Hundred Thousand (\$100,000.00) Dollars; the amount stated is correct and the amount is a fair and reasonable price for the real property which is the subject of these proceedings.

3. The Clerk of the Circuit Court has caused an Order Nisi to be printed in the Queen Anne's Record-Observer, which reports the outcome of the sale. That Order Nisi appeared in the aforementioned newspaper on March 14, 1984, March 21, 1984 and on March 28, 1984.

My Commission Expires:
July 1, 1986

Cristina A. Hardy
Notary Public

APR 27 1984
KENT COUNTY



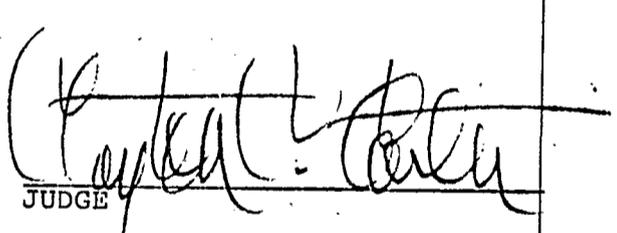
C. DANIEL SAUNDERS
ATTORNEY AT LAW
P. O. BOX 188
GREENBUSH, MD 21040

L. CLARK EWING, ASSIGNEE * IN THE CIRCUIT COURT FOR
v. * QUEEN ANNE'S COUNTY, MARYLAND
GORDON L. REED, et al * EQUITY NO. 7156

FINAL ORDER OF RATIFICATION

ORDERED, by the Circuit Court for Queen Anne's County, Maryland, in Equity, this 20th day of April, 1984, that the sale of real estate made and reported in this cause by C. Daniel Saunders, Assignee, be and the same is hereby ratified and confirmed, no cause to the contrary having been shown, although notice appears to have been given, as required by the preceding Order Nisi, and the same C. Daniel Saunders is allowed the usual commissions and proper expenses, not personal, as he shall produce vouchers for to the Court Auditor.

RECORDED PH 2:21
CLERK OF THE EQUITY


JUDGE

C. DANIEL SAUNDERS
ATTORNEY AT LAW
P. O. BOX 158
CHERRYTOWN, MD 21020

1984 APR 17 1984

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

L. CLARK EWING :
 ASSIGNEE :
 v. : Chancery #7156
 GORDON L. REED, et al. :

AUDITOR'S ACCOUNT

PROCEEDS OF FORECLOSURE SALE			
Sale Price, as reported		\$ 100,000.00	
Real property taxes \$ 1,586.04			
from 02/10/84 to 06/30/84			
141 days @ \$4.35		<u>613.35</u>	
GROSS AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 100,613.85
COMMISSIONS, payable to Fiduciary	\$ 5,150.00		
ATTORNEY FEE, per Mortgage		100.00	
EXPENSES OF SALE			
Court costs	\$ 215.00		
Advertising			
Notices of Sale			
Sale of 8/13/82			
Record-Observer	\$ 612.88		
News Journal	32.96		
Kent County News	17.00		
Sale of 02/10/84			
Record Observer	<u>787.50</u>	1,450.34	
Report of sale		57.75	
Bond premium		418.18	
Auctioneer's fee		200.00	
Real property taxes paid			
Year 1982/84	1,534.88		
Year 1983/84	1,594.07		
Interest on			
above (Note B)	<u>830.24</u>	3,959.19	
Certified mail		<u>4.65</u>	6,305.11
AUDITOR'S FEE AND COSTS			
Fee for audit	\$ 45.00		
Postage & copies	<u>2.00</u>	<u>47.00</u>	<u>11,602.11-</u>
NET AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 89,011.74

1983 JUN 0 11 11
 1983 JUN 0 11 11
 1983 JUN 0 11 11

AUDITOR'S ACCOUNT

CHANCERY #7156

PAGE 2

INDEBTEDNESS DUE UNDER MORTGAGE

Principal per Statement of Debt	\$ 93,327.66-
Interest to 06/30/82, per Statement	9,099.45-
Interest on principal at 15%	
06/24/82 to 06/23/83	13,999.15-
06/24/83 to 02/10/84	
231 days @ \$ 38.35	<u>8,858.85-</u>
	\$ 125,285.11-

NET CREDIT FROM CREDITOR/PURCHASER
on 00/00/83 (See Note A)

89,011.74

BALANCE OWED BY DEBTORS after credit

\$ 36,273.37-

INTEREST 02/11/84 to 04/10/84
60 days @ \$ 14.91

894.60-

DEFICIT

\$ 37,167.97-

Note A: Net amount used by Creditor to discharge responsibilities as sale purchaser for deposit and pre-settlement interest credited as of date of sale in accordance with Weismiller v. Bush, 56 Md.App. 593, and the Report filed in Chancery #7107, which is incorporated by reference in this Audit.

Note B: The Treasurer of Queen Anne's County charged interest in this amount. The Fiduciary believes that interest is not collectable because the taxpayer was bankrupt. If reimbursement efforts are successful, the amount of the reimbursement should be remitted to the Mortgagee and applied against the Deficit after the Fiduciary has filed a notice to that effect in the proceeding.

NOTICE

The attached Account was filed on July 6, 1984. Exceptions to the Account must be filed within ten (10) days of that date. If timely exceptions are not filed, the Account may thereupon be ratified.

17 71

CERTIFICATE OF AUDITOR

I hereby certify that I have examined the Suggested Account, together with the receipts, vouchers, statements, suggested distribution and affidavit submitted by the Fiduciary in Chancery Cause #7156. On the basis of the facts which appear upon the face of the proceedings and proofs submitted to me, it is my opinion that the claims set forth in the foregoing Auditor's Account have been established and are properly allowable by law in the amounts there set forth.

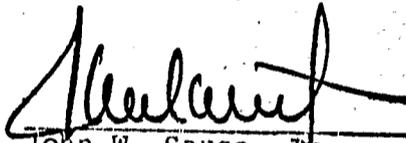
I further certify that on July 6, 1984, copies of the Auditor's Account and Notice conforming to the requirements of Maryland Rule 2-543 and Second Circuit Rule 12 d were mailed to the following:

C. Daniel Saunders, Esquire
 Post Office Box 158
 Chestertown, Maryland 21620

Gordon L. Reed
 1013 Glenside Road
 West Chester, Pennsylvania 19380

Jolene K. Reed
 1013 Glenside Road
 West Chester, Pennsylvania 19380

Pine Woods Resort Campground Associates
 1013 Glenside Road
 West Chester, Pennsylvania 19380



 John W. Sause, Jr.
 Auditor

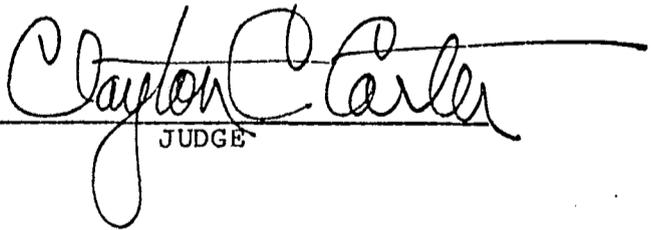
IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

L. CLARK EWING :
ASSIGNEE :
v. : Chancery #7156
GORDON L. REED, et al. :
: : : : :

ORDER RATIFYING AUDIT

The matter coming before the Court on the Account heretofore filed by the Auditor and it appearing from the Auditor's Certification that the requirements of Rule 2-543 (e) have been met, and no exceptions having been filed within 10 days of the date when the Account was filed, it is this 20th day of July, 1984, by the Circuit Court for Queen Anne's County,

ORDERED that the Account of the Auditor is hereby ratified and confirmed, and the Fiduciary shall apply the proceeds accordingly with a due proportion of interest after same has been or may be received.


JUDGE

1984 JUL 20 PM 2:01

CHARLES E. SMITH
ASSIGNEE
Grasonville, Md. 21638

Vs.

GARY W. DEPROSPERO
AND
JACK A. DUTROW
Stevensville, Md. 21666

IN THE CIRCUIT COURT
FOR

QUEEN ANNE'S COUNTY

IN EQUITY

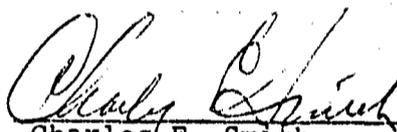
NO. 7492

NOV 29-83 * 28126 *****60 00
NOV 29-83 A 228126 *****60 00

ORDER TO DOCKET SUIT

Mrs. Marguerite W. Mankin, Clerk:

You will please docket suit as per the above titling for foreclosure of the mortgage from GARY W. DEPROSPERO and JACK A. DUTROW, to QUEENSTOWN BANK OF MARYLAND, dated May 1, 1981, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber M.W.M. No. 174, folio 738, which has been assigned to the undersigned attorney for the purpose of exercising the power of sale contained in said Mortgage. Default having occurred in the terms thereof by reason of the nonpayment when due of the principal and interest on said mortgage; and you will file in said suit the original of said mortgage as well as the accompanying military affidavit and statement of indebtedness.



Charles E. Smith
Attorney named in mortgage
P.O. Box 147
Grasonville, Md. 21638
Telephone: 301-827-7550

STATE OF MARYLAND

QUEEN ANNE'S COUNTY

I HEREBY CERTIFY, That on this 28th day of November, 1983 before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Charles E. Smith, Assignee, and made oath in due form of law that Gary W. DeProspero and Jack A. Dutrow are not now, nor have they been within six (6) months prior hereto, in the military service of the United States of America, as defined by the Soldiers' and Sailors' Act, and amendments thereto.


NOTARY PUBLIC

My Commission Expires: 7/01/86.



QUEEN ANNE'S COUNTY

CHARLES E. SMITH
ASSIGNEE
Grasonville, Md. 21638

Vs.

GARY W. DEPROSPERO
AND
JACK A. DUTROW
Stevensville, Maryland, 21666

* IN THE CIRCUIT COURT
* FOR
* QUEEN ANNE'S COUNTY
* IN EQUITY
* NO. 7492

* * * * *

STATEMENT OF MORTGAGE INDEBTEDNESS

Balance due on principal of mortgage
dated May 1, 1981, in the gross
amount of \$39,000.00 from Gary W.
DeProspero and Jack A. Dutrow to
Queenstown Bank of Maryland

\$ 38,908.55

Unapid Interest to November 28, 1983

5,324.32

Late Charges

325.56

\$ 44,558.43

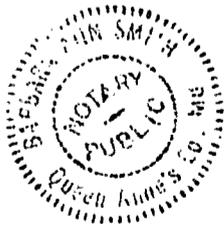
Interest will continue to accrue at the rate of \$17.05 per
day after November 25, 1983

STATE OF MARYLAND

COUNTY OF QUEEN ANNE'S

to wit:

This is to certify that on this 28th day of November,
1983, before the subscriber, a Notary Public of the State and
County aforesaid, personally appeared Charles E. Smith,
Attorney named in mortgage, and made oath in due form of law
that the foregoing Statement of Mortgage Indebtedness due
by GARY W. DEPROSPERO and JACK A. DUTROW, under the above
described mortgage is true to the best of his knowledge,
information and belief, and there is no credit due thereon,
except as shown, nor any security therefore except the said
mortgage.



Barbara Ann Smith
NOTARY PUBLIC

My Commission Expires: 7/01/86.

CLERK
NOV 29 PM 3:21
QUEEN ANNE'S COUNTY

LIBER 17 PAGE 75

FIRST
This Mortgage, Made this 1st day of May 1981
by and between GARY W. DePROSPERO and JACK A. DUTROW

parties of the first part, hereinafter referred to as Mortgagor, and QUEENSTOWN BANK OF MARYLAND

party of the second part, hereinafter referred to as Mortgagee.

WHEREAS, the Mortgagor is justly indebted to the Mortgagee for a loan contemporaneous herewith, evidenced by a promissory note of even date herewith in the principal sum of Thirty Nine Thousand Dollars (\$39,000.00) payable with interest thereon from the date hereof at the rate of Sixteen (16) per centum per annum on the unpaid principal until paid at the designated office of the holder for a term of twenty (20) years in the following manner: On Demand.

CLERK
1981 MAY -1 PM 2:12
QUEEN ANNE'S COUNTY

MAY -1 01 Y 22170 1111 12 01
MAY -1 01 A 22170 1111 12 01

All sums aforesaid to be payable in lawful money of the United States of America which shall be legal tender in payment of all debts and dues, public and private at the office of the Mortgagee, or at such other place either within or without the said State, as the holder hereof may, from time to time, in writing designate.

And in order to secure the repayment of said principal sum, the interest thereon and the performance of the covenants herein contained, this mortgage is executed.

NOW THIS MORTGAGE WITNESSETH that in consideration of the premises and of the sum of ONE DOLLAR, the said Mortgagor does grant and assign/convey to the said Mortgagee,

all lot(s) or parcel (s) of ground situate and lying in Queen Anne's County and described as follows, that is to say:

PARCEL NO. 1

All that lot or parcel of land, formerly known as "The Luther Baxter Filling Station Property," "The Martin B. Happold Property," "The Silver Roof", and now known as the "Island Casino Property", improved by a dwelling house and/or a store and restaurant and a bungalow, situate on Kent Island in the Fourth Election District of Queen Anne's County, Maryland, on the South side of the concrete State Road, known as the Eastern Shore Boulevard, a public road leading from Queenstown to Stevensville, bounded on the West by the lands of, or formerly of, Charles M. Bright and Harry T. Hopkins, on the East by the lands of the Stevensville Cemetery, bounded on the South by the lands of Elizabeth Potts, and bounded on the North by said Public Highway; and containing by survey 0.46 of an acre of land, more or less;

PARCEL NO. 2

All that lot, part of a lot or parcel of land, situate on Kent Island, in the Fourth Election District of Queen Anne's County, Maryland, located on the South side of the Eastern Shore Boulevard leading from Kent Island Narrows to Stevensville, bounded on the East by Parcel No. 1 above described, bounded on the South by the lands of Elizabeth Potts, and bounded on the West by the lands of Harry T. Hopkins and The Stevensville High
(Continued)

School and bounded on the North by said Public Highway; said lot being 100 feet in width and 175 feet in depth; and containing one-half ($\frac{1}{2}$) of an acre of land, more or less;

PARCEL NO. 3

ALL that lot of land, 75 feet in width and 200 feet in depth, lying Easterly of Parcel No. 1 above described, located on the South side of the Old Eastern Shore Boulevard, on Kent Island, near Stevensville, Maryland, bounded on the North by said Boulevard, bounded on the Westerly side by Parcel No. 1 hereof, bounded on the South and East by lands of George R. Benton; and containing 0.344 Acre of land, more or less. See Plat of Parcels Nos. 1, 2 and 3 hereof in Liber T.S.P. No. 4, folio 326, for further description of the lands herein conveyed.

BEING all the same land conveyed unto John E. Lawhorne and Essie J. Lawhorne, his wife, herein by deed from Henry P. Lane dated August 1, 1973, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 76, folio 431.

PARCEL NO. 4

ALL that lot or parcel of land situate, lying and being on Kent Island in the Fourth Election District of Queen Anne's County, State of Maryland, known and designated as Parcel No. 3 on a Plat entitled, "Map Showing Survey of Three Lots or Parcels of Land for Elizabeth Lane Potts, Fourth Election District, Queen Anne's County, Maryland", by Shew and Bartlett, Registered Surveyors, dated May 3, 1962, said Plat being recorded among the land records of said County in Liber T.S.P. No. 66, folio 295, and more particularly described as follows, to wit:

BEGINNING for the same at a concrete monument on the northerly right-of-way line of U.S. Route No. 50 - 301, as set forth on the aforesaid Plat, at the Southeast corner of the lot hereby intended to be conveyed and the Southwest corner of the lands of the Stevensville Cemetery, and running thence by and with the right-of-way line of said Highway, North 73 degrees 41 minutes 11 seconds West, 135.02 feet to a concrete monument and the lands of the Board of Education of Queen Anne's County; thence by and with said last mentioned lands, North 17 degrees 28 minutes 09 seconds East, 445.23 feet to a concrete monument on the line of the lands of Henry P. Lane; thence by and with said Lane lands, South 71 degrees 56 minutes 38 seconds East, 34.13 feet to a concrete monument, South 17 degrees 30 minutes West, 25.00 feet to a concrete monument and South 71 degrees 55 minutes East, 100 feet to a concrete monument and the Stevensville Cemetery lands; thence with said lands, South 17 degrees 21 minutes West, 416.08 feet to the place of beginning; CONTAINING 1.31 acres, more or less.

BEING all the same land conveyed unto John E. Lawhorne and Essie J. Lawhorne, his wife, herein by deed from Henry P. Lane dated August 1, 1973, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 76, folio 433.

ALL being the same land which was conveyed unto Gary W. DeProspero and Jack A. Dutrow by deed from John E. Lawhorne and Essie J. Lawhorne, his wife, dated even date herewith and to be recorded among the Land Records of Queen Anne's County.

Should any portion of the above described property, or an easement appurtenant thereto be condemned or taken under eminent domain, all or such part of any award or proceeds, as Mortgagee desires and shall determine in writing, are by this instrument assigned by the Mortgagor to the Mortgagee for application to the mortgage indebtedness, and Mortgagee is hereby authorized to give acquittances therefor.

TOGETHER with the buildings and improvements thereupon, and the rights, alleys, ways, waters, privileges, appurtenances and advantages thereto belonging or in anywise appertaining.

~~TO HAVE AND TO HOLD~~ the said lot(s) or parcel(s) of ground, with the improvements and appurtenances aforesaid, to the said Mortgagee, ~~in fee simple for all the residue of the term of years yet to come and unexpired therein, with the benefit of renewal thereof from time to time, forever,~~ subject to the payment of the annual rent of \$

Provided, that if the said Mortgagor shall well and truly pay or cause to be paid the aforesaid principal sum of Thirty Nine Thousand

Dollars (\$39,000.00)

and all the installments of interest thereon when and as each of them shall respectively be due and payable as aforesaid and shall perform each and all of the covenants herein on his part to be performed, then this Mortgage shall be void.

But upon any default being made in the payment of said principal or interest, in whole or in part, when due, or upon any default being made in any covenant or condition of this Mortgage, then the whole mortgage debt hereby secured and then unpaid may thereupon be declared to be due and payable, at the option of the Mortgagee.

AND the said Mortgagor hereby declares his assent to the passage of a decree for the sale of the herein described property at any time after a default has occurred in any of the covenants of this mortgage, as herein provided; and the said Mortgagor hereby authorizes the said Mortgagee, or Joseph H. Rouse, Esquire,

the duly authorized attorney or agent of said Mortgagee, after any default shall have occurred as aforesaid, to sell the hereby mortgaged property. Any such sale, whether under the aforementioned assent to a decree or under the aforementioned power of sale, shall be under the provisions of Article 21 of the Annotated Code of Maryland, Section 7-105 (Acts of 1972 of Chapter 349) and the Rules W70-W76 of the Maryland Rules of Procedure, or under any other general or local laws of the State of Maryland relating to mortgages, or any supplement, amendment or addition thereto.

AND such sale shall be made after giving notice by advertisement as required by the aforesaid statute and Rules; and the terms of the sale may be all cash upon ratification of the sale or such other terms as the party selling may deem expedient.

AND upon any such sale of said property under this mortgage, the proceeds shall be applied as follows:

(1) to repayment of all expenses incident to said sale, including a counsel fee of Seven Hundred Fifty Dollars (\$750.00) Dollars for conducting the proceedings if without contest, but if legal services be rendered to the Mortgagee or to the Trustee or party selling under the power of sale in connection with any contested matter in the proceedings, then such additional counsel fees and expenses shall be allowed out of the proceeds of sale as the Court may deem proper; and a commission to the party making the sale of said property equal to the commission allowed Trustees for making sale of property by virtue of a decree of a Court having equity jurisdiction in the State of Maryland;

(2) to the payment of all claims of the said Mortgagee hereunder, whether the same shall have matured or not, including interest thereon until ratification of the final audit;

(3) and the balance, if any, to the said Mortgagor, or to whomsoever may be entitled to the same.

AND in the event that the mortgage debt shall be paid after any advertisement of said property, but before sale thereof, the Mortgagor hereby covenants to pay also, all expenses incident to said advertisement or notice, all court costs and all expenses incident to the foreclosure proceedings under this mortgage, and a commission on the total amount of the mortgage indebtedness, principal and interest, equal to one-half the percentage allowed as commission to trustees making sale under orders or decrees of a Court having equity jurisdiction in the State of Maryland; but said sale may be proceeded with unless, prior to the day appointed therefor, payment be made of said principal and interest, costs, expenses and commission.

~~AND the said Mortgagor hereby covenants with the said Mortgagee, as follows: (1) That together with, and in addition to, the monthly payments of principal and interest payable under the terms of the mortgage debt hereby secured, the Mortgagor will pay to the Mortgagee, on the first day of each month until the said debt is fully paid, the following sums: an installment of the ground rents, if any, and of the taxes and special assessments levied or to be levied against the property covered by this Mortgage, and an installment of the premium or premiums that will become due and payable to renew the insurance on the property covered hereby against loss by fire or other hazards as may reasonably be required by the Mortgagee, in amounts, for periods, and in a company or companies satisfactory to the Mortgagee. These installments shall be equal respectively to one-twelfth (1/12) of the annual ground rent, if any, plus the estimated premium or premiums for such insurance, and taxes and assessments,~~

~~is estimated by the Mortgagee, less all installments already paid therefor, divided by the number of months that are to elapse before one month prior to the date when such premium or premiums and taxes and assessments will become due. The Mortgagee shall hold such installments in trust without interest to pay the ground rents, if any, premium or premiums, and taxes and assessments before the same become delinquent; (2) to repay the indebtedness, together with interest, as herein provided; (3) to keep the buildings on the premises insured against loss by fire and other hazards, for the benefit of the Mortgagee, in such companies, through such agents or brokers, and in such forms as shall be satisfactory to the Mortgagee, to the extent necessary to protect its lien thereon, and to deliver the policy and all renewal receipts to the Mortgagee, and in case of failure of the Mortgagor, to do so, the Mortgagee may do so and add the cost thereof to the amount of the mortgage indebtedness so as to become an additional indebtedness secured by this Mortgage; and in the event of any loss by fire or other hazards, the insurance company or companies are hereby directed by the Mortgagor, to make payment for such loss to the Mortgagee, only, and not to the Mortgagor and Mortgagee, jointly; such payment to the Mortgagee, shall be applied to the extinguishment of the principal, interest, and expenses, secured by this Mortgage, whether then due or not, but not to exceed the amount payable under this Mortgage; provided that the Mortgagee, in lieu thereof, may consent, in writing, to the application by the Mortgagor, of the said insurance money to the reconstruction of the improvements on the mortgaged property; (4) to pay all taxes and any other public dues and assessments of every kind whatsoever for which the property hereby mortgaged may become liable, and to pay all ground rent and insurance premiums, when and as the same shall become due and payable; (5) to permit, commit or suffer no waste, impairment or deterioration of said property, or any part thereof; (6) that the holder of this Mortgage in any action to foreclose it, shall be entitled, without regard to adequacy of any security for the debt, to the appointment of a receiver to collect the rents and profits of said property and account therefor as the Court may direct; (7) that should the title to the herein mortgaged property be acquired by any person, persons, partnership or corporation, other than the Mortgagor, by voluntary or involuntary grant or assignment, or in any other manner, without the Mortgagee's written consent or should the Mortgagor be declared insolvent or bankrupt, then the balance then due, or to become due, of said principal sum shall at the option of the Mortgagee immediately become due and payable as herein provided; (8) that at the option of the Mortgagee, the whole of said mortgage debt intended hereby to be secured shall become due and payable after default in the payment of any monthly installment, as herein provided, which shall have continued for thirty (30) days, or after default, in the performance of any of the covenants or conditions hereof which shall have continued for thirty (30) days; (9) to pay a late charge not to exceed the greater of Two Dollars (\$2.00) or five percent (5%) of the total amount of any delinquent periodic installment of interest and principal which is received at the office of the Mortgagee more than fifteen (15) calendar days after the due date thereof to cover the extra expense involved in handling delinquent payments; (10) that this loan may be prepaid, in whole or in part, in an amount not less than one monthly installment of principal provided that two months' advance interest, at the then current rate, may be charged on that part of the aggregate amount of all prepayments made in any twelve month period which exceeds thirty-three and one-third percent (33 1/3%) of the original principal amount of the loan as a consideration for the acceptance of such prepayment, provided that no such charge may be imposed after the expiration of three (3) years from the date hereof; (11) ~~that it is agreed that the Mortgagee may at any time during the mortgage term, and in its discretion, apply for and purchase mortgage guaranty insurance, and may apply for renewal of such mortgage guaranty insurance covering this mortgage, and pay premiums due by reason thereof, and require repayment by the Mortgagor of such amounts as are advanced by the Mortgagee, and the Mortgagor hereby agrees to pay for such premiums on the first day of each month, as part of the regular monthly payment, by payment of a sum equal to one-twelfth (1/12) of such annual mortgage guaranty insurance premium in accordance with the provisions of (1) of the foregoing covenants and conditions, and in the event such insurance is placed on a single premium plan, the Mortgagor hereby agrees to repay the Mortgagee for such amount as advanced by the Mortgagee for such single premium.~~~~

AND IT IS AGREED AND UNDERSTOOD that, until default is made, the said Mortgagor may retain possession of the hereby mortgaged property.

THE said Mortgagor covenants that it will warrant specially the property hereby mortgaged and will execute such further assurances as may be requisite.

Whenever used herein, the words "Mortgagor" and "Mortgagee" shall include the heirs, personal representatives and/or assigns of the Mortgagor or Mortgagors, or Mortgagee or Mortgagees, if individuals, and the successors and/or assigns of the Mortgagor or Mortgagors, or Mortgagee or Mortgagees, if corporate. The use of any gender shall be applicable to all genders and "Mortgagee" shall include any payee of the indebtedness hereby secured, or any transferee thereof whether by operation of law or otherwise. The use of the singular shall include the plural.

THE Mortgagor by execution of this instrument certifies that, prior to such execution, he has received a fully executed agreement as to the contractual rate of interest, and a loan disclosure statement in connection with this loan as required by Article 49 of the Annotated Code of Maryland; and the parties hereby agree that the provision of Article 49 of the Annotated Code of Maryland, as to delinquent or late payment charges and prepayment terms are made a part of this Mortgage agreement, unless other provisions regarding the same are specifically set out herein.

WITNESS the hand(s) and seal(s) of the said Mortgagor(s).

WITNESS:

Joseph H. Rouse

Joseph H. Rouse

Gary W. DeProspero (SEAL)

Jack A. Dutrow (SEAL)

(SEAL)

(SEAL)

STATE OF MARYLAND, ANNE ARUNDEL COUNTY ~~OF MARYLAND~~ to wit:

I HEREBY CERTIFY that on this 1st day of May 19 81 .
before me, a Notary Public of said State, personally appeared GARY W. DePROSPERO and JACK A. DUTROW

known to me, or satisfactorily proven to be the person (s) whose name (s) ~~is~~ are subscribed to the within mortgage, and who acknowledged that they executed the same for the purposes therein contained. At the same time also appeared

W. FRANKLIN SMITH, JR. Agent of the within named Mortgagee
and made oath in due form of law that the consideration therein set forth in said mortgage is true and bona fide as therein set forth, that the amount of the loan which said mortgage has been given to secure was paid over and disbursed by the Mortgagee to either the Mortgagor or the person responsible for the disbursement of funds in the closing transaction, or their respective agents, at or before the final and complete execution of this mortgage; and that he is the agent of the Mortgagee and duly authorized to make this affidavit.

As Witness my hand and notarial seal.

Joseph H. Rouse
Notary Public

My commission expires:

July 1, 1982

THIS IS TO CERTIFY that the within instrument was prepared by or under the supervision of the undersigned, an attorney duly admitted to practice before the Court of Appeals of Maryland.

Joseph H. Rouse
JOSEPH H. ROUSE Attorney

DOCUMENT NO. 115,205

No. _____
RECEIVED FOR RECORD NOV 29-83 * 28125 *****12.50
1983 NOV 29 PM 3:20 NOV 29-83 A #28125 *****12.50

WOLFE ARNE'S COUNTY

Assignment

OF MORTGAGE FROM Gary W. DeProspero and Jack A. Dutrow

TO Queenstown Bank of Maryland AS RECORDED IN

LIBER. MWM NO. 174 FOLIO 735

MAIL TO Place in Equit No. 7492

ASSIGNMENT

The within and foregoing mortgage is hereby assigned unto Charles E. Smith, Attorney, for the purpose of collection by foreclosure or otherwise.

Witness the hand of the said body corporate by Leonard E. Smith, Vice President, attested by, and its Corporate Seal affixed hereto, by its Cashier, this 28th day of November, 1983.

QUEENSTOWN BANK OF MARYLAND

Cashier

By Leonard E. Smith
Vice President

LIBER 205 633

DATE 17 PAGE 51

AETNA CASUALTY & SURETY COMPANY
HARTFORD, CONNECTICUT

Bond No. 98S19606

IN THE CIRCUIT COURT FOR Queen Annes COUNTY, MARYLAND.

Charles E. Smith, Assignee
Plaintiff

vs.

Gary W. DeProspero and
Jack A. Dutrow
Defendant

Equity No. 7472

BOND

CERTIFIED COPY OF POWER OF
ATTORNEY ATTACHED

KNOW ALL MEN BY THESE PRESENTS:

That we, Charles E. Smith, Assignee as
Principal, and the AETNA CASUALTY AND SURETY COMPANY, HARTFORD, CONNECTICUT, a
body corporate, duly incorporated under the laws of the State of Connecticut, as
Surety, are held and firmly bound unto the State of Maryland, in the full and just
sum of Fifty-Five Thousand and 00/100 Dollars,
to be paid to the said State or its certain Attorney, to which payment well and
truly to be made, and done, we bind ourselves and each of us, our and each of our
Heirs, Executors, Administrators, Successors or Assigns, jointly and severally,
firmly by these presents.

Sealed with our seals and dated this 21 day of November in
the year of our Lord One Thousand Nine Hundred and Eighty-Three.

Whereas, the above bounden Charles E. Smith, Assignee
by virtue of the power contained in a mortgage from
Gary W. Deprospero and Jack A. Dutrow to
Queenstown Bank of Maryland bearing date the FIRST day
of May, 1981 and recorded among the mortgage records of
Queen Annes County in Liber No. 174 Folio 735 and
Charles E. Smith, Assignee
is about to sell the land premises described in said mortgage, default having been
made in the payment of the money as specified, and in the conditions and covenants
therein contained.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, That if the above bounden
Charles E. Smith, Assignee do and shall well and
truly and faithfully perform the trust reposed in him under the mortgage
aforesaid, and shall abide by and fulfill any order or decree which shall be made
by any Court of Equity in relation to the sale of said mortgaged property, or the
proceeds thereof then the above obligation to be void, otherwise to be and remain
in full force and virtue in law.

In Testimony Whereof, the above bounden Charles E. Smith, Assignee
has hereto set his hand and Seal
and the said body corporate has caused these presents to be duly signed by its
Attorney-in-Fact, the day and year first herein above written.

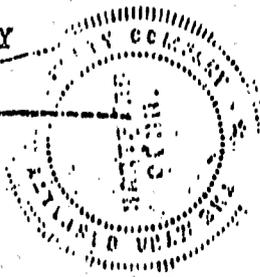
Signed, sealed and delivered in the
presence of:

Charles E. Smith (SEAL)
Charles E. Smith (SEAL)

Witness:

Laura R. Longwood

AETNA CASUALTY & SURETY COMPANY
By Matthew B. LaMotte
Matthew B. LaMotte
Attorney-in-fact



3-29

Security apps 14 bond filed Nov. 29, 1983

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from
Liber MWM No. 3, folio 364, A Bond Record Book for Queen Anne's County.



IN TESTIMONY WHEREOF, I hereunto
subscribe my name and affix the
Seal of the Circuit Court for
Queen Anne's County, this 30th
day of November, 1983.

Marguerite W. Mankin
Marguerite W. Mankin, Clerk of the
Circuit Court for Queen Anne's County

CHARLES E. SMITH * IN THE CIRCUIT COURT
 ASSIGNEE * FOR
 VS. * QUEEN ANNE'S COUNTY
 GARY W. DEPROSPERO * IN EQUITY
 and *
 JACK A DUTROW * NO. 7492
 MORTGAGORS *

* * *

REPORT OF SALE

TO THE HONORABLE, THE JUDGES OF SAID COURT:

The report of sale of Charles E. Smith, Assignee in the mortgage from Gary W. DeProspero and Jack A. Dutrow to Queenstown Bank of Maryland, dated May 1, 1981, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 174, folio 735, in which mortgage the mortgagee is granted the power of sale after any default in the terms of said mortgage, respectfully shows:

That default having occurred in the terms thereof by reason of the nonpayment when due of the principal and interest of the note secured by said mortgage, the said Charles E. Smith filed in this Honorable Court his order to docket suit to foreclose said mortgage accompanied by the said mortgage, his sworn statement as to the mortgage indebtedness, and his bond given to the State of Maryland, executed by himself and the Aetna Casualty and Surety Company, a body corporate, duly authorized by its charter to become sole surety on bonds of this character, as surety in the full and just sum of Fifty Five Thousand Dollars (\$55,000.00) containing the conditions required by law relative to the foreclosure of mortgages under a power of sale contained therein.

That after having advertised the mortgaged premises for sale in accordance with the annexed Certificate of Advertisement in the Queen Anne's Record Observer, a newspaper published in said County at least once each week for three (3) successive weeks, the first such publication being not less than Fifteen (15) days prior to sale, and the last such publication being not more than one (1) week prior to sale, and after having sent, not earlier than twenty (20) days and not later than five (5) days before the date of sale, by registered mail to the mortgagors, at their last known address, notice of the time, place and terms of sale, the said Charles E. Smith did attend, on the property located on the South side of Route 18, Stevensville, Queen Anne's County, Maryland, at the hour of 10:00 a.m., Eastern Standard Time, on December 16, 1983, and after having the auctioneer

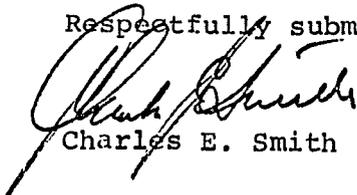
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 131

cry the sale for a considerable length of time, and after reading the advertisement of sale, did sell all those lots, parcels or tracts of land, together with the improvements thereon, situate, lying and being in the Fourth Election District of Queen Anne's County, State of Maryland, and more particularly described in the above mentioned mortgage, and Advertisement of Sale, unto William Russell Cantler, 458 Forest Beach Road, Annapolis, Md. 21401 being then and there the highest bidder therefor, at and for the sum of Sixty Three Thousand Dollars (\$63,000.00) of which Ten Thousand Dollars (\$10,000.00) has been paid as a deposit.

The Purchaser's Affidavit required by the Maryland Rules, Certificate of the Auctioneer, and Certificate of the Advertisement of Sale are attached hereto.

This report states the amount of sale to be

Respectfully submitted,


Charles E. Smith

STATE OF MARYLAND

QUEEN ANNE'S COUNTY

to wit:

I HEREBY CERTIFY, That on this 16th day of December, 1983, before me, the subscriber, personally appeared Charles E. Smith, Assignee, in the aforementioned proceedings, and made oath in due form of law that the matters and facts set forth in the foregoing Report of Sale are true to the best of his knowledge and belief and that the sale was fairly made.

AND further made oath as aforesaid that there has been no change in the matters and facts set forth in the Affidavit as to the military service filed in this cause on November 28, 1983, and that the status of the parties mentioned in said Affidavit is the same as it was on the date of the filing of said Affidavit.




NOTARY PUBLIC
My Commission Expires: 7/01/86

Centre ville, Md. 12/14 19 83

We Hereby Certify

That the annexed advertisement of
Foreclosure - Gary W. DeProspero & Jack A. Dutrow
 was published in the RECORD
 OBSERVER, a newspaper published
 in Queen Anne's County, Maryland, once
 in each of 3 successive weeks before
 the 16th day of Dec. 1983.
 And that the first insertion of said ad-
 vertisement in the said RECORD
 OBSERVER/BAY TIMES was on the
30th day of Nov.
 1983, and the last insertion on the
14th day of Dec.
 1983.

Publishers, Record Observer

Per

[Signature]

Attorney's Sale

OF
VALUABLE FEE SIMPLE
REAL ESTATE

KENT ISLAND, STEVENSVILLE, MARYLAND

Under and by virtue of the power of sale contained in the mortgage from GARY W. DEPROSPERO AND JACK A. DUTROW to the QUEENSTOWN BANK OF MARYLAND, dated May 1, 1981, and recorded among the Land Records of Queen Anne's County, State of Maryland, in Liber M.W.M. No. 174, folio 735, default having occurred in the terms of said mortgage, the undersigned Attorney, being authorized to exercise the power of sale in case of default by virtue of the assignment of said mortgage to him from the mortgagee, will offer at public auction on the premises located on Maryland Route 18, Stevensville, Kent Island, Queen Anne's County, State of Maryland, at the hour of 10:00 a.m., Eastern Standard Time, on

Fri., Dec. 16, 1983

the following real estate, to wit:

PARCEL NO. 1

ALL that lot or parcel of land, formerly known as "The Luther Baxter Filling Station Property," "The Martin B. Heppold Property," "The Silver Roof", and now known as the "Island Casino Property", improved by a dwelling house and/or a store and restaurant and a bungalow, situated on Kent Island in the Fourth Election District of Queen Anne's County, Maryland, on the South side of the concrete State Road, known as the Eastern Shore Boulevard, a public road leading from Queenstown to Stevensville, bounded on the West by the lands of, or formerly of, Charles M. Bright and Harry T. Hopkins, on the East by the lands of the Stevensville Cemetery, bounded on the South by the lands of Elizabeth Potts, and bounded on the North by said Public Highway; and containing by survey 0.46 of an acre of land, more or less.

PARCEL NO. 2

ALL that lot, part of a lot or parcel of land, situated on Kent Island, in the Fourth Election District of Queen Anne's County, Maryland, located on the South side of the Eastern Shore Boulevard leading from Kent Island Narrows to Stevensville, bounded on the East by Parcel No. 1 above described; bounded on the South by the lands of Elizabeth Potts, and bounded on the West by the lands of Harry T. Hopkins and The Stevensville High School, and bounded on the North by said Public Highway; said lot being 100 feet in width and 175 feet in depth; and containing one-half (1/2) of an acre of land, more or less.

PARCEL NO. 3

ALL that lot of land, 75 feet in width and 200 feet in depth, lying Easterly of Parcel No. 1 above described, located on the South side of the old Eastern Shore Boulevard, on Kent Island, near Stevensville, Maryland; bounded on the North by said Boulevard, bounded on the Westerly side by Parcel No. 1 hereof, bounded on the South end East by lands of George R. Barton; and containing 0.344 Acre of land, more or less. See Plat of

Parcels Nos. 1, 2 and 3 hereof in Liber T.S.P. No. 4, folio 326, for further description of the lands herein conveyed.

PARCEL NO. 4

ALL that lot or parcel of land situate, lying and being on Kent Island in the Fourth Election District of Queen Anne's County, State of Maryland, known and designated as Parcel No. 3 on a Plat entitled, "Map Showing Survey of Three Lots or Parcels of Land for Elizabeth Lana Potts, Fourth Election District, Queen Anne' County, Maryland", by Shew and Bartlett, Registered Surveyors, dated May 3, 1962, said Plat being recorded among the land records of said County in Liber T.S.P. No. 66, folio 295, and more particularly described as follows, to wit:

BEGINNING for the same at a concrete monument on the northerly right-of-way line of U.S. Route No. 50-301, as set forth on the aforesaid Plat, at the Southeast corner of the lot hereby intended to be conveyed and the Southwest corner of the lands of the Stevensville Cemetery, and running thence by and with the right-of-way line of said Highway, North 73 degrees 41 minutes 11 seconds West, 135.02 feet to a concrete monument and the lands of the Board of Education of Queen Anne's County; thence by and with said last mentioned lands, North 17 degrees 28 minutes 09 seconds East, 445.23 feet to a concrete monument on the line of the lands of Henry P. Lane; thence by and with said Lana lands, South 71 degrees 56 minutes 38 seconds East, 34.13 feet to a concrete monument, South 17 degrees 30 minutes West, 25.00 feet to a concrete monument and South 71 degrees 55 minutes East, 100 feet to a concrete monument and the Stevensville Cemetery lands; thence with said lands, South 17 degrees 21 minutes West, 416.08 feet to the place of beginning; CONTAINING 1.31 acres, more or less.

BEING all the same land granted and conveyed unto Gery W. DeProspero and Jack A. Dutrow by deed from John Edgar Lawhorne and Essie Juanita Lawhorne, dated May 1, 1981, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 174 Folio 732.

IMPROVEMENTS: One story commercial building and single family residence.

TERMS OF SALE: The Purchaser(s) shall be required to deposit the sum of ten thousand dollars (\$10,000.00) in the form of cash, certified check or cashier's check on the day of sale. The balance of the purchase money with interest thereon at the rate of ten (10) percent per annum to be paid in cash, certified check or cashier's check within ten (10) days from the date of ratification of sale by the Circuit Court for Queen Anne's County. Time being of the essence. Taxes and all other assessments will be adjusted to the date of final settlement. All transfer expenses, including deeds, title examination, documentary stamps, transfer taxes and notary fees are to be paid by the purchaser(s).

At the time and place of sale, the purchaser(s) shall be required to make affidavit as required by

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CHARLES E. SMITH * IN THE CIRCUIT COURT
 ASSIGNEE * FOR
 VS. * QUEEN ANNE'S COUNTY
 GARY W. DEPROSPERO * IN EQUITY
 and *
 JACK A DUTROW * NO. 7492
 MORTGAGORS *
 * * *

AFFIDAVIT OF PURCHASER

STATE OF MARYLAND
COUNTY OF QUEEN ANNE'S

I HEREBY CERTIFY, That on this 16th day of December, 1983, before me, the subscriber, a Notary Public of the State of Maryland, in and for Queen Anne's County, personally appeared William Russell Cantler

_____ purchaser at the foreclosure sale of this cause and being duly authorized so to do, made oath in due form of law that He

_____ purchased all that parcel or tract of land, with the improvements thereon, described in the Advertisement of Sale in this cause for HIMSELF

_____, and that no others are interested in said sale as principal or principals, and that He did not directly or indirectly discourage anyone from bidding on said property.

WITNESS MY HAND AND NOTARIAL SEAL.

Lochlin Johnson
NOTARY PUBLIC

My Commission Expires: 7/01/86



FILED
1983 DEC 16 10 12 AM
COUNTY OF QUEEN ANNE'S

CERTIFICATE OF AUCTIONEER

I HEREBY CERTIFY, That I did sell at Public Auction:

PARCEL NO. 1

ALL that lot or parcel of land, formerly known as "The Luther Baxter Filling Station Property," "The Martin B. Happold Property," "The Silver Roof", and now known as the "Island Casino Property", improved by a dwelling house and/or a store and restaurant and a bungalow, situate on Kent Island in the Fourth Election District of Queen Anne's County, Maryland, on the South side of the concrete State Road, known as the Eastern Shore Boulevard, a public road leading from Queenstown to Stevensville, bounded on the West by the lands of, or formerly of, Charles M. Bright and Harry T. Hopkins, on the East by the lands of the Stevensville Cemetery, bounded on the South by the lands of Elizabeth Potts, and bounded on the North by said Public Highway; and containing by survey 0.46 of an acre of land, more or less;

PARCEL NO. 2

ALL that lot, part of a lot or parcel of land, situate on Kent Island, in the Fourth Election District of Queen Anne's County, Maryland, located on the South side of the Eastern Shore Boulevard leading from Kent Island Narrows to Stevensville, bounded on the East by Parcel No. 1 above described, bounded on the South by the lands of Elizabeth Potts, and bounded on the West by the lands of Harry T. Hopkins and The Stevensville High School, and bounded on the North by said Public Highway; said lot being 100 feet in width and 175 feet in depth; and containing one-half (1/2) of an acre of land, more or less;

PARCEL NO. 3

ALL that lot of land, 75 feet in width and 200 feet in depth, lying Easterly of Parcel No. 1 above described, located on the South side of the old Eastern Shore Boulevard, on Kent Island, near Stevensville, Maryland, bounded on the North by said Boulevard, bounded on the Westerly side by Parcel No. 1 hereof, bounded on the South and East by lands of George R. Benton; and containing 0.344 Acre of land, more or less. See Plat of Parcels Nos. 1, 2 and 3 hereof in Liber T.S.P. No. 4, folio 326, for further description of the lands herein conveyed.

PARCEL NO. 4

ALL that lot or parcel of land situate, lying and being on Kent Island in the Fourth Election District of Queen Anne's County, State of Maryland, known and designated as Parcel No. 3 on a Plat entitled, "Map Showing Survey of Three Lots or Parcels of Land for Elizabeth Lane Potts, Fourth Election District, Queen Anne's County, Maryland", by Shew and Bartlett, Registered Surveyors, dated May 3, 1962, said Plat being recorded among the land records of said County in Liber T.S.P. No. 66, folio 295, and more particularly described as follows, to wit:

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1963

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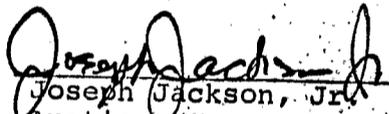
MAY 12 1962
QUEEN ANNE'S COUNTY

BEGINNING for the same at a concrete monument on the northerly right-of-way line of U.S. Route No. 50-301, as set forth on the aforesaid Plat, at the Southeast corner of the lot hereby intended to be conveyed and the Southwest corner of the lands of the Stevensville Cemetery, and running thence by and with the right-of-way line of said Highway, North 73 degrees 41 minutes 11 seconds West, 135.02 feet to a concrete monument and the lands of the Board of Education of Queen Anne's County; thence by and with said last mentioned lands, North 17 degrees 28 minutes 09 seconds East, 445.23 feet to a concrete monument on the line of the lands of Henry P. Lane; thence by and with said Lane lands, South 71 degrees 56 minutes 38 seconds East, 34.13 feet to a concrete monument, South 17 degrees 30 minutes West, 25.00 feet to a concrete monument and South 71 degrees 55 minutes East, 100 feet to a concrete monument and the Stevensville Cemetery lands; thence with said lands, South 17 degrees 21 minutes West, 416.08 feet to the place of beginning; CONTAINING 1.31 acres, more or less.

BEING all the same land conveyed unto Gary W. DeProspero and Jack A. Dutrow by deed from John Edgar Lawhorne and Essie Juanita Lawhorne, dated the 1st day of May, 1981, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 174, folio 732.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads and or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

On the property located on the South side of Route 18, Stevensville, Queen Anne's County, Maryland, on Friday, December 16, 1983, beginning at the hour of 10:00 a.m. Eastern Standard Time, unto William Russell Cantler 458 Forest Beach Road, Annapolis, Md. 21401 for the sum of Sixty Three Thousand Dollars (\$63,000.00).


Joseph Jackson, Jr.
Auctioneer

ORDER NISI ON SALE

CHARLES E. SMITH, Assignee

vs.

GARY W. DEPROSPERO and
JACK A. DUTROW

Mortgagors

In the Circuit Court
for Queen Anne's County
In Equity

Cause No. 7492

ORDERED, this 16th day of December, 1983, that
the sale of the real property, made and reported in this cause by
Charles E. Smith, Assignee, be ratified and confirmed,
on or after the 19th day of January, 1984, unless
cause to the contrary thereof be previously shown; provided a copy of this order be inserted
in some newspaper published in Queen Anne's County, Maryland, once in each of three suc-
cessive weeks before the 12th day of January, 1984.

The report states the amount of sales to be \$ 63,000.00.

Magistrate St. Markin Clerk

Filed December 16, 1983

CHARLES E. SMITH, Assignee	*	IN THE
Plaintiff	*	CIRCUIT COURT FOR
vs.	*	QUEEN ANNE'S COUNTY
GARY A. DePROSPERO, et al.	*	EQUITY NO. 7492
Defendants	*	

PETITION TO INTERVENE
AND STATEMENT OF CLAIM

Comes now the Petitioners, Edward Turner and Patrick E. Thompson, and respectfully represent to this Honorable Court:

1. That your Petitioners are Plaintiffs and Attorneys named in Mortgage in a foreclosure suit in the Circuit Court for Queen Anne's County, being Equity No. 7342, wherein a second mortgage on the subject property was foreclosed.

2. That the sale in Equity No. 7342 was ratified by this Honorable Court on June 21, 1983; and thereafter, the purchaser at said sale was unable to obtain financing and a deed from said Attorneys named in Mortgage to the purchaser has not been executed.

3. That your Petitioners have incurred expenses in the foreclosure of the second mortgage in the amount of \$4,284.11, in accordance with the Statement of Account attached hereto as "Exhibit A".

4. That your Petitioners, as Attorneys named in Mortgage of the second mortgage on the subject property, are entitled to first priority after the Plaintiff in repayment of its loan, to pay for said expenses incurred in their foreclosure suit, Equity No. 7342, and any sums remaining from the surplus after the payment of the aforementioned expenses be applied to the mortgage indebtedness of the second mortgage as reflected in the Statement of Mortgage Indebtedness heretofore filed in Equity No. 7342, a copy of which is attached hereto as "Exhibit B".

Respectfully submitted,

Edward Turner
Edward Turner

Patrick E. Thompson
Patrick E. Thompson
Petitioners

CERTIFICATE OF SERVICE

We hereby certify that on this 30th day of December, 1983, we caused to be mailed to Charles E. Smith, Assignee and Plaintiff, at P. O. Box 147, Grasonville, MD 21638, a copy of the Petition To Intervene and Statement of Claim, with Exhibits and proposed Order of Court.

Edward Turner
Edward Turner

Patrick E. Thompson
Patrick E. Thompson
Petitioners

TURNER & THOMPSON
ATTORNEYS AT LAW
100 LAWYERS ROW
GERTHERVILLE, MARYLAND
21637

1983 DEC 31 PM 1:29
QUEEN ANNE'S COUNTY

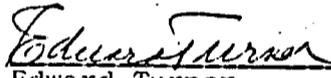
STATEMENT OF ACCOUNT

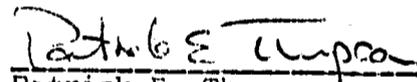
Expenses incurred in foreclosure suit, Equity No. 7342,
by the Attorneys named in Mortgage.

Auctioneer's fee	\$ 150.00
Bond premium	440.00
Advertising expenses	401.17
Certified mail fees	3.44
Fiduciary commissions	3,150.00
Court costs	<u>139.50</u>
	\$4,284.11

Plus an Auditor's fee and
expenses, if an account
is stated

amount unknown


Edward Turner

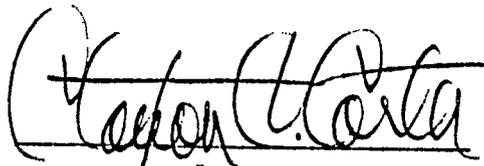

Patrick F. Thompson
Attorneys named in Mortgage

CHARLES E. SMITH, Assignee : IN THE CIRCUIT COURT
Plaintiff :
vs. : FOR QUEEN ANNE'S COUNTY
GARY A. DePROSPERO, et al. :
Defendants : EQUITY NO. 7492

ORDER OF COURT

It appearing to the Court that no grounds for intervention have been set forth pursuant to Md. Rule 208, and it further appearing that if Petitioners are entitled to any relief it would be pursuant to Md. Rule W 75,

IT IS THEREUPON ORDERED this 30th day of December 1983 by the Circuit Court for Queen Anne's County, Sitting in Equity, that the Petition to Intervene filed 12th day of December 1983 be and it is hereby denied.


Judge

Distribution:
Original - Court File
True Copies:
Charles, E. Smith, Esq.
Edward Turner & Patrick Thompson
John W. Sause, Jr., Court Auditor

DEC 30 1983
QUEEN ANNE'S COUNTY

December 7, 1983

Mrs. Essie Lawhorne
Buena Vista, VA 24416

Dear Mrs. Lawhorne:

Foreclosure proceedings have been filed in the Circuit Court for Queen Anne's County against the property mortgaged by Gary W. DeProspero and Jack A. Dutrow to Queenstown Bank of Maryland. A copy of the advertisement of sale setting forth the time and place of sale and the terms thereof is enclosed. This notice is made pursuant to Maryland Rule W74 (2C).

This notice is being given to you as an interested party holding a subordinate interest in the property to be foreclosed.

This sale will be held on the property on Friday, December 16, 1983, 10 a.m. Eastern Standard Time. This sale may be cancelled prior to the above date by payment of the principal and interest due to the mortgagee plus all costs, legal fees and commissions, as set forth in the mortgage documents and as prescribed by law.

Sincerely,

Charles E. Smith

CES/db

Enclosure

CERTIFIED MAIL

1983 JAN 23 PM 12:24

QUEEN ANNE'S COUNTY

P 228 142 866
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO Mrs. Essie Lawhorne	
STREET AND NO.	
P.O., STATE AND ZIP CODE Buena Vista, VA 24416	
POSTAGE	\$
CERTIFIED FEE	0
SPECIAL DELIVERY	0
RESTRICTED DELIVERY	0
OPTIONAL SERVICES	
CONSULT POSTMASTER FOR FEES	
RETURN RECEIPT SERVICE	
SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	\$
POSTMARK OR DATE	

PS Form 3800, Apr. 1976



PS Form 3811, Dec. 1980

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one):
 Show to whom and date delivered
 Show to whom, date, and address of delivery
 RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.)

2. TOTAL \$

3. ARTICLE ADDRESSED TO:
Mrs. Essie Lawhorne
Buena Vista, VA 24416

4. TYPE OF SERVICE:
 REGISTERED INSURED
 CERTIFIED COD
 EXPRESS MAIL
 (Always obtain signature of addressee or agent!)

I have received the article described above.
 SIGNATURE Addressee Authorized agent
Essie Lawhorne

5. DATE OF DELIVERY
 DEC 9 1983

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

7a. RETURN TO SENDER

P 228 142 864

RECEIPT FOR CERTIFIED MAIL

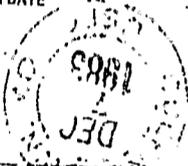
NO INSURANCE COVERAGE PROVIDED--
NOT FOR INTERNATIONAL MAIL.
(See Reverse)

SENT TO
Mr. Gary DeProspero
C/O Silver Dollar
Stevensville, MD 21666

POSTAGE	
CERTIFIED MAIL	
SPECIAL DELIVERY	
RESTRICTED DELIVERY	
OPTIONAL SERVICES	
RETURN RECEIPT SERVICE	SHOW TO WHOM AND DATE DELIVERED
	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY
	SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY
	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY

TOTAL POSTAGE AND FEES

POSTMARK OR DATE



PS Form 3800, Apr. 1976

PS Form 3811, Dec. 1982

● SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
 Show to whom and date delivered
 Show to whom, date, and address of delivery..
 2. RESTRICTED DELIVERY
 (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$

3. ARTICLE ADDRESSED TO:
 Mr. Gary DeProspero
 C/o Silver Dollar
 Stevensville, MD 21666

4. TYPE OF SERVICE: REGISTERED INSURED
 CERTIFIED COD P228 142 864
 EXPRESS MAIL

ARTICLE NUMBER

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent

5. DATE OF DELIVERY: 12-10-83

POSTMARK: STEVENSVILLE MD 21666 DEC 10 1983

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS: [Signature]

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

December 7, 1983

Mr. Gary DeProspero
C/o Silver Dollar
Stevensville, MD 21666

Dear Mr. DeProspero:

Foreclosure proceedings have been filed in the Circuit Court for Queen Anne's County against the property mortgaged by you to Queenstown Bank of Maryland. A copy of the advertisement of sale setting forth the time and place of sale and the terms thereof is enclosed. This notice is made pursuant to Maryland Rule W74 (2C).

This sale will be held on the property on Friday, December 16, 1983, 10 a.m. Eastern Standard Time. This sale may be cancelled prior to the above date by payment of the principal and interest due to the mortgagee plus all costs, legal fees and commissions, as set forth in the mortgage documents and as prescribed by law.

Sincerely,

Charles E. Smith

CES/db

Enclosure

CERTIFIED MAIL

CLERK

1984 JAN 23 PM 12:24

QUEEN ANNE'S COUNTY

December 7, 1983

Mr. Jack A. Dutrow
Marling Farms
Chester, MD 21619

Dear Mr. Dutrow:

Foreclosure proceedings have been filed in the Circuit Court for Queen Anne's County against the property mortgaged by you to Queenstown Bank of Maryland. A copy of the advertisement of sale setting forth the time and place of sale and the terms thereof is enclosed. This notice is made pursuant to Maryland Rule W74 (2C).

This sale will be held on the property on Friday, December 16, 1983, 10 a.m. Eastern Standard Time. This sale may be cancelled prior to the above date by payment of the principal and interest due to the mortgagee plus all costs, legal fees and commissions, as set forth in the mortgage documents and as prescribed by law.

Sincerely,

Charles E. Smith

CES/db

Enclosure

CERTIFIED MAIL

RECEIVED
DEC 24 1983
QUEEN ANNE'S COUNTY

P 228 142 865
RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO Mr. Jack A. Dutrow STREET AND NO Marling Farms P.O. STATE AND ZIP CODE Chester, MD 21619	
POSTAGE	\$
CERTIFIED FEE	\$
SPECIAL DELIVERY	\$
RESTRICTED DELIVERY	\$
CONSULT POSTMASTER FOR FEES	\$
OPTIONAL SERVICES	\$
RETURN RECEIPT SERVICE	\$
TOTAL POSTAGE AND FEES	\$
POSTMARK OR DATE	DEC 24 1983

PS Form 3800, Apr. 1976

PS Form 3811, Dec. 1980

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

1. ARTICLE ADDRESSED TO:
Mr. Jack A. Dutrow
Marling Farms
Chester, MD 21619

2. TYPE OF SERVICE:
 REGISTERED
 INSURED
 CERTIFIED
 COD
 EXPRESS MAIL
 ARTICLE NUMBER
P228 142 865

3. SIGNATURE: *Charles E. Smith*
 I have received the item described above.
 Address
 Authorized agent

4. DATE OF DELIVERY: _____
 POSTMARK

5. ADDRESSEE'S ADDRESS (only if registered): _____

6. UNABLE TO DELIVER BECAUSE: _____
 EMPLOYEES' INITIALS: *db*

7. TOTAL \$ _____

8. SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.
 (CONSULT POSTMASTER FOR FEES)
 1. The following service is requested (check one).
 Show to whom and date delivered.
 Show to whom, date, and address of delivery.
 RESTRICTED DELIVERY
 (The restricted delivery fee is charged in addition to the return receipt fee.)
 TOTAL \$ _____

Centreville, Md. 1/11 19 84

We Herby Certify

That the annexed advertisement of
Order Nisi - Gary W. Prospero & Jack A. Dutrow
was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 19th day of Jan. 19 84.
And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER/BAY TIMES was on the
28th day of Dec.
19 83, and the last insertion on the
11th day of Jan.
19 84.

Publishers, Record Observer
Per Betty M. Comegys

ORDER NISI
ON SALE
CHARLES E. SMITH
Assignee

vs.
GARY W. DEPROSPERO
and JACK A. DUTROW
Mortgagors

In the Circuit Court
for
Queen Anne's County
In Equity
Cause No. 7492

ORDERED, this 16th day
of December, 1983; that
the sale of the real pro-
perty, made and reported
in this cause by Charles E.
Smith, Assignee, be
ratified and confirmed, on
or after the 19th day of
January, 1983, unless
cease to the contrary
thereof be previously
shown; provided a copy of
this order be inserted in
some newspaper published
in Queen Anne's County,
Maryland, once in each of
three successive weeks
before the 12th day of
January, 1984.

The report states the
amount of sales to be
\$63,000.00

Marguerite W. Mankin
Clerk

True Copy, Test:

Marguerite W. Mankin
Clerk

By: Betty M. Comegys
Deputy Clerk

Filed December 16, 1983

BB-12-28-31-024

1983 DEC 25

17-100

CHARLES E. SMITH	*	IN THE CIRCUIT COURT
ASSIGNEE	*	FOR
VS.	*	QUEEN ANNE'S COUNTY
GARY W. DEPROSPERO	*	IN EQUITY
and	*	
JACK A. DUTROW	*	CHANCERY NO. 7492
MORTGAGORS	*	

* * *

FINAL ORDER OF RATIFICATION OF SALE

IT IS ORDERED, by the Circuit Court for Queen Anne's County, In Equity, this 25th day of January 1984, that the sale of the real estate made and reported in this cause by Charles E. Smith, Assignee, be, and the same is hereby finally ratified and confirmed, no cause to the contrary thereof having been shown although due notice thereof appears to have been given as required by the preceding Order Nisi; and the said Charles E. Smith, Attorney Named in Mortgage, is allowed the usual commissions and such proper expenses, not personal, as he shall produce vouchers therefor to the Auditor.

Clayton C. Carter
 JUDGE

17-100
 JAN 25 1984
 QUEEN ANNE'S COUNTY

CHARLES E. SMITH, Assignee
Plaintiff

vs.

GARY W. DePROSPERO, et al.
Defendants

IN THE CIRCUIT COURT FOR

QUEEN ANNE'S COUNTY

SITTING IN EQUITY

No. 7492

PETITION FOR ALLOWANCE OF
SECURED PARTY

Fssie J. Lawhorne, by Edward Turner and Patrick E. Thompson, her attorneys, and Edward Turner and Patrick E. Thompson, Attorneys named in Mortgage, respectfully represent:

1. That Petitioners are secured creditors against Gary W. DeProspero and Jack A. Dutrow by virtue of a Second Mortgage dated May 1, 1981, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber M.W.M. No. 174, folio 740, securing an indebtedness in the original principal amount of \$118,000.00.
2. That default occurred on said Second Mortgage and foreclosure proceedings were begun in the Circuit Court for Queen Anne's County, in Equity No. 7342.
3. That the sale in Equity No. 7342 was ratified by this Honorable Court on June 21, 1983; and thereafter, the purchaser at said sale was unable to obtain financing and a deed from said Attorneys named in Mortgage to the purchaser has not been executed.
4. That your Petitioners have incurred expenses in the foreclosure of said second mortgage in the amount of \$4,284.11, in accordance with the Statement of Account attached hereto as "Exhibit A".
5. That attached hereto is a copy of the Statement of Mortgage Indebtedness heretofore filed in Equity No. 7342, which is marked "Exhibit B".
6. That pursuant to Maryland Rule W75, Petitioners make application to this Court to have any surplus of the proceeds of sale on the above entitled foreclosure action, after payment to all prior lien holders of their claim and allowable reasonable expenses, paid over to Petitioners to apply to the satisfaction of their claim.
7. That your Petitioners are entitled to first priority after the Plaintiff in repayment of its loan, to pay for said expenses incurred in their foreclosure suit, Equity No. 7342, and any sums remaining from the surplus after the payment of the aforementioned expenses be applied to the mortgage indebtedness of the second mortgage, as reflected in the Statement of Mortgage Indebtedness.

TURNER & THOMPSON
ATTORNEYS AT LAW
100 E. WYOMING AVE.
ANNAPOLIS, MARYLAND
21403

EST. FEB 25 11 250
QUEEN ANNE'S COUNTY

17 100

WHEREFORE, your Petitioners respectfully pray that this Honorable Court pursuant to Maryland Rule W75 allow their claim of \$4,284.11, expenses incurred in said foreclosure proceedings, and any sums remaining from the surplus be applied to the mortgage indebtedness, according to its proper priority.

Edward Turner
Edward Turner, Attorney for Essie J. Lawhorne, and as Attorney named in Mortgage

Patrick E. Thompson, Esq.
Patrick E. Thompson, Attorney for Essie J. Lawhorne, and as Attorney named in Mortgage

ORDER OF COURT

UPON the foregoing Petition, it is this _____ day of _____, 1984, by the Circuit Court for Queen Anne's County, Sitting in Equity,

ORDERED that the claim of Essie J. Lawhorne, and Edward Turner and Patrick E. Thompson, Attorneys named in Mortgage, filed in the above entitled case, in the amount of \$4,284.11, for expenses incurred in foreclosure proceedings in Equity No. 7342, and any surplus remaining after the payment of expenses be applied to the mortgage indebtedness of the second mortgage, as reflected in the Statement of Mortgage Indebtedness, be and the same is hereby allowed out of the surplus proceeds, if any, from the above entitled foreclosure sale according to its proper priority.

JUDGE

CERTIFICATE OF SERVICE

I HEREBY CERTIFY, that on this 6th day of February, 1984, I served a copy of the foregoing Petition for Allowance of Secured Party on Charles E. Smith, Esquire, by mailing a copy of the same to him at his office located at P.O. Box 147, Grasonville, Maryland, 21638.

Edward Turner (Att)
Edward Turner, Attorney

PATRICK E. THOMPSON
ATTORNEY AT LAW
100 LAWYER ROW
CHARLESTOWN, MARYLAND
21022

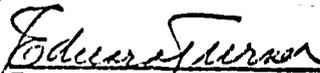
STATEMENT OF ACCOUNT

Expenses incurred in foreclosure suit, Equity No. 7342,
by the Attorneys named in Mortgage.

Auctioneer's fee	\$ 150.00
Bond premium	440.00
Advertising expenses	401.17
Certified mail fees	3.44
Fiduciary commissions	3,150.00
Court costs	<u>139.50</u>
	\$4,284.11

Plus an Auditor's fee and
expenses, if an account
is stated

amount unknown


Edward Turner


Patrick F. Thompson
Attorneys named in Mortgage

TURNER & THOMPSON
ATTORNEYS AT LAW
109 LAWYERS ROW
CENTREVILLE, MARYLAND
21017

"Exhibit A"

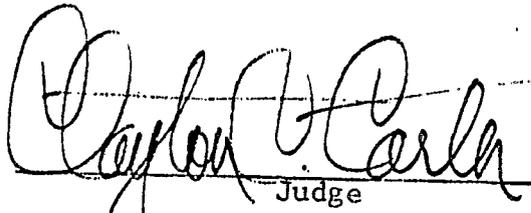
CCC:mfe:2/9/84

CHARLES E. SMITH, Assignee : IN THE CIRCUIT COURT
Plaintiff :
vs. : FOR QUEEN ANNE'S COUNTY,
GARY A. DePROSPERO, et al. : SITTING IN EQUITY
Defendants : NO. 7492

ORDER APPROVING CLAIM

The verified claim of Edward Turner and Patrick E. Thompson, Attorneys named in nortgage, having been read and considered and it appearing that such claimants have an interest in the equity of redemption of the property which is the subject of this proceeding, it is this 9th day of February, 1984, by the Circuit Court for Queen Anne's County, Sitting in Equity,

ORDERED; that after payment to the mortgagee of its claim and expenses, so much of any surplus proceeds of the sale made herein as will satisfy the claim of Edward Turner and Patrick E. Thompson, Attorneys named in mortgage, shall be paid over to said claimants; provided, however, that such claim shall be considered together with all other claims filed and approved in this cause at the time when the Audit is prepared and that the surplus proceeds of sale shall be distributed equitably among all such claimants, subject to exception in accordance with Md. Rule 595.


Judge

Distribution:

Original - Court File

Photocopies:

John W. Sause, Jr., Court Auditor
Edward Turner and
Patrick E. Thompson, Attorneys
Charles E. Smith, Esq.

CHARLES E. SMITH, Assignee	*	IN THE CIRCUIT COURT FOR
	*	QUEEN ANNE'S COUNTY
vs.	*	Sitting In Equity
GARY W. DePROSPERO and	*	No. 7492
JACK A. DUTROW	*	
Mortgagors	*	

ORDER OF COURT

27th Upon further consideration by the Court, it is this day of June, 1984, ORDERED by the Circuit Court for Queen Anne's County, Sitting In Equity, that the Order of this Court dated February 9, 1984, be amended to add the following paragraph:

And it is FURTHER ORDERED that any surplus proceeds remaining after satisfaction of the claim of Edward Turner and Patrick E. Thompson, Attorneys named in Mortgage, shall be extended to Essie Juanita Lawhorne, as Second Mortgagee, subject to the usual exceptions.

[Handwritten Signature]

 JUDGE

JUN 27 1984
 QUEEN ANNE'S COUNTY

TURNER & THOMPSON
 ATTORNEYS AT LAW
 100 LAWYER ROW
 CENTREVILLE, MARYLAND
 21617

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

CHARLES E. SMITH :
 Assignee :
 v. : Chancery #7492
 GARY W. DEPROSPERO :
 AND :
 JACK A. DUTROW :

AUDITOR'S ACCOUNT

PROCEEDS OF FORECLOSURE SALE			
Sale Price, as reported			\$ 63,000.00
Interest on \$ 53,000.00 @ 10%			
as shown on Settlement Statement			<u>1,442.56</u>
GROSS AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 64,442.56
COMMISSIONS, payable to Fiduciary	\$	3,300.00-	
ATTORNEY FEE, per Mortgage		750.00-	
EXPENSES OF SALE			
Court costs	\$	181.50-	
Advertising			
Notices of sale		378.00-	
Report of sale		57.75-	
Bond premium		220.00-	
Auctioneer's fee		157.50-	
Real property taxes			
paid at settlement		561.67-	
Sewer charges			
paid at settlement		2,502.98-	
Certified mail		<u>4.65-</u>	
		4,064.05-	
AUDITOR'S FEE AND COSTS			
Fee for audit	\$	45.00-	
Postage & copies		<u>2.34-</u>	
		47.34-	<u>8,161.39-</u>
NET AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 56,281.17

RECEIVED
 CLERK, CIRCUIT COURT
 1984 AUG -8 PM 4:07
 QUEEN ANNE'S COUNTY

AUDITOR'S ACCOUNT

CHANCERY #7492

PAGE 2

INDEBTEDNESS DUE UNDER MORTGAGE	
Principal, per Statement of Debt	\$ 38,908.55-
Interest to 11/28/83, per Statement	5,324.32-
Late charges, per Statement	325.56-
Insurance paid by Mortgage	965.72-
Interest on principal @ 16%	
11/28/83 to 02/14/84	
78 days @ \$17.05	
	<u>1,329.90-</u> \$ 46,854.05-
AVAILABLE FOR DISTRIBUTION, as above	<u>56,281.17</u>
SURPLUS to be distributed as follows, per claims filed and Order passed in Chancery #7342	\$ <u>9,427.12</u>
Payable to Edward Turner & Patrick E. Thompson, Attorneys in Chancery #7342	\$ 5,015.31
Additional costs payable to Clerk in Chancery #7342	
Additional costs \$ 52.00	
Record release of Judgment <u>5.00</u>	57.00
Balance payable to Essie Juanita Lawhorne, creditor (Note A)	<u>4,354.81</u>
	\$ <u>9,427.12</u>

Note A: The amount payable to Essie Juanita Lawhorne is to be paid after (1) Items payable to Messrs. Turner and Thompson and all court costs have been paid and (2) she submits to the Fiduciary in this case proof that she has filed in Chancery #7342 a credit against the Deficit shown therein in the amount of \$4,354.81 and of interest computed as follows:

Interest 05/07/83 - 05/06/84	\$ 501.53
Interest 05/06/84 - 08/20/84	
@ \$1.37 per day	145.22

Plus interest at the rate of \$1.37 per day to the date when distribution is made to Edward Turner and Patrick E. Thompson, Attorneys.

N O T I C E

The attached Account was filed on August 8, 1984. Exceptions to the Account must be filed within ten (10) days of that date. If timely exceptions are not filed, the Account may thereupon be ratified. The amount allowed to each claimant is stated in the attached Account.

CERTIFICATE OF AUDITOR

I hereby certify that I have examined the Suggested Account, together with the receipts, vouchers, statements, suggested distribution and affidavit submitted by the Fiduciary in Chancery Cause #7492. On the basis of the facts which appear upon the face of the proceedings and proofs submitted to me, it is my opinion that the claims set forth in the foregoing Auditor's Account have been established and are properly allowable by law in the amounts there set forth.

I further certify that on August 8, 1984, copies of the Auditor's Account and Notice conforming to the requirements of Maryland Rule 2-543 and Second Circuit Rule 12 d were mailed to the following:

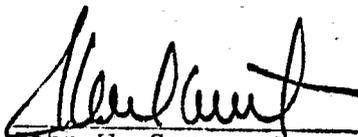
Charles E. Smith, Esquire
Post Office Box 147
Grasonville, Maryland 21638

Gary DeProspero
c/o Silver Dollar
Stevensville, Maryland 21666

Jack A. Dutrow
Marling Farms
Chester, Maryland 21619

Essie Juanita Lawhorne
Buena Vista, Virginia 24416

Edward Turner, Esquire
Patrick E. Thompson, Esquire
109 Lawyer's Row
Centreville, Maryland 21617



John W. Sause, Jr.
Auditor

Circuit Court for Queen Anne's County

COURT HOUSE
CENTREVILLE, MARYLAND 21617



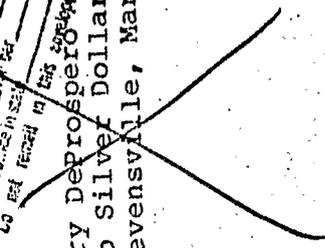
17 110

Handwritten signature



REASON FOR RETURN
No postage or postage
insufficient postage
No such street
No such office in ZIP
code listed in ZIP code

Gary DeProspero
c/o Silver Dollar
Stevensville, Maryland 21666



IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

CHARLES E. SMITH :
Assignee :
v. : Chancery #7492
GARY W. DEPROSPERO :
AND :
JACK A. DUTROW :
: : : : :

ORDER RATIFYING AUDIT

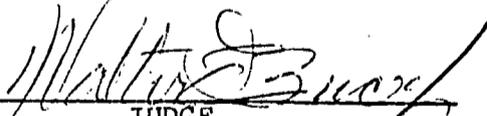
The matter coming before the Court on the Account heretofore filed by the Auditor and it appearing from the Auditor's Certification that the requirements of Rule 2-543 (e) have been met, and no exceptions having been filed within 10 days of the date when the Account was filed, it is this ^{20th} day of August, 1984, by the Circuit Court for Queen Anne's County,

ORDERED that the Account of the Auditor is hereby ratified and confirmed, and the Fiduciary shall apply the proceeds accordingly with a due proportion of interest after same has been or may be received.

FILED

AUG 1984

CIRCUIT COURT
QUEEN ANNE'S CO


JUDGE

17 NOV 1983

CHARLES E. SMITH
Attorney Named in
Mortgage
Grasonville, Maryland 21638

* IN THE CIRCUIT COURT
* for

Vs. * QUEEN ANNE'S COUNTY

CALVERT SHELLFISH COMPANY
AND
VIRGINIA HOXTER
Grasonville, Maryland 21638

* IN EQUITY

Mortgagors

NO. 7493

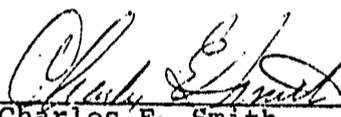
NOV 29 83 * 28127 *****60 00
NOV 29 83 A 528127 *****60 00

* * * * *

ORDER TO DOCKET SUIT

Mrs. Marguerite W. Mankin, Clerk:

You will please docket suit as per the above titling for foreclosure of the mortgages from CALVERT SHELLFISH COMPANY and VIRGINIA HOXTER, to QUEENSTOWN BANK OF MARYLAND, DATED July 7, 1977, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber C.W.C. No. 123, folio 6 and from VIRGINIA HOXTER to QUEENSTOWN BANK OF MARYLAND, dated April 13, 1981, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber M.W.M. 174, folio 680, in which the undersigned attorney is designated by name to exercise the power of sale, default having occurred in the terms thereof by reason of the non-payment when due of the principal and interest on said mortgage; and you will file in said suit the original of said mortgage as well as the accompanying military affidavit and statement of indebtedness.


Charles E. Smith
Attorney Named in mortgage
P.O. Box 147
Grasonville, Maryland 21638
Telephone: 301 827 7550

63 NOV 20 1983 3 21
QUEEN ANNE'S COUNTY

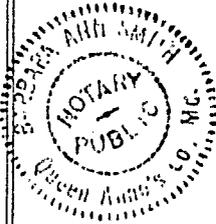
STATE OF MARYLAND

QUEEN ANNE'S COUNTY

I HEREBY CERTIFY, That on this 28th day of November, 1983, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Charles E. Smith, Attorney named in mortgage, and made oath in due form of law that CALVERT SHELLFISH COMPANY and VIRGINIA HOXTER are not now, nor have they been within six (6) months prior hereto, in the military service of the United States of America, as defined by the Soldiers' and Sailors' Relief Act, and amendments thereto.


NOTARY PUBLIC

My Commission Expires 7/01/86.



CHARLES E. SMITH * IN THE CIRCUIT COURT
 Attorney Named in *
 Mortgage * FOR
 Grasonville, Md. 21638 *
 Vs. * QUEEN ANNE'S COUNTY

CALVERT SHELLFISH COMPANY * IN EQUITY
 AND *
 VIRGINIA HOXTER *
 Grasonville, Md. 21638 * NO. 7493

* * * * *

STATEMENT OF MORTGAGE INDEBTEDNESS

Balance due on principal of mortgage dated July 7, 1977, in the gross amount of \$75,000.00 from CALVERT SHELLFISH COMPANY and VIRGINIA HOXTER to QUEENSTOWN BANK OF MARYLAND \$ 62,439.15

Unpaid Interest to November 28, 1983 5,047.11
 \$ 67,486.26

Interest will continue to accrue at the rate of \$17.34 per day after November 28, 1983

Balance due on principal of mortgage dated April 13, 1981, in the Gross amount of \$8,000.00 from VIRGINIA HOXTER to QUEENSTOWN BANK OF MARYLAND \$ 7,998.25

Unpaid Interest to November 28, 1983 164.79
 \$ 8,163.04

Interest will continue to accrue at the rate of \$3.51 per day after November 28, 1983

STATE OF MARYLAND

COUNTY OF QUEEN ANNE'S to wit:

This is to certify that on this 28th day of November, 1983, before the subscriber, a Notary Public of the State and County aforesaid, personally appeared Charles E. Smith, Attorney named in mortgage, and made oath in due form of law that the foregoing Statement of Mortgage Indebtedness due by CALVERT SHELLFISH COMPANY and VIRGINIA HOXTER, under the above described mortgage is true to the best of his knowledge, information and belief, and there is no credit due thereon, except as shown, nor any security therefore except the said mortgage.

Barbara Penn Smith
NOTARY PUBLIC

My Commission Expires: 7/01/86.



FILED
 1983 NOV 29 AM 3:21
 QUEEN ANNE'S COUNTY

This Mortgage, made this 13th day of April, 1981, by and between VIRGINIA HOXTER (hereinafter collectively sometimes called the "Mortgagor") and THE QUEENSTOWN BANK OF MARYLAND a corporation duly incorporated and existing under the laws of the State of Maryland (hereinafter sometimes called the "Mortgagee").

WHEREAS, the Mortgagor stands bona fida indebted unto the Mortgagee in the full and just principal sum of Eight Thousand Dollars (\$8,000.00) for money this day loaned by the Mortgagee unto the Mortgagor evidenced by and payable with interest as provided in a Note of even date herewith,

WHEREAS, it was a condition precedent to the making of such loan that the repayment thereof, with interest, should be secured by the execution of this Mortgage;

NOW, THEREFORE, in consideration of the premises and the sum of One Dollar (\$1.00) and other good and valuable considerations, the receipt whereof is hereby acknowledged, the Mortgagors grant, assign and convey unto the Mortgagee, its successors and assigns, all that lot or lots of ground situate in Queen Anne's County, State of Maryland, hereinafter referred to as the Mortgaged Property, and described as follows:

ALL that lot, or parcel of land, improved by a frame dwelling house and outbuildings and known as "The Calvert E. and Virginia Hoxter Residential Property", situate in the Second Precinct of the Fifth Election District of Queen Anne's County, Maryland, located on the right or western side of the Public Road leading from Grasonville to Perry's Corner, bounded on the North by land of or formerly of T. Rollin Volz, bounded on the West by land of Ralph and Katie Thomas, bounded on the South by a lane or alley leading from the said Grasonville Perry's Corner Road westerly to the land of Ralph and Katie Thomas and bounded on the East by aforesaid Public Road and more particularly described as follows:

BEGINNING for the same at a concrete monument where the land hereby conveyed corners on the aforesaid Public Road with the land of T. Rollin Volz, thence with Volz land North 89 degrees 23 minutes West, 200 feet to the Thomas land; thence South 29 degrees 45 minutes East, 200 feet to an alley, lane or by-road; thence South 89 degrees 23 minutes East, 200 feet to the aforesaid Public Road; thence with said Public Road North 29 degrees 45 minutes West, 200 feet to the place of beginning, containing, .792 of an acre of land, more or less.

BEING all the same land conveyed unto Calvert E. and Virginia Hoxter by William H. and Katherine E. Reese by deed dated the 5th day of August, 1955, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 23, folio 281. (see Plat T.S.P. 23, folio 280).

SAVING AND EXCEPTING THEREFROM 0.248 acre of land conveyed by Calvert E. and Virginia Hoxter to J. Edward and Patricia N. Hoxter by deed dated December 12, 1960, recorded in Land Liber T.S.P. No. 64, folio 30.

SHOULD the Title to the herein mortgaged property be acquired by any person, persons, partnership or corporation, other than the Mortgagor, by voluntary or involuntary grant or assignment, or in any other manner without the Mortgagee's written consent, or should the same be encumbered by the Mortgagor, his heirs, personal representatives and assigns, without the Mortgagee's written consent, then the whole of said principal sum shall at the option of the Mortgagee immediately become due and owing as herein provided.

TOGETHER with all buildings and improvements now and hereafter on said land, and all and every the rights, roads, alleys, ways, waters, privileges, appurtenances and advantages thereto belonging or in any wise appertaining, including all heating, lighting and plumbing fixtures now or hereafter attached to or used in connection with the premises herein described, and all rents, issues and profits accruing from the premises hereby mortgaged.

PROVIDED that if the said principal sum of money loaned as aforesaid, and the interest thereon, as evidenced by the said promissory note and any renewals or part renewals thereof, shall be paid when due, and the Mortgagor shall perform all the covenants herein on his part to be performed then this mortgage shall be void; and until default be made in the premises, the Mortgagor shall possess the aforesaid property and be entitled to collect and retain the rents, issues and profits thereof.

AND the Mortgagor covenants with the Mortgagee as follows: (1) To repay the indebtedness, together with interest, secured by this mortgage, when due, (2) to pay a late charge not to exceed five cents for each dollar of delinquent principal and interest, or a minimum charge of \$2.00, on each payment more than fifteen days in arrears, to cover the extra expense involved in handling delinquent payments, (3) to keep the improvements on the premises insured against loss or damage by fire and such other hazards as may be required by the Mortgagee, to the amount of at least the insurable value thereof, in an insurance company or companies selected by the Mortgagee, and to have all said policies so framed or endorsed that the proceeds arising from said policies, in case of loss or damage, shall be payable to the Mortgagee only, and may, at his option, be applied to the extinguishment of the indebtedness and sums secured by this mortgage, whether then due or not, or used for the reconstruction of the improvements on the mortgaged property, and to deliver all said policies to the Mortgagee to be kept by him, (4) to pay all taxes, water and sewer charges, insurance premiums, public dues and assessments, for which the Mortgagor and/or the property hereby mortgaged may become liable, when payable; in the event the Mortgagor fails to make the said payments, the Mortgagee is hereby authorized to pay the same, and the Mortgagee shall have a lien hereunder on said premises for the amount so paid, (5) to permit, commit or suffer no waste, impairment or deterioration of said property, or any part thereof, and upon the failure of the Mortgagor to keep the improvements on said property in good condition and repair, the Mortgagee may demand the immediate repair thereof or an increase in the amount of security or the immediate repayment of the indebtedness hereby secured, and the failure of the Mortgagor to comply with said demand of the Mortgagee for a period of thirty days shall constitute a breach of this mortgage, and at the option of the Mortgagee, immediately mature the entire principal and interest hereby secured, and the Mortgagee may, without notice, institute proceedings to foreclose this mortgage and apply for the appointment of a receiver as herein provided, (6) that the holder of this mortgage in any action to foreclose it, shall be entitled (without regard to the adequacy of any security for the debt) to the appointment of a receiver to collect the rents, issues and profits of said premises and account therefor as the Court may direct, (7) should title to the hereby mortgaged property be acquired by any persons or corporations, other than the Mortgagor by voluntary or involuntary grant or assignment, or in any other manner, without the Mortgagee's written consent, then the whole debt intended to be secured and all moneys owing hereunder or secured hereby shall, at the option of the Mortgagee, be due and demandable, (8) that in case of default in the payment of said debt, or interest, or any part of either, when due, or in any covenant of this Mortgage, then the whole debt intended to be secured and all moneys owing hereunder or secured hereby shall, at the option of the Mortgagee, be due and demandable, and the Mortgagee, or Charles E. Smith his hereby duly constituted attorney for the purpose, are hereby authorized to sell said premises after giving not less than twenty days notice of the time, place, manner and terms of sale in some newspaper published in the County where the mortgaged property or some portion thereof is located, and such other notice as the party selling may deem expedient, for cash, or for cash and credit, and to apply the proceeds of sale as follows, to wit: first, to the payment of all expenses incident to such sale, including a counsel fee of \$ 500.00 for conducting the proceedings if without contest, but if legal services be rendered to the party selling under the above power of sale, in connection with any contested matter in the proceedings, then such other counsel fees and expenses shall be allowed out of the proceeds of sale as the Court may deem proper, and also to the payment of a commission to the party making sale equal to the commission allowed trustees making sales of property under a decree of a Court of equity in the County where the sale is reported; second, to the payment of all claims of the Mortgagee, whether the same shall have matured or not; and third, the balance, if any, to the Mortgagor or to whomsoever shall be entitled to the same. Half of such commissions and all such expenses and costs shall be paid by the Mortgagor in the event that the mortgage debt shall be paid when suit has been docketed in the proper Court for the purpose under the power of sale granted herein, (9) that in the event of sale of the mortgaged property under the power of sale granted herein, all annual crops, planted, sown or growing upon said property at the time of sale shall pass to the purchaser of said property as part thereof, (10) that the Mortgagor will warrant specially the property hereby conveyed and will execute such further assurances of said land as may be requisite.

The covenants herein contained shall bind and the benefits and advantages shall inure to the respective heirs, executors, administrators, successors and assigns of the parties hereto. Whenever used the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

WITNESS the hand and seal of the Mortgagor:

WITNESS:

Doris R. Bitely

Virginia Hoxter (SEAL)
Virginia Hoxter

..... (SEAL)

..... (SEAL)

..... (SEAL)

..... (SEAL)

QUEEN ANNE'S COUNTY

"STATE OF MARYLAND
COUNTY OF Queen Anne's

On this, the 13th day of April, 1981, before me,

Doris R. Bitely

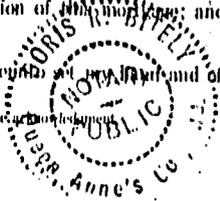
VIRGINIA HOXTER, the undersigned officer, personally appeared known to me to be the person(s) whose name(s) is/are subscribed

to the within instrument and acknowledged that she executed the same for the

purposes therein contained; and at the same time appeared Charles E. Smith, Agent for the within named mortgagee and made oath in due form of law that the consideration set forth in said mortgage is true and bona fide as therein set forth, that the amount of the loan which said mortgage has been given to secure was paid over and disbursed by the Mortgagee to either the Mortgagor(s) or the person(s) responsible for the disbursement of funds in the closing transaction, or their respective agents, at or before the final and complete execution of the mortgage; and that he is the agent of the Mortgagee and duly authorized to make this affidavit.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

*Here insert the name of the officer who takes the affidavit.



Doris R. Bitely
My Commission Expires: 7/01/82

DOCUMENT NO. 89-5

THIS MORTGAGE, made this 17 day of July, 1977, by and between CALVERT SHELLFISH COMPANY and VIRGINIA HOXTER, Individually parties of the first part, hereinafter referred to as MORTGAGOR, and QUEENSTOWN BANK OF MARYLAND party of the second part, hereinafter referred to as MORTGAGEE.

WHEREAS, the Mortgagor is justly indebted to the Mortgagee for a loan contemporaneous herewith, evidenced by a promissory note of even date herewith in the principal sum of Seventy Five Thousand and no/100 Dollars (\$ 75,000.00) payable, with interest thereon from the date hereof at the rate of Ten (10 %) per centum per annum on the unpaid principal until paid, at the designated office of the holder, in the manner following:

On Demand

RECEIVED
CLERK, CIRCUIT COURT

1977 JUL 11 AM 11:30

QUEEN ANNE'S COUNTY

JUL 11-77 * 23550 ***259.50
JUL 11-77 A #23550 ***247.50
JUL 11-77 A #23549 *****12.00

AND WHEREAS, the better to secure the repayment of said loan, with interest, this mortgage is executed and delivered.

NOW, THEREFORE, THIS MORTGAGE WITNESSETH, that in consideration of the premises and the sum of One Dollar (\$1.00) this day paid, the receipt whereof is hereby acknowledged, the Mortgagor does hereby grant, convey and assign unto the Mortgagee, in fee simple, the following described real estate, to wit:

PARCEL NO. 1

ALL that parcel of land, situate, lying and being on a public road leading from the Dominion-Little Creek Road to a dead end, and on the East side of Crab Alley Creek, in the Fourth Election District of Queen Anne's County, in the State of Maryland, which is described by the following metes and bounds, courses and distances, to wit:

BEGINNING at an iron pipe in the Western line of the said public road and being the Northeast corner of land of George S. Tull, thence running by and with the North line of land of the said George S. Tull, North 81 degrees 45 minutes West, 139.75 feet to an iron pipe in the mean high water line of Crab Alley Creek; thence up, by and with the mean high water line of the said Crab Alley Creek the following five courses and distances: (1) North 59 degrees 29 minutes West, 30.02 feet (2) North 04 degrees 11 minutes East, 24.56 feet (3) North 89 degrees 28 minutes West, 58.64 feet (4) North 6 degrees 23 minutes East, 42.5 feet; (5) North 43 degrees 41 minutes East, 37.34 feet to a point; said point being North 81 degrees 45 minutes West of, and 18.0 feet from an iron pipe; thence by and with the mean high water line of Crab Alley Creek, and by and with the South line of land of Roy E. Golt, passing through and over the aforesaid iron pipe, South 81 degrees 45 minutes East 202.36 feet to an iron pipe in the West line of the public road leading from the Dominion-Little Creek Road to a dead end, South 5 degrees 33 minutes West, 101.0 feet to an iron pipe, the place of beginning - CONTAINING 0.468 Acre. Surveyed by Shew and Bartlett, Engineers, on May 4, 1966.

BEING all the same land conveyed unto Calvert Shellfish Company by deed from Calvert E. Hoxter and Virginia C. Hoxter, his wife, dated the 17th day of May, 1966, and recorded among the land records of Queen Anne's County in Liber C.W.C. No. 21, folio 603.

PARCEL NO. 2

ALL that narrow strip or parcel of land situate, lying and being on Crab Alley Creek, in the Fourth Election District of Queen Anne's County, in the State of Maryland, which is described by the following metes and bounds, courses and distances, to wit: BEGINNING at a point in the mean high water line of Crab Alley Creek and being the Northwest corner of land of Calvert E. Hoxter, thence running up, by and with the mean high water line of the said Crab Alley Creek North 52 degrees 23 minutes East, 20.82 feet to an iron pipe; thence running by and with a new division line hereby established and laid down, separating the herein described narrow strip or parcel of land from other land of the said Roy E. Golt, South 81 degrees 45 minutes East, 186.6 feet to an iron pipe in the West line of Creek Road; thence by and with the West line of said road, South 3 degrees 24 minutes West, 15.00 feet to an iron pipe and being the Northeast corner of land of Calvert E. Hoxter; thence running by and with the North line of land of the said Calvert E. Hoxter, North 81 degrees 45 minutes West, 202.36 feet to a point in the mean high water line of said Crab Alley Creek, the place of beginning; CONTAINING 0.067 Acre, more or less.

BEING all the same land conveyed unto Calvert Shellfish Company by deed from Roy E. Golt and Lillian C. Golt, dated the 5th day of December, 1968, and recorded among the land records of Queen Anne's County in Liber C.W.C. No. 38, folio 666.

PARCEL NO. 3

ALL that lot, or parcel of land, improved by a frame dwelling house and outbuildings and known as "The Calvert E. and Virginia Hoxter Residential Property", situate in the Second Precinct of the Fifth Election District of Queen Anne's County, Maryland, located on the right or western side of the Public Road leading from Grasonville to Perry's Corner, bounded on the North by land of or formerly of T. Rollin Volz, bounded on the West by land of Ralph and Katie Thomas, bounded on the South by a lane or alley leading from the said Grasonville Perry's Corner Road westerly to the land of Ralph and Katie Thomas and bounded on the East by aforesaid Public Road and more particularly described as follows:

BEGINNING for the same at a concrete monument where the land hereby conveyed corners on the aforesaid Public Road with the land of T. Rollin Volz, thence with Volz land North 89 degrees 23 minutes West, 200 feet to the Thomas land; thence South 29 degrees 45 minutes East, 200 feet to an alley, lane or by-road; thence South 89 degrees 23 minutes East, 200 feet to the aforesaid Public Road; thence with said Public Road North 29 degrees 45 minutes West, 200 feet to the place of beginning, containing, .792 of an acre of land, more or less.

BEING all the same land conveyed unto Calvert E. and Virginia Hoxter by William H. and Katherine E. Reese by deed dated the 5th day of August, 1955, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 23, folio 281. (see Plat T.S.P. 23, folio 280)

SAVING AND EXCEPTING THEREFROM 0.248 acre of land conveyed by Calvert E. and Virginia Hoxter to J. Edward and Patricia N. Hoxter by deed dated December 12, 1960, recorded in Land Liber T.S.P. No. 64, folio 30.

TOGETHER with all buildings and improvements now and hereafter on said land, and all and every the rights, roads, alleys, ways, waters, privileges, appurtenances and advantages thereto belonging or in any wise appertaining, including all heating, lighting and plumbing fixtures now or hereafter attached to or used in connection with the premises herein described, and all rents, issues and profits accruing from the premises hereby mortgaged.

PROVIDED that if the said principal sum of money loaned as aforesaid, and the interest thereon, as evidenced by the said promissory note and any renewals or part renewals thereof, shall be paid when due, and the Mortgagor shall perform all the covenants herein on his part to be performed then this mortgage shall be void; and until default be made in the premises, the Mortgagor shall possess the aforesaid property and be entitled to collect and retain the rents, issues and profits thereof.

AND the Mortgagor covenants with the Mortgagee as follows: (1) To repay the indebtedness, together with interest, secured by this mortgage, when due, (2) to pay a late charge not to exceed five cents for each dollar of delinquent principal and interest, or a minimum charge of \$2.00, on each payment more than fifteen days in arrears, to cover the extra expense involved in handling delinquent payments, (3) to keep the improvements on the premises insured against loss or damage by fire and such other hazards as may be required by the Mortgagee, to the amount of at least the insurable value thereof, in an insurance company or companies selected by the Mortgagee, and to have all said policies so framed or endorsed that the proceeds arising from said policies, in case of loss or damage, shall be payable to the Mortgagee only, and may, at his option, be applied to the extinguishment of the indebtedness and sums secured by this mortgage, whether then due or not, or used for the reconstruction of the improvements on the mortgaged property, and to deliver all said policies to the Mortgagee to be kept by him, (4) to pay all taxes, water and sewer charges, insurance premiums, public dues and assessments, for which the Mortgagor and/or the property hereby mortgaged may become liable, when payable; in the event the Mortgagor fails to make the said payments, the Mortgagee is hereby authorized to pay the same, and the Mortgagee shall have a lien hereunder on said premises for the amount so paid, (5) to permit, commit or suffer no waste, impairment or deterioration of said property, or any part thereof, and upon the failure of the Mortgagor to keep the improvements on said property in good condition and repair, the Mortgagee may demand the immediate repair thereof or an increase in the amount of security or the immediate repayment of the indebtedness hereby secured, and the failure of the Mortgagor to comply with said demand of the Mortgagee for a period of thirty days shall constitute a breach of this mortgage, and at the option of the Mortgagee, immediately mature the entire principal and interest hereby secured, and the Mortgagee may, without notice, institute proceedings to foreclose this mortgage and apply for the appointment of a receiver as herein provided, (6) that the holder of this mortgage in any action to foreclose it, shall be entitled (without regard to the adequacy of any security for the debt) to the appointment of a receiver to collect the rents, issues and profits of said premises and account therefor as the Court may direct, (7) that in case of default in the payment of said debt, or interest, or any part of either, when due, or in any covenant of this Mortgage, then the whole debt intended to be secured and all moneys owing hereunder or secured hereby shall, at the option of the Mortgagee, be due and demandable, and the Mortgagee, or Charles E. Smith his hereby duly constituted attorney for the purpose, are hereby authorized to sell said premises after giving not less than twenty days notice of the time, place, manner and terms of sale in some newspaper published in the County where the mortgaged property or some portion thereof is located, and such other notice as the party selling may deem expedient, for cash, or for cash and credit, and to apply the proceeds of sale as follows, to wit: first, to the payment of all expenses incident to such sale, including a counsel fee of \$ 500.00 for conducting the proceedings if without contest, but if legal services be rendered to the party selling under the above power of sale, in connection with any contested matter in the proceedings, then such other counsel fees and expenses shall be allowed out of the proceeds of sale as the Court may deem proper, and also to the payment of a commission to the party making sale equal to the commission allowed trustees making sales of property under a decree of a Court of equity in the County where the sale is reported; second, to the payment of all claims of the Mortgagee, whether the same shall have matured or not; and third, the balance, if any, to the Mortgagor or to whomsoever shall be entitled to the same. Half of such commissions and all such expenses and costs shall be paid by the Mortgagor in the event that the mortgage debt shall be paid when suit has been docketed in the proper Court for the purpose under the power of sale granted herein, (8) that in the event of sale of the mortgaged property under the power of sale granted herein, all annual crops, pitched, planted or growing upon said property at the time of sale shall pass to the purchaser of said property as part thereof, (9) that the Mortgagor will warrant specially the property hereby conveyed and will execute such further assurances of said land as may be requisite.

The covenants herein contained shall bind and the benefits and advantages shall inure to the respective heirs, executors, administrators, successors and assigns of the parties hereto. Whenever used the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

WITNESS the hand and seal of the Mortgagor:

WITNESS: Doris Bitely

Doris Bitely

CALVERT SHELLFISH COMPANY
By J. Edward Hoxter (SEAL)
J. Edward Hoxter, President

Virginia Hoxter (SEAL)
Virginia Hoxter, Individually

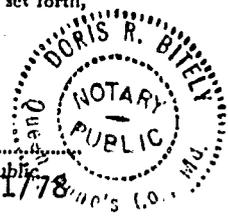
STATE OF MARYLAND
COUNTY OF Queen Anne's

On this the 7th day of July, 1977, before me, Doris R. Bitely,
J. Edward Hoxter, Pres. of
the undersigned officer, personally appeared Calvert Shellfish Company
and Virginia Hoxter, Individually known to me to be the person (s) whose name (s) is/are
subscribed to the within instrument and acknowledged that they executed the same for the purposes therein
contained; and at the same time appeared Charles E. Smith, Agent for the
within named mortgagee

and made oath in due form of law that the consideration set forth in said mortgage is true and bona fide as therein set forth,
(and that he is the duly authorized agent of the within named Mortgagee to make this affidavit.)

IN WITNESS WHEREOF I hereunto set my hand and official seal.

Doris Bitely
Notary Public
My Commission Expires: 7/01/78



*Here insert the name of the officer who takes the acknowledgment.

AETNA CASUALTY & SURETY COMPANY
HARTFORD, CONNECTICUT

Dond No. 98S19605

IN THE CIRCUIT COURT FOR Queen Annes COUNTY, MARYLAND.

Charles E. Smith, Attorney Named in Mortgage
Plaintiff

vs.

Calvert Shellfish Co. and
Virginia Hoxter
Defendant

Equity No. 7493

BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, Charles E. Smith, Attorney Named in Mortgage as
Principal, and the AETNA CASUALTY AND SURETY COMPANY, HARTFORD, CONNECTICUT, a
body corporate, duly incorporated under the laws of the State of Connecticut, as
Surety, are held and firmly bound unto the State of Maryland, in the full and just
sum of Seventy Thousand and 00/100 Dollars,
to be paid to the said State or its certain Attorney, to which payment well and
truly to be made, and done, we bind ourselves and each of us, our and each of our
heirs, Executors, Administrators, Successors or Assigns, jointly and severally,
firmly by these presents.

Sealed with our seals and dated this 21 day of November in
the year of our Lord One Thousand Nine Hundred and Eighty-Three.

Whereas, the above bounden Charles E. Smith, Attorney Named in
Mortgage by virtue of the power contained in a mortgage from
Calvert Shellfish Co. & Virginia Hoxter to Queenstown Bank
of Maryland bearing date the 7 day
of July, 1977 and recorded among the mortgage records of Queen Annes
County in Liber No. 123 Folio 6 and a mortgage
dated 4/13/81 and recorded in Liber No. 174, Folio 680, Charles E. Smith, Attorney
is about to sell the land premises described in said mortgage, default having been
made in the payment of the money as specified, and in the conditions and covenants
therein contained.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, That if the above bounden
Charles E. Smith, Attorney Named in Mortgage do and shall well and
truly and faithfully perform the trust reposed in him under the mortgage
aforesaid, and shall abide by and fulfill any order or decree which shall be made
by any Court of Equity in relation to the sale of said mortgaged property, or the
proceeds thereof then the above obligation to be void, otherwise to be and remain
in full force and virtue in law.

In Testimony Whereof, the above bounden Charles E. Smith, Attorney
Named in Mortgage has hereto set his hand and Seal
and the said body corporate has caused these presents to be duly signed by its
Attorney-in-Fact, the day and year first herein above written.

Signed, sealed and delivered in the presence of: Charles E. Smith (SEAL)

CERTIFIED COPY OF POWER OF
ATTORNEY ATTACHED

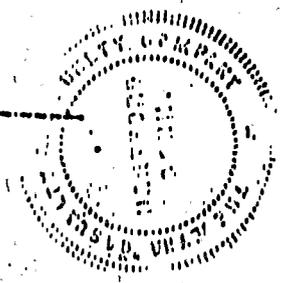
(SEAL)

Witness:

Laura B. Baynard

AETNA CASUALTY & SURETY COMPANY

By M.B. LaMotte
Matthew B. LaMotte
Attorney-in-Fact



Surety approved & bond filed
3-29 Nov. 29, 1983

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied
from Liber MWM No. 3, folio 365, a Bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto
subscribe my name and affix the
Seal of the Circuit Court for
Queen Anne's County, this 30th
day of November, 1983.


Marguerite W. Mankin
Marguerite W. Mankin, Clerk of the
Circuit Court for Queen Anne's County

of sale, did sell all that parcel or tract of land, together with the improvements thereon, situate, lying and being in the Fourth Election District and Fifth Election District of Queen Anne's County, State of Maryland, and more particularly described in the above mentioned Calvert Shellfish Company mortgage, and Advertisement of Sale, as First Property - Parcels No. 1 and 2 belonging to Calvert Shellfish Company unto Queenstown Bank of Maryland, Queenstown, Maryland, it being then and there the highest bidder therefor, at and for the sum of Forty Thousand Dollars (\$40,000.00).

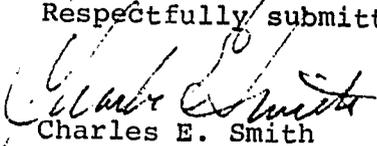
The property known as the "Calvert E. and Virginia Hoxter Residential Property" and described in the Advertisement of sale as Second Property was not sold and is not included in this report.

The Purchaser is the holder of the first mortgage being foreclosed and as such it is due the proceeds from the sale of said property. Therefore, this Attorney is confident that it will comply with the terms of sale and no down payment or security has been required.

The Purchaser's Affidavit required by the Maryland rules, Certificate of the Auctioneer, and Certificate of the Advertisement of Sale are attached hereto.

This report states the amount of sale to be Forty Thousand Dollars (\$40,000.00).

Respectfully submitted,


Charles E. Smith

STATE OF MARYLAND

QUEEN ANNE'S COUNTY

to wit:

I HEREBY CERTIFY, That on this 23rd day of December, 1983, before me, the subscriber, personally appeared CHARLES E. SMITH, Attorney Named in Mortgage, in the aforementioned proceedings, and made oath in due form of law that the matters and facts set forth in the foregoing Report of Sale are true to the best of his knowledge and belief and that the sale was fairly made.

AND further made oath as aforesaid that there has been no change in the matters and facts set forth in the Affidavit as to the military service filed in this cause on November 28, 1983, and that the status of the parties mentioned in said Affidavit is the same as it was on the date of the filing of said Affidavit.




NOTARY PUBLIC

My Commission Expires: 7/01/86

CHARLES E. SMITH	*	IN THE CIRCUIT COURT
ATTORNEY NAMED IN	*	FOR
MORTGAGE	*	QUEEN ANNE'S COUNTY
VS	*	IN EQUITY
CALVERT SHELLFISH	*	NO. 7493
and	*	
VIRGINIA HOXTER	*	
MORTGAGORS	*	
	* * *	

AFFIDAVIT OF PURCHASER

STATE OF MARYLAND
COUNTY OF QUEEN ANNE'S

I HEREBY CERTIFY, That on this 23rd day of December, 1983, before me, the subscriber, a Notary Public of the State of Maryland, in and for Queen Anne's County, personally appeared ALBERT V. STANT, President of Queenstown Bank of Maryland, purchaser at the foreclosure sale of this cause and being duly authorized so to do, made oath in due form of law that he purchased all that parcel or tract of land, with the improvements thereon, described in the Advertisement of Sale in this cause as First Property consisting of two (2) parcels of land belonging to Calvert Shellfish Company, for Queenstown Bank of Maryland, and that no others are interested in said sale as principal or principals, and that he did not directly or indirectly discourage anyone from bidding on said property.

WITNESS MY HAND AND NOTARIAL SEAL.



Doris R. Nitty
NOTARY PUBLIC

My Commission Expires: 7/01/86

DEC 23 1983
QUEEN ANNE'S COUNTY

CERTIFICATE OF AUCTIONEER

I HEREBY CERTIFY, That I did sell at Public Auction:

THAT PROPERTY - Located in Dominion, on the East side of Little Creek and formerly known as "Calvert Shellfish Packing House"

PARCEL NO. 1

ALL that parcel of land, situate, lying and being on a public road leading from the Dominion-Little Creek Road to a dead end, and on the East side of Crab Alley Creek, in the Fourth Election District of Queen Anne's County, in the State of Maryland, which is described by the following metes and bounds, courses and distances, to wit:

BEGINNING at an iron pipe in the Western line of the said public road and being the Northeast corner of land of George S. Tull, thence running by and with the North line of land of the said George S. Tull, North 81 degrees 45 minutes West, 139.75 feet to an iron pipe in the mean high water line of Crab Alley Creek; thence up, by and with the mean high water line of the said Crab Alley Creek the following five courses and distances: (1) North 59 degrees 29 minutes West, 30.02 feet (2) North 04 degrees 11 minutes East, 24.56 feet (3) North 89 degrees 28 minutes West, 58.64 feet (4) North 6 degrees 23 minutes East, 42.5 feet; (5) North 43 degrees 41 minutes East, 37.34 feet to a point; said point being North 81 degrees 45 minutes West of, and 18.0 feet from an iron pipe; thence by and with the mean high water line of Crab Alley Creek, and by and with the South line of land of Roy E. Golt, passing through and over the aforesaid iron pipe, South 81 degrees 45 minutes East 202.36 feet to an iron pipe in the West line of the public road leading from the Dominion-Little Creek Road to a dead end, South 5 degrees 33 minutes West, 101.0 feet to an iron pipe, the place of beginning - CONTAINING 0.468 Acre. Surveyed by Shew and Bartlett, Engineers, on May 4, 1966.

BEING all the same land conveyed unto Calvert Shellfish Company by deed from Calvert E. Hoxter and Virginia C. Hoxter, his wife, dated the 17th day of May, 1966, and recorded among the land records of Queen Anne's County in Liber C.W.C. No. 21, folio 603.

PARCEL NO. 2

ALL that narrow strip or parcel of land situate, lying and being on Crab Alley Creek, in the Fourth Election District of Queen Anne's County, in the State of Maryland, which is described by the following metes and bounds, courses and distances, to wit: BEGINNING at a point in the mean high water line of Crab Alley Creek and being the Northwest corner of land of Calvert E. Hoxter, thence running up, by and with the mean high water line of the said Crab Alley Creek North 52 degrees 23 minutes East, 20.82 feet to an iron pipe; thence running by and with a new division line hereby established and laid down, separating the herein described narrow strip or parcel of land from other land of the said Roy E. Golt, South 81 degrees 45 minutes East, 186.6 feet to an iron pipe in the West line of Creek Road;

11-11-66
RECORDED
11-11-66

11-11-66
COUNTY

thence by and with the West line of said road, South 3 degrees 24 minutes West, 15.00 feet to an iron pipe and being the Northeast corner of land of Calvert E. Hoxter; thence running by and with the North line of land of the said Calvert E. Hoxter, North 81 degrees 45 minutes West, 202.36 feet to a point in the mean high water line of said Crab Alley Creek, the place of beginning; CONTAINING 0.067 Acre, more or less.

BEING all the same land conveyed unto Calvert Shellfish Company by deed from Roy E. Golt and Lillian C. Golt, dated the 5th day of December, 1968, and recorded among the land records of Queen Anne's County in Liber C.W.C. No. 38, folio 666.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads and or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

On the property located in Dominion, on the East side of Little Creek and formerly known as "Calvert Shellfish Packing House", Chester, Queen Anne's County, Maryland, beginning at the hour of 10:00 a.m., Eastern Standard Time, unto QUEENSTOWN BANK OF MARYLAND, for the sum of Forty Thousand Dollars (\$40,000.00).


Joseph Jackson, Jr.
Auctioneer

Centreville, Md. 12/21 19 83

We Hereby Certify

That the annexed advertisement of
Foreclosure - Calvert
Shellfish - Virginia Hoxter
was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 4 successive weeks before
the 23rd day of Dec. 19 83.
And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER/BAY TIMES was on the
30th day of Nov. 19 83, and the last insertion on the
21st day of Dec. 19 83.

Publishers, Record Observer

Per

W. H. Hoxter

1983 DEC 23 PM 12:25

Attorney's Sale

OF
VALUABLE FEE SIMPLE
REAL ESTATE

CHESTER, KENT ISLAND, MARYLAND

Under and by virtue of the power of sale contained in the mortgages from Calvert Shellfish Company and Virginia Hoxter to Queenstown Bank of Maryland, (1) dated July 7, 1977, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 123, Folio 6; and (2) dated April 13, 1981, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 174, Folio 680, default having occurred in the terms of said mortgages, the undersigned Attorney, being named in said Mortgages to exercise the power of sale in case of default will offer at public auction on the premises of said property as hereinafter set forth, commencing, at the hour of 10:00 a.m., Eastern Standard Time, on

Fri., Dec. 23, 1983

the following real estate, to wit:

FIRST PROPERTY - Located in Dominion, on the East side of Little Creek and formerly known as "Calvert Shellfish Packing House". Said property being more particularly described in the Mortgage as follows:

PARCEL NO. 1

ALL that parcel of land, situate, lying and being on a public road leading from the Dominion-Little Creek Road to a dead end, and on the East side of Crab Alley Creek, in the Fourth Election District of Queen Anne's County, in the State of Maryland, which is described by the following metes and bounds, courses and distances, to wit:

BEGINNING at an iron pipe in the Western line of the said public road and being the Northeast corner of land of George S. Tull, thence running by and with the North line of land of the said George S. Tull, North 81 degrees 45 minutes West, 139.75 feet to an iron pipe in the mean high water line of Crab Alley Creek; thence up, by and with the mean high water line of the said Crab Alley Creek the following five courses and distances: (1) North 59 degrees 29 minutes West, 30.02 feet (2) North 04 degrees 11 minutes East, 24.56 feet (3) North 89 degrees 28 minutes West, 58.64 feet (4) North 6 degrees 23 minutes East, 42.5 feet; (5) North 43 degrees 41 minutes East, 37.34 feet to a point; said point being North 81 degrees 45 minutes West of, and 18.0 feet from an iron pipe; thence by and with the mean high water line of Crab Alley Creek, and by and with the South line of land of Roy E. Golt, passing through and over the aforesaid iron pipe, South 81 degrees 45 minutes East 202.36 feet to an iron pipe in the West line of the public road leading from the Dominion-Little Creek Road to a dead end, South 5 degrees 33 minutes West, 101.0 feet to an iron pipe, the place of beginning - CONTAINING 0.468 Acre. Surveyed by Shew and Bertlett, Engineers, on May 4, 1966.

BEING all the same land conveyed unto Calvert Shellfish Company by deed from Calvert E. Hoxter and Virginia C. Hoxter, his wife, dated the 17th day of May, 1966, and recorded among the land records of Queen Anne's County in Liber C.W.C. No. 21, folio 603.

PARCEL NO. 2

ALL that narrow strip or parcel of land situate, lying and being on Crab Alley Creek, in the Fourth Election District of Queen Anne's County, in the State of Maryland, which is described by the following metes and bounds, courses and distances, to wit: BEGINNING at a point in the mean high water line of Crab Alley Creek and being the Northwest corner of land of Calvert E. Hoxter, thence running up, by and with the mean high water line of the said Crab Alley Creek North 52 degrees 23 minutes East, 20.82 feet to an iron pipe; thence running by and with a new division line hereby established and laid down, separating the herein described narrow strip or parcel of land from other land of the said Roy E. Golt, South 81 degrees 45 minutes East, 186.6 feet to an iron pipe in the West line of Crab Alley Road; thence by and with the West line of said road, South 3 degrees 24 minutes West, 15.00 feet to an iron pipe and being the Northeast corner of land of Calvert E. Hoxter; thence running by and with the North line of land of the said Calvert E. Hoxter, North 81 degrees 45 minutes West, 202.36 feet to a point in the mean high water line of said Crab Alley Creek, the place of beginning; CONTAINING 0.067 Acre, more or less.

BEING all the same land conveyed unto Calvert Shellfish Company by deed from Roy E. Golt and Lillian C. Golt, dated the 5th day of December, 1968, and recorded among the land records of Queen Anne's County in Liber C.W.C. No. 38, folio 666.

17 JAN 127

ORDER NISI ON SALE

CHARLES E. SMITH
Attorney named in Mortgage

vs.

CALVERT SHELLFISH
and
VIRGINIA HOXTER, Mortgagees

In the Circuit Court
for Queen Anne's County
In Equity

Cause No. 7493

ORDERED, this 23rd day of January, 1984, that the sale of the real property, made and reported in this cause by Charles E. Smith, Attorney, be ratified and confirmed, on or after the 23rd day of February, 1984, unless cause to the contrary thereof be previously shown; provided a copy of this order be inserted in some newspaper published in Queen Anne's County, Maryland, once in each of three successive weeks before the 16th day of February, 1984.

The report states the amount of sales to be \$40,000.00.

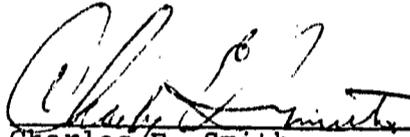
Margaret St. Markie Clerk

Filed January 23, 1984

CHARLES E. SMITH	*	IN THE CIRCUIT COURT
ATTORNEY NAMED IN	*	FOR
Mortgage	*	QUEEN ANNE'S COUNTY
VS.	*	IN EQUITY
CALVERT SHELLFISH COMPANY	*	CHANCERY NO. 7493
and	*	
VIRGINIA HOXTER	*	
MORTGAGORS	* * *	

AFFIDAVIT

I HEREBY CERTIFY that in accordance with the requirements of Maryland Rule W74, (c), written notice of the time, place and terms of sale was mailed by certified mail to the last known address of the mortgagors, who are also the present record title holders to the property being foreclosed, there being no subordinate mortgage holder of said property.


 Charles E. Smith
 Attorney Named in Mortgage

Sworn and subscribed to before me this 5th day of March, 1984.




 NOTARY PUBLIC

My Commission Expires: 7/01/86

1984 MAR 25 11 25 AM '84
 QUEEN ANNE'S COUNTY

PS Form 3800, Apr. 1976

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
 Show to whom and date delivered
 Show to whom, date, and address of delivery..
2. RESTRICTED DELIVERY
(The restricted delivery fee is charged in addition to the return receipt fee.)
TOTAL \$

3. ARTICLE ADDRESSED TO:
Calvert Shellfish Co.
C/o Virginia Hoxter
Grasonville, MD 21638

4. TYPE OF SERVICE: REGISTERED INSURED
 CERTIFIED COD P228 142 862
 EXPRESS MAIL
(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE Addressee Authorized agent

5. DATE OF DELIVERY: 12/8/83
POSTMARK: [Stamp]

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE: 7a. EMPLOYEE'S INITIALS: [Signature]

P. 228 142 862
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO
Calvert Shellfish Co.
C/o Virginia Hoxter
Grasonville, MD 21638
POSTAGE
CERTIFIED MAIL
SPECIAL DELIVERY
RESTRICTED DELIVERY
CONSULT POSTMASTER FOR FEES
OPTIONAL SERVICES
RETURN RECEIPT SERVICE
SHOW TO WHOM AND DATE DELIVERED
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY
TOTAL POSTAGE AND FEES \$
POSTMARK OR DATE
[Stamp: GLENN COUNTY, MD DEC 11 1983]

PS Form 3800, Apr. 1976

December 7, 1983

Calvert Shellfish Company
C/o Virginia Hoxter
Grasonville, MD 21638

Gentlemen:

Foreclosure proceedings have been filed in the Circuit Court for Queen Anne's County against the property mortgaged by you to Queenstown Bank of Maryland. A copy of the advertisement of sale setting forth the time and place of sale and the terms thereof is enclosed. This notice is made pursuant to Maryland Rule W74 (2C).

This sale will be held on the property on Friday, December 23, 1983, 10 a.m. Eastern Standard Time. This sale may be cancelled prior to the above date by payment of the principal and interest due to the mortgagee plus all costs, legal fees and commissions as set forth in the mortgage documents and as prescribed by law.

Sincerely,

Charles E. Smith

CES/db

Enclosure

CERTIFIED MAIL

DEC 23 1983
QUEEN ANNE'S COUNTY

December 7, 1983

Mrs. Virginia Hoxter
 Perry's Corner Road
 Grasonville, MD 21638

Dear Mrs. Hoxter:

Foreclosure proceedings have been filed in the Circuit Court for Queen Anne's County against the property mortgaged by you to Queenstown Bank of Maryland. A copy of the advertisement of sale setting forth the time and place of sale and the terms thereof is enclosed. This notice is made pursuant to Maryland Rule W74 (2C).

This sale will be held on the property on Friday, December 23, 1983, 10 a.m. Eastern Standard Time. This sale may be cancelled prior to the above date by payment of the principal and interest due to the mortgagee plus all costs, legal fees and commissions, as set forth in the mortgage documents and as prescribed by law.

Sincerely,

Charles E. Smith

CES/db

Enclosure

CERTIFIED MAIL

PS Form 3800, Dec. 1980

● SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one):
 Show to whom and date delivered
 Show to whom, date, and address of delivery..

2. RESTRICTED DELIVERY
 (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$

3. ARTICLE ADDRESSED TO:
 Mrs. Virginia Hoxter
 Perry's Corner Road
 Grasonville, MD 21638

4. TYPE OF SERVICE: REGISTERED INSURED
 CERTIFIED COD
 EXPRESS MAIL

ARTICLE NUMBER: P228 142 863

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent
 Virginia Hoxter

5. DATE OF DELIVERY: 12/8/83

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS: [Signature]

POSTMARK: QUEENSTOWN, MD 1983

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

DEC 11 2:57
 QUEEN ANNE'S COUNTY

P 228 142 863
 RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

PS Form 3800, Apr. 1976

SENT TO: MRS VIRGINIA HOXTER
 STREET AND NO.

P.O., STATE AND ZIP CODE: GRASONVILLE, MD 21638

POSTAGE: \$

CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	\$
	SPECIAL DELIVERY	\$
	RESTRICTED DELIVERY	\$
	OPTIONAL SERVICES	\$
RETURN RECEIPT SERVICE	SHOW TO WHOM AND DATE DELIVERED	\$
	SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	\$
	SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	\$
	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	\$
TOTAL POSTAGE AND FEES		\$

POSTMARK: QUEENSTOWN, MD 1983

Centreville, Md. 2/15 1984

We Hereby Certify

That the annexed advertisement of
Order Nisi - Calvert
Shellfish & Va. Hoxter
was published in the RECORD

OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 16th day of Feb. 1984.

And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER/BAY TIMES was on the

1st day of Feb.

1984, and the last insertion on the

15th day of Feb.

1984.

Publishers, Record Observer

Per *Marguerite W. Mankin*

**ORDER NISI
ON SALE
CHARLES E. SMITH
Attorney named in
Mortgage**

**vs.
CALVERT SHELLFISH
and
VIRGINIA HOXTER,
Mortgagors
in the Circuit Court
for
Queen Anne's County
In Equity
Cause No. 7493**

ORDERED, this 23rd day
of January, 1984, that the
sale of the real property,
made and reported in this
cause by Charles E. Smith,
Attorney, be ratified and
confirmed, on or after the
23rd day of February, 1984,
unless cause to the con-
trary thereof be previously
shown; provided a copy of
this order be inserted in
some newspaper published
in Queen Anne's County,
Maryland, once in each of
three successive weeks
before the 16th day of
February, 1984.

The report states the
amount of sales to be
\$40,000.00

Marguerite W. Mankin
Clerk

True Copy, Test:
Marguerite W. Mankin
Clerk

By: Betty M. Comegys
Deputy Clerk

Filed January 23, 1984

RO-2-1-31-05

Filed March 5, 1984

CHARLES E. SMITH	*	IN THE CIRCUIT COURT
ATTORNEY NAMED IN	*	FOR
Mortgage	*	QUEEN ANNE'S COUNTY
VS.	*	IN EQUITY
CALVERT SHELLFISH COMPANY	*	CHANCERY NO. 7493
and	*	
VIRGINIA HOXTER	*	
MORTGAGORS	*	
	* * *	

FINAL ORDER OF RATIFICATION OF SALE

IT IS ORDERED, by the Circuit Court for Queen Anne's County, In Equity, this 8th day of March 1984, that the sale of the real estate made and reported in this cause by Charles E. Smith, Attorney Named in Mortgage, be, and the same is hereby finally ratified and confirmed, no cause to the contrary thereof having been shown although due notice thereof appears to have been given as required by the preceding Order Nisi; and the said Charles E. Smith, Attorney Named in Mortgage, is allowed the usual commissions and such proper expenses, not personal, as he shall produce vouchers therefor to the Auditor.

Clayton C. Carls
 JUDGE

CLAYTON C. CARLS
 JUDGE
 QUEEN ANNE'S COUNTY

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

CHARLES E. SMITH :
 Attorney Named In Mortgage :
 v. : Chancery # ⁷⁷⁹³ 7439
 CALVERT SHELLFISH COMPANY :
 AND :
 VIRGINIA HOXTER :
 Mortgagors :
 : : : : :

AUDITOR'S ACCOUNT

PROCEEDS OF FORECLOSURE SALE			
Sale Price, as reported		\$ 40,000.00	
Interest (see Note A)			
Real property taxes \$ 648.17			
from 03/13 to 06/30/84			
110 days @ \$1.77		<u>194.70</u>	
GROSS AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 40,194.70
COMMISSIONS, payable to Fiduciary	\$ 2,150.00		
ATTORNEY FEE, per Mortgage	500.00		
EXPENSES OF SALE			
Court costs	\$ 165.50		
Advertising			
Notice(s) of sale	651.00		
Report of sale	63.00		
Bond premium	280.00		
Auctioneer's fee	100.00		
Real property taxes paid	648.17		
Certified mail	<u>3.10</u>	1,910.77	
AUDITOR'S FEE AND COSTS			
Fee for audit	\$ 45.00		
Postage & copies	<u>1.84</u>	<u>46.84</u>	<u>4,607.61-</u>
NET AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 35,587.09

1984 AUG -3 PM 1:29

AUDITOR'S ACCOUNT

CHANCERY #⁷⁴⁹³7439

PAGE 2

INDEBTEDNESS DUE UNDER MORTGAGE	
Principal per Statement of Debt	\$ 62,439.15-
Interest to 11/28/83, per Statement	5,047.11-
Interest on principal at 10%	
11/29/83 to 12/23/83	
25 days @ \$ 17.34	<u>433.50-</u>
	\$ 67,917.76-
NET CREDIT FROM CREDITOR/PURCHASER	
on 12/23/83 (See Note A)	<u>35,587.09</u>
BALANCE OWED BY DEBTORS after credit	\$ 32,332.67-
INTEREST 12/24/84 to 02/21/83	
60 days @ \$ 8.98	<u>538.80-</u>
DEFICIT (see Note B)	\$ 32,803.47-

Note A: Net amount used by Creditor to discharge responsibilities as sale purchaser for deposit and pre-settlement interest credited as of date of sale in accordance with Weismiller v. Bush, 56 Md.App. 593, and the Report filed in Chancery #7107, which is incorporated by reference in this Audit.

Note B: The Fiduciary reports that one of the Mortgagors has satisfied this indebtedness. It is, therefore, shown for information purposes only. Note is also made that there was no sale under the Mortgage of April 11, 1981.

NOTICE

The attached Account was filed on August 3, 1984. Exceptions to the Account must be filed within ten (10) days of that date. If timely exceptions are not filed, the Account may thereupon be ratified.

AUDITOR'S ACCOUNT

CHANCERY #7439

PAGE 3

CERTIFICATE OF AUDITOR

I hereby certify that I have examined the Suggested Account, together with the receipts, vouchers, statements, suggested distribution and affidavit submitted by the Fiduciary in Chancery Cause #7439. On the basis of the facts which appear upon the face of the proceedings and proofs submitted to me, it is my opinion that the claims set forth in the foregoing Auditor's Account have been established and are properly allowable by law in the amounts there set forth.

I further certify that on August 3, 1984, copies of the Auditor's Account and Notice conforming to the requirements of Maryland Rule 2-543 and Second Circuit Rule 12 d were mailed to the following:

Charles E. Smith, Esquire
Post Office Box 147
Grasonville, Maryland 21638

Calvert Shellfish Company
Grasonville, Maryland 21638

Virginia Hoxter
Grasonville, Maryland 21638



John W. Sause, Jr.
Auditor

100FF 17 MAR 1983

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

CHARLES E. SMITH :
Attorney Named In Mortgage:

v. :

Chancery #7439 ⁷⁴⁹³

CALVERT SHELLFISH COMPANY :
AND :
VIRGINIA HOXTER :
Mortgagors :

: : : : :

ORDER RATIFYING AUDIT

The matter coming before the Court on the Account heretofore filed by the Auditor and it appearing from the Auditor's Certification that the requirements of Rule 2-543 (e) have been met, and no exceptions having been filed within 10 days of the date when the Account was filed, it is this ^{20th} day of August, 1984, by the Circuit Court for Queen Anne's County,

ORDERED that the Account of the Auditor is hereby ratified and confirmed, and the Fiduciary shall apply the proceeds accordingly with a due proportion of interest after same has been or may be received.

Clayton C. Carter
JUDGE

1984 AUG 20 AM 9:25

EDWARD TURNER	:	IN THE CIRCUIT COURT
&	:	
PATRICK E. THOMPSON	:	
100 Lawyers Row	:	FOR QUEEN ANNE'S COUNTY
Centreville, Maryland 21617	:	
Attorney's named in	:	
mortgage	:	MARYLAND
	:	
vs.	:	IN EQUITY
	:	
GARY W. DePROSPERO	:	CHANCERY NO. <u>1.342</u>
805 Mago Vista Road	:	
Arnold, Maryland 21012	:	
	:	
JACK A. DUTROW	:	
Marling Farms	:	
Chester, Maryland 21619	:	
Mortgagors	:	

MAR 18 93 * 26762 ***460 00
MAR 18 93 A 22572 ***460 00

ORDER TO DOCKET SUIT

Ms. Marguerite W. Mankin, Clerk:

You will please docket suit as per the above titling for foreclosure of the mortgage from Gary W. DeProspero and Jack W. Dutrow to John Edgar Lawhorne and Essie Juanita Lawhorne, his wife, dated May 1, 1981, and recorded among the land records of Queen Anne's County, Maryland, in Liber M.W.M. No. 174, folio 740, in which the undersigned attorneys are designated by name to exercise the power of sale; default having occurred in the terms thereof by reason of the nonpayment when due of the principal and interest of the note secured by said mortgage; and you will file in said suit a certified copy of said mortgage as well as the accompanying military affidavit and statement of indebtedness.

Edward Turner
Edward Turner

Patrick E. Thompson
Patrick E. Thompson
100 Lawyers Row
Centreville, Maryland 21617
Telephone: 301-758-1795

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, TO WIT:

I HEREBY CERTIFY, that on this 18th day of March, 1983, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Edward Turner and Patrick E. Thompson, Attorney's named in mortgage, and made oath in due form of law that Gary W. DeProspero and Jack A. Dutrow, the Mortgagors referred to in the foregoing Order to Docket Suit, are not now, nor have either of them been within six (6) months prior hereto, in the military service of the United States of America, as defined by the Soldiers' and Sailors' Relief Act, and amendments thereto and that this information is obtained from persons who know the mortgagors.

Patricia J. Pippin
Notary Public
My Commission Expires: 7-1-86.



TURNER & THOMPSON
ATTORNEYS AT LAW
100 LAWYERS ROW
CENTREVILLE, MARYLAND
21617
RECEIVED
CLERK, CIRCUIT COURT
1983 MAR 18 PM 4:10
QUEEN ANNE'S COUNTY

17-1-83

THIS PURCHASE MONEY SECOND MORTGAGE, made this 1st day of May, 1981, by and between GARY W. DePROSPERO and JACK A. DUTROW, parties of the first part, hereinafter referred to as MORTGAGOR; and JOHN EDGAR LAWHORNE and ESSIE JUANITA LAWHORNE, his wife, parties of the second part, hereinafter referred to as MORTGAGEE.

WHEREAS, the said Mortgagor is justly indebted unto the Mortgagee in the full and just sum of ONE HUNDRED EIGHTEEN THOUSAND DOLLARS (\$18,000.00), for money this day lent and advanced to the Mortgagor, as represented by a promissory note for the said sum bearing even date herewith and payable with interest at the rate of TEN PER CENTUM (10%) per annum on the unpaid principal balance, in ONE HUNDRED TWENTY (120) equal monthly installments of ONE THOUSAND FIVE HUNDRED FIFTY-NINE DOLLARS (\$1,559.00) each, said payments comprising both principal and interest, the first of said installments shall be payable on the 1st day of June, 1981, and each and every month thereafter on the same date until the whole of the aforesaid sum and all interest to accrue thereon shall have been paid in full;

AND WHEREAS, it is hereby understood and agreed by and between the parties hereto that the Mortgagor shall have the right and privilege to prepay said mortgage indebtedness, in whole or in part, at any time during the existence thereof without penalty, premium or fee;

NOW, THEREFORE, THIS PURCHASE MONEY SECOND MORTGAGE WITNESSETH, that in consideration of the premises and the sum of ONE DOLLAR (\$1.00), the receipt of which is hereby acknowledged, the said Mortgagor does hereby grant and convey unto the said Mortgagee, in fee simple, the following described real estate, to wit:

PARCEL NO. 1

ALL that lot or parcel of land, formerly known as "The Luther Baxter Filling Station Property," "The Martin B. Happold Property," "The Silver Roof", and now known as the "Island Casino Property", improved by a dwelling house and/or a store and restaurant and a bungalow, situate on Kent Island in the Fourth Election District of Queen Anne's County, Maryland, on the South side of the concrete State Road, known as the Eastern Shore Boulevard, a public road leading from Queenstown to Stevensville, bounded on the West by the lands of, or formerly of, Charles M. Bright and Harry T. Hopkins, on the East by the lands of the Stevensville Cemetery, bounded on the South by the lands of Elizabeth Potts, and bounded on the North by said Public Highway; and containing by survey 0.46 of an acre of land, more or less.

PARCEL NO. 2

ALL that lot, part of a lot or parcel of land, situate on Kent Island, in the Fourth Election District of Queen Anne's County, Maryland, located on the South side of the Eastern Shore Boulevard leading from Kent Island Narrows to Stevensville, bounded on the East by Parcel No. 1 above described, bounded on the South by the lands of Elizabeth Potts, and bounded on the West by the lands of Harry T. Hopkins and The Stevensville High School and bounded on the North by said Public Highway; said lot being 100 feet in width and 175 feet in depth; and containing one-half ($\frac{1}{2}$) of an acre of land, more or less.

PARCEL NO. 3

ALL that lot of land, 75 feet in width and 200 feet in depth, lying Easterly of Parcel No. 1 above described, located on the South side of the Old Eastern Shore Boulevard, on Kent Island, near Stevensville, Maryland, bounded on the North by said Boulevard, bounded on the Westerly side by Parcel No. 1 hereof, bounded on the South and East by lands of George R. Benton; and containing 0.344 Acre of land, more or less. See Plat of Parcels Nos. 1, 2 and 3 hereof in Liber T. S. P. No. 4, folio 326, for further description of the lands herein conveyed.

Parcels No. 1, 2 and 3 being all the same land conveyed unto John E. Lawhorne and Essie J. Lawhorne, his wife, herein by deed from Henry P. Lane dated August 1, 1973, and recorded among the Land Records of Queen Anne's County in Liber C. W. C. No. 76, folio 431.

PARCEL NO. 4

ALL that lot or parcel of land situate, lying and being on Kent Island in the Fourth Election District of Queen Anne's County, State of Maryland, known and designated as Parcel No. 3 on a Plat entitled "Map Showing Survey of Three Lots or Parcels of Land for Elizabeth Lane Potts, Fourth Election District, Queen Anne's County, Maryland", by Shew and Bartlett, Registered Surveyors, dated May 3, 1962, said Plat being recorded among the land records of said County in Liber T. S. P. No. 66, folio 295 and more particularly described follows, to wit:

BEGINNING for the same at a concrete monument on the northerly right-of-way line of U. S. Route No. 50 - 301, as set forth on the aforesaid Plat, at the Southeast corner of the lot hereby intended to be conveyed and the Southwest corner of the lands of the Stevensville Cemetery, and running thence by and with the right-of-way line of said Highway, North 73 degrees 41 minutes 11 seconds West, 135.02 feet to a concrete monument and the lands of the Board of Education of Queen Anne's County; thence by and with said last mentioned lands, North 17 degrees 28 minutes 09 seconds East, 445.23 feet to a concrete monument on the line of the lands of Henry P. Lane; thence by and with said Lane lands, South 71 degrees 56 minutes 38 seconds East, 34.13 feet to a concrete monument; South 17 degrees 30 minutes West, 25.00 feet to a concrete monument and South 71 degrees 55 minutes East, 100 feet to a concrete monument and the Stevensville Cemetery lands; thence with said lands, South 17 degrees 21 minutes West, 416.08 feet to the place of beginning; CONTAINING 1.31 acres, more or less.

Parcel No. 4 being all the same land conveyed unto John E. Lawhorne and Essie J. Lawhorne, his wife, herein by deed from Henry P. Lane dated August 1, 1973, and recorded among the Land Records of Queen Anne's County in Liber C. W. C. No. 76, folio 433.

ALL being the same land which was conveyed unto Gary W. DeProspero and Jack A. Dutrow by deed from John E. Lawhorne and Essie J. Lawhorne, his wife, by deed of conveyance bearing even date herewith and intended to be recorded preceding these presents among the Land Records of Queen Anne's County.

Should the Title to the herein mortgaged property be acquired by any person, persons, partnership or corporation other than the Mortgagor, by voluntary or involuntary grant or assignment, or in any other manner without the Mortgagee's written consent, or should the same be encumbered by the Mortgagor, their heirs, personal representatives and assigns, without the Mortgagee's written consent, then the whole of said principal sum shall at the option of the Mortgagee immediately become due and owing as herein provided.

TOGETHER with all buildings and improvements now and hereafter on said land, and all and every the rights, roads, alleys, ways, waters, privileges, appurtenances and advantages thereto belonging or in any wise appertaining, including all heating, lighting and plumbing fixtures now or hereafter attached to or used in connection with the premises herein described, and all rents, issues and profits accruing from the premises hereby mortgaged.

PROVIDED that if the said principal sum of money loaned as aforesaid, and the interest thereon, as evidenced by the said promissory note and any renewals or part renewals thereof, shall be paid when due, and the Mortgagor shall perform all the covenants herein on his part to be performed then this mortgage shall be void; and until default be made in the premises, the Mortgagor shall possess the aforesaid property and be entitled to collect and retain the rents, issues and profits thereof.

AND the Mortgagor covenants with the Mortgagee as follows: (1) To repay the indebtedness, together with interest, secured by this mortgage, when due, (2) to pay a late charge not to exceed five cents for each dollar of delinquent principal and interest, or a minimum charge of \$2.00, on each payment more than fifteen days in arrears, to cover the extra expense involved in handling delinquent payments, (3) to keep the improvements on the premises insured against loss or damage by fire and such other hazards as may be required by the Mortgagee, to the amount of at least the insurable value thereof, in an insurance company or companies selected by the Mortgagee, and to have all said policies so framed or endorsed that the proceeds arising from said policies, in case of loss or damage, shall be payable to the Mortgagee only, and may, at his option, be applied to the extinguishment of the indebtedness and sums secured by this mortgage, whether then due or not, or used for the reconstruction of the improvements on the mortgaged property, and to deliver all said policies to the Mortgagee to be kept by him, (4) to pay all taxes, water and sewer charges, insurance premiums, public dues and assessments, for which the Mortgagor and/or the property hereby mortgaged may become liable, when payable; in the event the Mortgagor fails to make the said payments, the Mortgagee is hereby authorized to pay the same, and the Mortgagee shall have a lien hereunder on said premises for the amount so paid, (5) to permit, commit or suffer no waste, impairment or deterioration of said property, or any part thereof, and upon the failure of the Mortgagor to keep the improvements on said property in good condition and repair, the Mortgagee may demand the immediate repair thereof or an increase in the amount of security or the immediate repayment of the indebtedness hereby secured, and the failure of the Mortgagor to comply with said demand of the Mortgagee for a period of thirty days shall constitute a breach of this mortgage, and at the option of the Mortgagee, immediately mature the entire principal and interest hereby secured, and the Mortgagee may, without notice, institute proceedings to foreclose this mortgage and apply for the appointment of a receiver as herein provided, (6) that the holder of this mortgage in any action to foreclose it, shall be entitled (without regard to the adequacy of any security for the debt) to the appointment of a receiver to collect the rents, issues and profits of said premises and account therefor as the Court may direct, (7) that in case of default in the payment of said debt, or interest, or any part of either, when due, or in any covenant of this Mortgage, then the whole debt intended to be secured and all moneys owing hereunder or secured hereby shall, at the option of the Mortgagee, be due and demandable, and the Mortgagee, or Edward Turner and/or Patrick E. Thompson, their hereby duly constituted attorney for the purpose, are hereby authorized to sell said premises after giving not less than twenty days notice of the time, place, manner and terms of sale in some newspaper published in the County where the mortgaged property or some portion thereof is located, and such other notice as the party selling may deem expedient, for cash, or for cash and credit, and to apply the proceeds of sale as follows, to wit: first, to the payment of all expenses incident to such sale, including a counsel fee of \$500.00 for conducting the proceedings if without contest, but if legal services be rendered to the party selling under the above power of sale, in connection with any contested matter in the proceedings, then such other counsel fees and expenses shall be allowed out of the proceeds of sale as the Court may deem proper, and also to the payment of a commission to the party making sale equal to the commission allowed trustees making sales of property under a decree of a Court of equity in the County where the sale is reported; second, to the payment of all claims of the Mortgagee, whether the same shall have matured or not; and third, the balance, if any, to the Mortgagor or to

whomsoever shall be entitled to the same. Half of such commissions and all such expenses and costs shall be paid by the Mortgagor in the event that the mortgage debt shall be paid when suit has been docketed in the proper Court for the purpose under the power of sale granted herein, (8) that in the event of sale of the mortgaged property under the power of sale granted herein, all annual crops, pitched, planted or growing upon said property at the time of sale shall pass to the purchaser of said property as part thereof, (9) that the Mortgagor will warrant specially the property hereby conveyed and will execute such further assurances of said land as may be requisite.

The covenants herein contained shall bind and the benefits and advantages shall inure to the respective heirs, executors, administrators, successors and assigns of the parties hereto. Whenever used the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

WITNESS the hand and seal of the Mortgagor:

WITNESS:

Joseph H. Rouse

Gary W. DeProspero (SEAL)
Gary W. DeProspero

Joseph H. Rouse

Jack A. Dutrow (SEAL)
Jack A. Dutrow

RECORDED
CLERK

'1981 MAY -1 PM 2:43

QUEEN ANNES'S COUNTY

(SEAL)

(SEAL)

STATE OF MARYLAND
Anne Arundel
COUNTY OF QUEEN ANNES'S

)
to wit:
)

MAY -1-81 # 22181 ***16.00
MAY -1-81 A #22181 ***37.00
MAY -1-81 A #22181 ***16.00

On this the 1st day of May, 1981, before me, a Notary Public, the undersigned officer, personally appeared GARY W. DePROSPERO and JACK A. DUTROW, the within named Mortgagor known to me to be the person (s) whose name (s) is/are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained; and at the same time appeared JOHN EDGAR LAWHORNE and ESSIE JUANITA LAWHORNE, his wife, the within named Mortgagee, and made oath in due form of law that the consideration set forth in said mortgage is true and bona fide as therein set forth, and that the amount of the aforesaid loan has been paid over and disbursed to said Mortgagor at or before the time of execution of this mortgage.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Joseph H. Rouse
Notary Public
My commission expires: July 1, 1982.

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber 174, folio 710; a Land Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 19th day of March 1983.

Marguerite W. Mankin
Marguerite W. Mankin, Clerk of
Circuit Court for Queen Anne's County

STATE OF MARYLAND }
QUEEN ANNE'S COUNTY } To Wit:

KNOW ALL MEN BY THESE PRESENTS, That we, Edward Turner, and Patrick E. Thompson of Queen Anne's County, State of Maryland, and Selected Risk Insurance Company, a body corporate, duly authorized by its charter to become sole surety on bonds, are held and firmly bound unto the State of Maryland, in the full and just sum of One Hundred Ten Thousand Dollars current money of the United States of America, to be paid to the State of Maryland, or its certain attorneys, to which payment well and truly to be made and done, we bind ourselves and each of us, our and each of our heirs, executors, administrators, successors and assigns, in the whole and for the whole, jointly and severally, firmly by these presents, sealed with our seals and dated this 18th day of March, 1983;

WHEREAS, the above bounded principals, by virtue of the power contained in the mortgage from Gary W. DeProspero and Jack A. Dutrow to John Edgar Lawhorne and Essie Juanita Lawhorne, his wife, dated May 1, 1981, and recorded among the land records of Queen Anne's County, in the State of Maryland, in Liber M.W.M. No. 174, folio 740, in which the undersigned principals are designated by name to exercise the power of sale, and they are about to sell the land and premises in said mortgage, default having been made in the payment of the money as specified and in the conditions and covenants therein contained.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH that if the above bounded Edward Turner and Patrick E. Thompson, Attorney's named in mortgage, do and shall well, truly and faithfully perform the trusts reposed in them under the mortgage aforesaid, and shall abide by and fulfill any order or decree which shall be made by any Court of Equity in relation to the sale of said mortgaged property, or the proceeds thereof, then the above obligation shall be void, otherwise to be and remain in full force and effect.

IN TESTIMONY WHEREOF, the said principals have hereunto set their hand and seal and the said surety has caused this instrument of writing to be executed, on the day and year first above written.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF

Ramona J. Regan

Edward Turner (SEAL)
Edward Turner

Ramona J. Regan

Patrick E. Thompson (SEAL)
Patrick E. Thompson
Attorney's named in mortgage

SELECTED RISK INSURANCE COMPANY

By: [Signature]
Attorney in fact

ATTEST:

[Signature]
Surety approved and
Bond Filed March 18, 1983



SEALLED COPY OF
POWER OF ATTORNEY
ATTACHED

TURNER & THOMPSON
ATTORNEYS AT LAW
109 LAWYERS ROW
ANNAPOLIS, MARYLAND
21407

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from
Liber MWM No. 3, folio 308, a Bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto
subscribed my name and affix the
Seal of the Circuit Court for
Queen Anne's County this 18th day
of April, 1983

Marguerite W. Mankin
Marguerite W. Mankin, Clerk
Circuit Court for Queen Anne's
County

EDWARD TURNER
PATRICK E. THOMPSON
109 Lawyers Row
Centreville, Maryland
Attorneys named in Mortgage

IN THE
CIRCUIT COURT

GARY W. DePROSPERO
AND

FOR

JACK A. DUTROW
Mortgagors

QUEEN ANNE'S COUNTY

EQUITY NO. 7342

* * * * *

AFFIDAVIT

I HEREBY CERTIFY, that on this 20th day of April, 1983, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Edward Turner and Patrick E. Thompson, Attorneys named in the Mortgage, and made oath in due form of law that notice of the time, place and terms of sale in this cause were duly sent by certified mail to Gary W. DeProspero and Jack A. Dutrow, mortgagors, and present record holders of the property to be sold at their last known addresses as prescribed by Rule W 74 a. (2) (c) of the Maryland Rules of Procedure and Section 7-105 of the Real Property Article of the Annotated Code of Maryland.



Barbara S. Eiland
Notary Public

My commission expires: July 1, 1986.

CLERK
1983 APR 25 PM 3:21
QUEEN ANNE'S COUNTY

TURNER & THOMPSON
ATTORNEYS AT LAW
109 LAWYERS ROW
CENTREVILLE, MARYLAND
21027

SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
 Show to whom and date delivered.
 Show to whom, date and address of delivery.
 RESTRICTED DELIVERY. Show to whom and date delivered.
 RESTRICTED DELIVERY. Show to whom, date, and address of delivery.

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
 Mary W. de Prospero
 805 Magnolia Road
 Arundel, Maryland 21012

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 1225000587

(Always obtain signature of addressee or agent)

I have received the article described above
 SIGNATURE: [Signature] AUTHORIZED AGENT

4. DATE OF DELIVERY: 4-21-83 POSTMARK: [Postmark]

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS: [Initials]

PS Form 3838, Apr. 1976

P 228 000 589
 RECEIPT FOR CERTIFIED MAIL

NO RETURN IF LOVE LETTERS - POST OFFICE NATIONAL MAIL (See Hoyer c)

SENT TO: Mary W. de Prospero
 805 Magnolia Road
 Arundel, Maryland 21012

POSTAGE: 37
 75
 60

CONSULT POSTMASTER FOR FEES

CLERK'S INITIALS: [Initials]

TOTAL POSTAGE AND FEES: 1.72

POSTMARK OR DATE: APR 20 1983

PS Form 3838, Apr. 1976

SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
 Show to whom and date delivered.
 Show to whom, date and address of delivery.
 RESTRICTED DELIVERY. Show to whom and date delivered.
 RESTRICTED DELIVERY. Show to whom, date, and address of delivery.

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
 Joseph A. de Prospero
 Marling Farms
 Chester, Maryland 21619

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 1225000590

(Always obtain signature of addressee or agent)

I have received the article described above
 SIGNATURE: [Signature] AUTHORIZED AGENT

4. DATE OF DELIVERY: 4-20-83 POSTMARK: [Postmark]

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS: [Initials]

PS Form 3838, Apr. 1976

P 228 000 590

SENT TO: Joseph A. de Prospero
 Marling Farms
 Chester, Maryland 21619

POSTAGE: 37
 75
 60

CONSULT POSTMASTER FOR FEES

CLERK'S INITIALS: [Initials]

TOTAL POSTAGE AND FEES: 1.72

POSTMARK OR DATE: APR 20 1983

PS Form 3838, Apr. 1976

EDWARD TURNER
PATRICK E. THOMPSON
109 Lawyers Row
Centreville, Maryland
Attorneys named in Mortgage

IN THE
CIRCUIT COURT

vs.

FOR

GARY W. DePROSPERO
AND

QUEEN ANNE'S COUNTY

JACK A. DUTROW
Mortgagors

EQUITY NO. 7342

* * * * *

REPORT OF SALE

TO THE HONORABLE, THE JUDGES OF SAID COURT:

The report of Edward Turner and Patrick E. Thompson, Attorneys named in the Mortgage from Gary W. DeProspero and Jack A. Dutrow to John Edgar Lawhorne and Essie Juanita Lawhorne, his wife, dated May 1, 1981 and recorded among the Land Records of Queen Anne's County, State of Maryland, in Liber M.W.M. No. 174, folio 740, in which mortgage the Mortgagees are granted the power of sale after any default in the terms of said mortgage, respectfully shows:

That default having occurred in the terms thereof by reason of the nonpayment when due of the principal and interest of the note secured by said mortgage, the said Edward Turner and Patrick E. Thompson filed in this Honorable Court their order to docket suit to foreclosure said mortgage, accompanied by the said mortgage, their sworn statement as to the mortgage indebtedness and their bond given to the State of Maryland, executed by themselves and the Selected Risks Insurance Company, a body corporate, duly authorized by its charter to become sole surety in the full and just sum of One Hundred Ten Thousand Dollars (\$110,000.00), containing the conditions required by law relative to the foreclosure of mortgages under a power of sale contained therein.

That after having advertised the mortgaged premises for sale in accordance with the annexed Certificate of Advertisement in the Queen Anne's Record Observer, a newspaper published in said County at least once each week for three (3) successive weeks, the first such publication being not less than fifteen (15) days prior to sale, and the last such publication being not more than one (1) week prior to sale, and after having sent, not earlier than twenty (20) days and not later than five (5) days before the date of sale, by certified mail to the mortgagors, at their last known address, notice of the time, place and terms of sale, the said Edward Turner and Patrick E. Thompson did attend, on the premises near Stevensville in Queen Anne's County, Maryland

TURNER & THOMPSON
ATTORNEYS AT LAW
109 LAWYERS ROW
CENTREVILLE, MARYLAND
21017

FILED
CLERK OF COURT
1983 MAY 13 PM 3:01
QUEEN ANNE'S COUNTY

1983 MAY 17 1983

EDWARD TURNER
PATRICK E. THOMPSON
109 Lawyers Row
Centreville, Maryland
Attorneys named in Mortgage

* IN THE
CIRCUIT COURT

vs.

*
FOR

GARY W. DePROSPERO

*
QUEEN ANNE'S COUNTY

AND

JACK A. DUTROW
Mortgagors

*
EQUITY NO. 7342

* * * * *

CERTIFICATE OF AUCTIONEER

I HEREBY CERTIFY, that I did sell at public auction:

ALL those lots or parcels of land known as the "Gary W. DeProspero and Jack A. Dutrow Properties" on the public road known as Eastern Shore Boulevard, leading from Queenstown to Stevensville in the Fourth Election District of Queen Anne's County, Maryland, more particulary described in the published advertisement of said sale.

TOGETHER with the buildings and improvements thereupon erected, made or being, and all and every the rights, roads, ways, waters, privileges, appurtenances and advantages to the same belonging or in any way appertaining.

On the premises in the Town of Stevensville, Queen Anne's County, Maryland on May 7, 1983 at the hour of 11:00 A.M., Eastern Daylight Time, unto

ESSIE JUANITA LAWHORNE

at and for the sum of SIXTY THOUSAND
Dollars (\$ 60,000.00).


Joseph A. Jackson, Jr.
Auctioneer

TURNER & THOMPSON
ATTORNEYS AT LAW
109 LAWYERS ROW
CENTREVILLE, MARYLAND
21017

Centreville, Md. 5/4 19 83

We Hereby Certify

That the annexed advertisement of
Sale - Island Casino

was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 7th day of May 19 83.

And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER was on the 20th day of
April 19 83, and the last
insertion on the 4th day of
May 19 83.

Publishers, Record Observer

Per William M. Moore

Attorney's Sale

**OF VALUABLE FEE SIMPLE REAL ESTATE
ON KENT ISLAND, NEAR
STEVENSVILLE, MARYLAND**

Under and by virtue of the power of sale contained in the mortgage from Gary W. DaProspero and Jack A. Dutrow to John Edgar Lawhorne and Essie Juanita Lawhorne, his wife, dated May 1, 1981 and recorded among the Land Records of Queen Anne's County, State of Maryland in Liber M.W.M. No. 174, folio 740; default having occurred in the terms of said mortgage. The undersigned attorneys, being named in said mortgage to exercise the power of sale, will offer at public auction on the premises, at the hour of 11:00 A.M. Daylight Saving Time on

Sat., May 7, 1983

the following real estate to wit:

PARCEL NO. 1 - ALL that lot or parcel of land, formerly known as "The Luther Baxter Filling Station Property," "The Martin B. Hoppold Property," "The Silver Roof", and now known as the "Island Casino Property", improved by a dwelling house and/or a store and restaurant and a bungalow, situate on Kent Island in the Fourth Election District of Queen Anne's County, Maryland, on the South side of the concrete State Road, known as the Eastern Shore Boulevard, a public road leading from Queenstown to Stevensville, bounded on the West by the lands of, or formerly of, Charles M. Bright and Harry T. Hopkins, on the East by the lands of the Stevensville Cemetery, bounded on the South by the lands of Elizabeth Potts, and bounded on the North by said Public Highway; and containing by survey 0.46 of an acre of land, more or less.

PARCEL NO. 2 - ALL that lot, part of a lot or parcel of land, situate on Kent Island, in the Fourth Election District of Queen Anne's County, Maryland, located on the South side of the Eastern Shore Boulevard leading from Kent Island Narrows to Stevensville, bounded on the East by Parcel No. 1 above described, bounded on the South by the lands of Elizabeth Potts, and bounded on the West by the lands of Harry T. Hopkins and The Stevensville High School and bounded on the North by said Public Highway; said lot being 100 feet in width and 175 feet in depth; and containing one-half (1/2) of an acre of land, more or less.

PARCEL NO. 3 - ALL that lot of land, 75 feet in width and 200 feet in depth, lying Easterly of Parcel No. 1 above described, located on the South side of the Old Eastern Shore Boulevard, on Kent Island, near Stevensville, Maryland, bounded on the North by said Boulevard, bounded on the Westerly side by Parcel No. 1 hereof, bounded on the South and East by lands of George R. Benton; and containing 0.344 Acre of land, more or less. See Plat of Parcels Nos. 1, 2 and 3 hereof in Liber T.S.P. No. 4, folio 326; for further description of

the lands herein conveyed.

PARCEL NO. 4 - ALL that lot or parcel of land situate, lying and being on Kent Island in the Fourth Election District of Queen Anne's County, State of Maryland, known and designated as Parcel No. 3 on a Plat entitled "Map Showing Survey of Three Lots or Parcels of Land for Elizabeth Lane Potts, Fourth Election District, Queen Anne's County, Maryland", by Shaw and Bartlett, Registered Surveyors, dated May 3, 1962, said Plat being recorded among the Land Records of said County in Liber T.S.P. No. 68, folio 295 and more particularly described as follows, to wit:

BEGINNING for the same at a concrete monument on the northerly right of way line of U.S. Route No. 50 - 301, as set forth on the aforesaid Plat, at the Southeast corner of the lot hereby intended to be conveyed and the Southwest corner of the lands of the Stevensville Cemetery, and running thence by and with the right-of-way line of said Highway, North 73 degrees 41 minutes 11 seconds West, 135.02 feet to a concrete monument and the lands of the Board of Education of Queen Anne's County; thence by and with said last mentioned lands, North 17 degrees 28 minutes 09 seconds East, 445.23 feet to a concrete monument on the line of the lands of Henry P. Lane; thence by and with said Lane lands, South 71 degrees 56 minutes 38 seconds East, 34.13 feet to a concrete monument, South 17 degrees 30 minutes West, 25.00 feet to a concrete monument and South 71 degrees 55 minutes East, 100 feet to a concrete monument and the Stevensville Cemetery lands, thence with said lands, South 17 degrees 21 minutes West, 416.08 feet to the place of beginning; CONTAINING 1.31 acres, more or less.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

IMPROVEMENTS: One story frame building housing the Restaurant and Bar known as "Silver Island Limited" and a two story frame cottage or bungalow adjacent thereto.

TERMS OF SALE: The purchaser(s) shall be required to pay ten per cent (10%) of the purchase price in cash or by certified check on the day of

ORDER NISI ON SALE

EDWARD TURNER and
PATRICK E. THOMPSON,
Attorneys named in Mortgage

vs.

GARY W. DePROSPERO and
JACK A. DUTROW

In the Circuit Court
for Queen Anne's County
In Equity

Cause No. 7342

ORDERED, this 13th day of May, 1983, that
the sale of the real property, made and reported in this cause by
Edward Turner and Patrick E. Thompson, Attorneys, be ratified and confirmed,
on or after the 16th day of June, 1983, unless
cause to the contrary thereof be previously shown; provided a copy of this order be inserted
in some newspaper published in Queen Anne's County, Maryland, once in each of three suc-
cessive weeks before the 9th day of June, 1983.

The report states the amount of sales to be \$ 60,000.00.

Marguerite H. Hankin Clerk

Filed May 13, 1983

Centreville, Md. 6/8 19 83

We Herby Certify

That, the annexed advertisement of
Order Nisi Gary DeProspero

was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 9th day of June 19 83.

And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER was on the 25th day of
May 19 83, and the last
insertion on the 8th day of
June 19 83.

Publishers, Record Observer

Per *Marguerite W. Mankin*

**ORDER NISI
ON SALE
EDWARD TURNER and
PATRICK E. THOMPSON,
Attorneys named in
Mortgage**

vs.

**GARY W. DePROSPERO
and JACK A. DUTROW
In the Circuit Court
for**

**Queen Anne's County
In Equity
Cause No. 7342**

ORDERED, this 13th day
of May, 1983, that the sale
of the real property, mede
and reported in this cause
by Edward Turner and
Patrick E. Thompson, At-
torneys, be ratified and
confirmed, on or after the
16th day of June, 1983,
unless cause to the con-
trary thereof be previously
shown; provided a copy of
this order be inserted in
some newspaper published
in Queen Anne's County,
Maryland, once in each of
three successive weeks
before the 9th day of June,
1983.

The report states the
amount of sales to be
\$60,000.00

Marguerite W. Mankin
Clerk

True Copy, Test:
Marguerite W. Mankin
Clerk

By: Betty M. Comegys
Deputy Clerk

Filed May 13, 1983

RO-5-25-3t-080

Filed June 14, 1983

UNFR

17 PAID 157

USEF 17 JUN 1983

EDWARD TURNER and
PATRICK E. THOMPSON

Attorneys named in Mortgage

VS.

GARY W. DePROSPERO and
JACK A. DUTROW

Mortgagors

IN THE

CIRCUIT COURT

FOR

QUEEN ANNE'S COUNTY

EQUITY NO. 7342

* * * * *

FINAL ORDER OF RATIFICATION

ORDERED by the Court, this 21st day of June, 1983, that the sale made and reported by the Attorneys named in Mortgage, be and the same is hereby finally ratified and confirmed, no cause to the contrary having been shown, although due notice appears to have been given as required by the Order Nisi passed in said cause; and the Attorneys named in Mortgage are allowed the usual commissions and such proper expenses as they shall produce vouchers for the auditor.

RECEIVED
CLERK OF COURT

1983 JUN 21 AM 11:52

QUEEN ANNE'S COUNTY

Clayton C. Carter
JUDGE

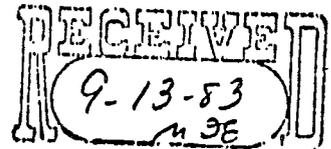
TURNER & THOMPSON
ATTORNEYS AT LAW
100 LAWYERS ROW
CENTREVILLE, MARYLAND
21017

LAW OFFICERS
TURNER & THOMPSON
100 LAWYERS ROW
CENTREVILLE, MARYLAND 21017

EDWARD TURNER
PATRICK E. THOMPSON

TELEPHONE
(301) 751-1715

September 9, 1983



Clayton C. Carter, Resident Judge
Circuit Court for Queen Anne's County
Courthouse
Centreville, Maryland 21617

Re: Turner v. DeProspero
Chancery #7342

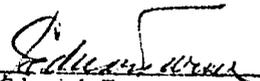
Dear Judge Carter:

Yesterday I received a letter from John W. Sause, Jr., the Court's Auditor, concerning a suggested account in the above referenced foreclosure proceeding.

This account has not been prepared because the purchaser at the foreclosure sale - who was the mortgagee - has been unable to secure financing to enable her to pay any of the costs involved in this proceeding, and efforts are being made by Mr. Thompson and myself, who made the sale, to secure a substituted purchaser for said property.

Therefore, a request is made to extend the period of time for us to obtain a substituted purchaser, with the appropriate permission of the Court, in order that an account may be submitted, costs paid and this proceeding concluded.

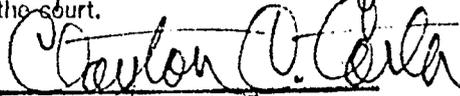
Very truly yours,


Edward Turner

ET/tlo
/

CC: John W. Sause, Jr., Auditor

APPROVED this 20th day of
September, 1983 for 60 day extension,
subject to further order of
the court.


Judge

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

EDWARD TURNER & :
PATRICK E. THOMPSON :

Attorneys Named in Mortgage:

v. : Chancery #7342

GARY W. DE PROSPERO and :
JACK A. DUTROW :

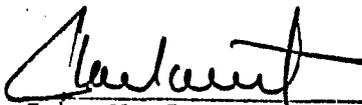
Mortgagors :

: : : : : :

REQUEST FOR ADDITIONAL COMPENSATION

The above-entitled cause having been referred to the Auditor in accordance with Maryland Rule W74, the Auditor respectfully requests the allowance of extra compensation for the services performed by him for the reasons that he has been required, in addition to his customary and usual duties:

1. To confer with the Court and the fiduciary on several occasions with respect to this proceeding and with respect to various requests filed in Chancery #7492;
2. To determine the status of one of the original mortgagees;
3. To examine the proceedings in Chancery #7492 with respect to matters relating to this proceeding;
4. To prepare a Special Report and pro forma Order setting forth his findings and recommendations.


John W. Sause, Jr.
Auditor

ORDER

The foregoing Application having been read and considered, and it appearing that the Auditor has performed duties other than the customary and usual duties performed in an audit, it is this 26th day of June, 1984, by the Circuit Court for Queen Anne's County,

ORDERED, that the Auditor is allowed a total fee of \$225.00, together with out of pocket traveling and other expenses allowed by Second Circuit Rule 12 b, such fee and expenses to be paid from funds of the estate, subject to the right of any interested person to file exceptions to this allowance in the manner provided by Maryland Rule 595 g.


CLAYTON C. CARLER
JUDGE

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

EDWARD TURNER & :
PATRICK E. THOMPSON :
Attorneys named in Mortgage :
v. : Chancery #7342
GARY W. DE PROSPERO and :
JACK A. DUTROW :
Mortgagors :
: : : : :

SPECIAL REPORT OF AUDITOR

This proceeding involves the sale of property known as "Silver Dollar" under a Purchase Money Second Mortgage dated May 1, 1981, in which John Edgar Lawhorne and Essie Juanita Lawhorne are the Mortgagees. Records of the Orphans' Court (Small Estate #404) reflect that Mr. Lawhorne died on July 3, 1981; and it might be well to have such reflected in this proceeding by copy of the death certificate or an affidavit.

Sale was made on May 7, 1983, by Edward Turner and Patrick E. Thompson, attorneys named for that purpose in the Mortgage, at which time Essie Juanita Lawhorne was reported as purchaser for \$60,000.00. The Report of Sale states that:

The purchaser is the holder of the second mortgage being foreclosed and as such she is due the proceeds from the sale of said property, after the satisfaction of the first mortgage to the Queens-town Bank of Maryland, to which reference is made in the advertisement. Therefore, these Attorneys are confident that she will comply with the terms of sale and no down payment or security has been required.

The sale was ratified on June 21, 1983.

On September 20, 1983, the Court granted a 60-day extension for filing a Suggested Account upon advice from one of the attorneys making the sale that "the purchaser at the foreclosure sale - who was the Mortgagee - has been unable to secure financing to pay any of the costs in this proceeding and efforts are being made by Mr. Thompson and myself, who made the sale, to secure a substituted purchaser." Thereafter, on December 16, 1983, the property was sold under the first mortgage (Chancery #7492). The sale to Essie Juanita Lawhorne in this proceeding has not been consummated and, as a practical matter, never will be.

Although the sale under the first mortgage was ratified on January 25, 1984, no Suggested Account has been submitted. However, it appears from the difference between the ratified sale price (\$63,000.00) and the Statement of Mortgage Indebtedness as of November 28, 1983 (\$44,558.43) that a substantial surplus will exist.

- 2 -

On December 30, 1983, the attorneys in this Cause attempted to "intervene" in Chancery #7492 with a view to obtaining those projected surplus proceeds. It was alleged that they "as Attorneys named in Mortgage of the second mortgage . . . are entitled to first priority after the [first mortgagee] . . . to pay for . . . expenses incurred in their foreclosure suit, Equity No. 7342, and any sum remaining after the payment of the aforementioned expenses be applied to the mortgage indebtedness of the second mortgage as reflected in the Statement of Mortgage Indebtedness heretofore filed in Equity No. 7342" On December 30, 1983, this Court denied the request for intervention on the basis that "if Petitioners are entitled to any relief it would be pursuant to Maryland Rule W 75." Pursuant to a subsequent Petition filed by Messrs. Thompson and Turner on their own behalf and on behalf of Mrs. Lawhorne, on February 9, 1984, the Court allowed payment of "so much of any surplus proceeds of the sale made herein as will satisfy the claim of Edward Turner and Patrick E. Thompson Attorneys Named in Mortgage" subject to the usual exceptions. It might be noted that the Order is silent as to Mrs. Lawhorne.

The problem in this case arises from the fact that the mortgagee/purchaser has not complied with the terms of sale. The important ramifications are, first, that there is no money to pay the commissions, fees and expenses of the sale and, second, that the Mortgagors have not received the monetary credit to which they would be entitled if the sale had been consummated. Rule BR6 c (applicable to this proceeding by Rule W74 e) provides:

In cases of default by the purchaser in a sale reported to the court, the court, on application, and after notice to the defaulting purchaser may order a resale at the risk and expense of such purchaser, or may take such other action as justice may require.

See also, Miller, Equity Procedure, §§520 et seq. As earlier indicated, a resale of the property is a practical impossibility. The Court would, therefore, seem to be required to "take such other action as justice may require".

It appears to me that justice and equity are both served if the defaulting mortgagee/purchaser is charged with the credit which would have been applied to the mortgage debt had the sale been consummated. The expenses reflected in the attached Exhibit are based upon vouchers exhibited by the Attorneys. In the Exhibit it is also indicated that under rules stated in Weismuller v. Bush, 56 Md.App. 593, and the Report filed by me in Chancery #7107, the balance still owed on the Second Mortgage, if the sale had been consummated, would have been \$54,652.92.

It is, therefore, my recommendation that the Court give notice to the persons interested in this proceeding to show cause, in accordance with Rule BR6 c, why the Court should not ratify this Report and the accounting contained in the attached Exhibit and:

- a. Approve the commissions, fees and expenses as submitted by the Attorneys and incorporated in the Exhibit;

b. Direct that the difference between those commissions, fees and expenses and the sale price as ratified on June 21, 1983, be credited against the indebtedness due under the Mortgage, as shown in the Exhibit;

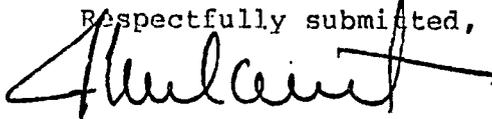
c. Enter judgment against Essie Juanita Lawhorne, as defaulting purchaser, in the amount of \$4,986.87, being the unpaid commissions, fees and expenses, together with additional costs incurred in connection with this Report, plus interest at the rate of 10% (the amount set forth in the advertisement of sale) from May 7, 1983;

d. Direct that the amount of such judgment, costs and interest be deducted from any surplus proceeds to which Essie Juanita Lawhorne may be entitled in Chancery #7492;

e. Direct that the amount of interest payable in this Cause by Essie Juanita Lawhorne be applied as a further credit against the mortgage debt in this proceeding.

A pro forma order is attached for the Court's consideration.

Respectfully submitted,



John W. Sause, Jr.
Auditor

June 26, 1984

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

EDWARD TURNER &	:	
PATRICK E. THOMPSON	:	
Attorneys Named in Mortgage	:	
v.	:	Chancery #7342
GARY W. DePROSPERO and	:	
JACK A. DUTROW	:	
Mortgagors	:	

EXHIBIT TO AUDITOR'S REPORT

SALE PRICE, as reported			\$ 60,000.00
COMMISSIONS, payable to Fiduciary	\$ 3,150.00		
ATTORNEY FEE, per Mortgage	500.00		
EXPENSES OF SALE			
Court costs	\$ 139.50		
Advertising			
Notice of sale	348.04		
Report of sale	53.13		
Bond premium	440.00		
Auctioneer's fee	150.00		
Certified Mail	3.44		
Notary fee	5.00	1,139.11	
AUDITOR'S FEE AND COSTS			
Fee for audit, per Order	\$ 225.00		
Postage & copies	1.20	226.20	5,015.31-
NET AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 54,984.69
INDEBTEDNESS DUE UNDER MORTGAGE			
Principal per Statement of Debt	\$ 105,107.35-		
Interest to 03/18/83, per Statement	518.34-		
Insurance premiums, per Statement	1,716.92-		
Interest on principal at 10%			
03/19/83 to 05/07/83 49 days @ \$ 28.80	1,411.20-		\$ 108,753.81-
NET CREDIT FROM CREDITOR/PURCHASER			
on 05/07/83 (See Note A)			54,984.69
BALANCE OWED BY DEBTORS after credit			\$ 53,769.12-
INTEREST 05/08/83 to 07/06/83			
60 days @ \$ 14.73			883.80-
DEFICIT			\$ 54,652.92-

Note A: Net amount used by Creditor to discharge responsibilities as sale purchaser for deposit and pre-settlement interest credited as of date of sale in accordance with Weismiller v. Bush, 56 Md.App. 593, and the Report filed in Chancery #7107, which is incorporated by reference in this Audit.

P31 2384033

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Edward Turner & P. E. Thompson 109 Lawyers Row Centreville, MD 21617	37 75 60	1.72
CONSULT POSTMASTER FOR FEES	OPTIONAL SERVICES	RETURN RECEIPT SERVICE
SPECIAL DELIVERY RESTRICTED DELIVERY		POSTMARK OR DATE
TOTAL POSTAGE AND FEES		JUN 22 1984

PS Form 3800, Apr. 1976

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

EDWARD TURNER &
PATRICK E. THOMPSON

Attorneys named in Mortgage

v.

Chancery #7342

GARY W. DE PROSPERO and
JACK A. DUTROW

Mortgagors

The Auditor, having filed a Report in this proceeding and it appearing that Essie Juanita Lawhorne has not complied with the terms of sale as ratified by the Court on June 21, 1983, and that justice may require the action proposed by the Auditor, it is this 26th day of June, 1984, by the Circuit Court for Queen Anne's County, in Equity,

ORDERED that Edward Turner and Patrick E. Thompson, Attorneys, Gary W. De Prospero and Jack A. Dutrow, Mortgagors, and Essie Juanita Lawhorne, as Mortgagee and purchaser, show cause on or before the 30th day of July, 1984, why the Report and Exhibit of the Auditor should not be ratified and/or why the Court should not take the other action there recommended;

PROVIDED that copies of this Order and the Report and Exhibit of the Auditor are mailed by the Clerk, by certified mail, return receipt requested, to each of those persons, on or before the 12 day of July, 1984.

Clayton C. Carler
Judge

P31 2384033

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Gary W. DeProspero 805 Mago Vista Road Arnold, MD 21012	37 75 60	1.72
CONSULT POSTMASTER FOR FEES	OPTIONAL SERVICES	RETURN RECEIPT SERVICE
SPECIAL DELIVERY RESTRICTED DELIVERY		POSTMARK OR DATE
TOTAL POSTAGE AND FEES		JUN 22 1984

PS Form 3800, Apr. 1976

Equity #7342

PS Form 3811, Jan. 1979

SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
 Show to whom and date delivered.....60¢
 Show to whom, date and address of delivery.....
 RESTRICTED DELIVERY
 Show to whom and date delivered.....
 RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery, \$ _____
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Essie Juanita Lawhorne
Buena Vista, VA 24416

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 2984938

(Always obtain signature of addressee or agent)
 I have received the article described above.
 SIGNATURE Addressee Authorized agent

4. DATE OF DELIVERY: **JUN 20 1984**
 ADDRESS (Complete only if requested):
Buena Vista, VA 24416

5. UNABLE TO DELIVER BECAUSE: _____ CLERK'S INITIALS: _____

☆GPO : 1979-288-848

2984938
 JUN 31 1984

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

SENT TO: **Jack A. Dutrow**
Marling Farms
Chester, MD 21619

POSTAGE \$ 37

CERTIFIED FEE \$ 75

SPECIAL DELIVERY \$ 09

RESTRICTED DELIVERY \$

RETURN RECEIPT SERVICE \$

OPTIONAL SERVICES \$

CONSULT POSTMASTER FOR FEES \$ 1.72

POSTMARK OR DATE: JUN 20 1984

2984938
 JUN 31 1984

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

SENT TO: **Essie Juanita Lawhorne**
Buena Vista, VA 24416

POSTAGE \$ 37

CERTIFIED FEE \$ 75

SPECIAL DELIVERY \$ 09

RESTRICTED DELIVERY \$

RETURN RECEIPT SERVICE \$

OPTIONAL SERVICES \$

CONSULT POSTMASTER FOR FEES \$ 1.72

POSTMARK OR DATE: JUN 20 1984

Equity #7342

PS Form 3811, Jan. 1979

SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
 Show to whom and date delivered.....60¢
 Show to whom, date and address of delivery.....
 RESTRICTED DELIVERY
 Show to whom and date delivered.....
 RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery, \$ _____
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Gary W. DeProspero
805 Mago Vista Road
Arnold, MD 21012

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 2984940

(Always obtain signature of addressee or agent)
 I have received the article described above.
 SIGNATURE Addressee Authorized agent

4. DATE OF DELIVERY: **JUN 20 1984**
 ADDRESS (Complete only if requested):
Buena Vista, VA 24416

5. UNABLE TO DELIVER BECAUSE: _____ CLERK'S INITIALS: _____

☆GPO : 1979-288-848

PS Form 3811, Jan. 1979

SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
 Show to whom and date delivered.....60¢
 Show to whom, date and address of delivery.....
 RESTRICTED DELIVERY
 Show to whom and date delivered.....
 RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery, \$ _____
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Edward Turner, Esq.
Patrick E. Thompson, Esq.
109 Lawyers Row
Centreville, MD 21617

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 2984939

(Always obtain signature of addressee or agent)
 I have received the article described above.
 SIGNATURE Addressee Authorized agent

4. DATE OF DELIVERY: **JUN 20 1984**
 ADDRESS (Complete only if requested):
Buena Vista, VA 24416

5. UNABLE TO DELIVER BECAUSE: _____ CLERK'S INITIALS: _____

☆GPO : 1979-288-848

PS Form 3811, Jan. 1979

SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
 Show to whom and date delivered.....60¢
 Show to whom, date and address of delivery.....
 RESTRICTED DELIVERY
 Show to whom and date delivered.....
 RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery, \$ _____
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Jack A. Dutrow
Marling Farms
Chester, MD 21619

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 2984941

(Always obtain signature of addressee or agent)
 I have received the article described above.
 SIGNATURE Addressee Authorized agent

4. DATE OF DELIVERY: **JUN 20 1984**
 ADDRESS (Complete only if requested):
Buena Vista, VA 24416

5. UNABLE TO DELIVER BECAUSE: _____ CLERK'S INITIALS: _____

☆GPO : 1979-288-848

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

EDWARD TURNER & :
PATRICK E. THOMPSON :

Attorneys named in Mortgage :

v. :

Chancery #7342

GARY W. DE PROSPERO and :
JACK A. DUTROW :

Mortgagors :

: : : : :

O R D E R

The matter coming before the Court on the Order to Show Cause passed on June 26, 1984, and no cause having been shown why the Report and Exhibit of the Auditor should not be ratified or that the Court should not take the other action recommended in the Report, although it appears that copies of that Order and the Auditor's Report and Exhibit were mailed as required therein, it is this 7th day of August, 1984, by the Circuit Court for Queen Anne's County,

ORDERED that the Report and Exhibit of the Auditor are hereby ratified and confirmed; and

FURTHER ORDERED, as follows:

a. The commissions, fees and expenses as submitted by the Attorneys and incorporated in the Exhibit are hereby approved;

b. The difference between those commissions, fees and expenses and the sale price as ratified on June 21, 1983, shall be credited against the indebtedness due under the Mortgage, as shown in the Exhibit;

c. The Clerk shall enter judgment against Essie Juanita Lawhorne, as defaulting purchaser, in the amount of \$5,015.31, being the correct unpaid commissions, fees and expenses as shown in the Exhibit filed with the Auditor's Special Report, together with additional costs incurred in connection with the Report, plus interest at the rate of 10% (the amount set forth in the advertisement of sale) from May 7, 1983;

- 2 -

d. The amount of such judgment, costs and interest shall be deducted from any surplus proceeds to which Essie Juanita Lawhorne may be entitled in Chancery #7492;

e. The amount of interest payable in this Cause by Essie Juanita Lawhorne shall be applied as a further credit against the mortgage debt in this proceeding.

Clayton O. Carter

Judge

RECEIVED
CLERK, CIRCUIT COURT

1984 AUG -7 PM 2:58

QUEEN ANNE'S COUNTY

KING FOODS, INC.,
A Maryland corporation
Queenstown, MD 21658

PLAINTIFF

VS.

WINFRED E. CLEVINGER and
CATHERINE J. CLEVINGER,
his wife
V.F.W. Avenue
Grasonville, MD 21638

AND

THE UNKNOWN HEIRS,
DEVISEES, PERSONAL
REPRESENTATIVES OF IRVING
HAZELTON AND NANNIE
HAZELTON

AND

ALL PERSONS HAVING OR
CLAIMING TO HAVE AN
INTEREST IN
2 Acres of land fronting
292.05 feet on the east
side of Wye Neck Road,
approximately 550 feet
south of Arrington Road,
Fifth Election District of
Queen Anne's County, Md.

DEFENDANTS

IN THE CIRCUIT COURT FOR
QUEEN ANNE'S COUNTY

MARYLAND

IN EQUITY

CAUSE NO. 7636

JUDGMENT

This cause standing ready for an order, the Court having read and considered the Bill of Complaint, and the exhibits attached thereto, the Answer and Consent to Judgment filed by Winfred E. and Catherine J. Clevenger, and the neglect of the remaining Defendants to file answers herein and the passage of an Order of Default against them constituting an admission of the truth of each and every allegation of the Bill of Complaint, whereupon this Court finds as follows:

RECEIVED
CLERK, CIRCUIT COURT
1984 OCT -1 PM 2:34
QUEEN ANNE'S COUNTY

(a) There is no dispute of fact between Plaintiffs and Winfred E. Clevenger and Catherine J. Clevenger, and Winfred E. Clevenger and Catherine J. Clevenger have consented to a judgment for the relief requested.

(b) Plaintiffs are entitled to a judgment by default for the relief requested against The Unknown Heirs, Devisees, Personal Representatives of Irving Hazelton and Nannie Hazelton, and All Persons having or Claiming to Have an Interest in 2 acres of land fronting 292.05 feet on the east side of Wye Neck Road, approximately 550 feet south of Arrington Road, Fifth Election District of Queen Anne's County, Md., who have in effect admitted to the allegations in the Bill of Complaint and there is no need to conduct a hearing thereon.

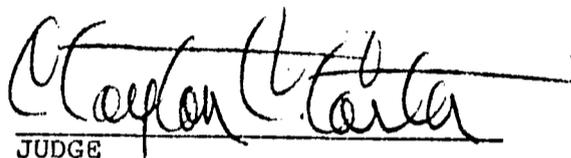
IT IS this 1st day of October, 1984, by the Circuit Court of Queen Anne's County, ORDERED that Judgment be entered as follows:

1. Winfred E. Clevenger and Catherine J. Clevenger are the absolute owners, with the right of disposition, of the property described in Exhibit A, with the right to quietly enjoy the same, without any cloud thereon.

2. The Defendants, The Unknown Heirs, Devisees, Personal Representatives of Irving Hazelton and Nannie Hazelton, and All Persons having or Claiming to Have an Interest in 2 acres of land fronting 292.05 feet on the east side of Wye Neck Road, approximately 550 feet south of Arrington Road, Fifth Election District of Queen Anne's County,

Md., or anyone claiming by, through or under them are enjoined from asserting any action at law or otherwise against the property described in Exhibit A filed in this proceeding.

3. The Plaintiffs shall pay the costs of this proceeding.


JUDGE

17 172

LAW OFFICES
J. DONALD BRADEN
FARMERS NATIONAL BANK BUILDING
CENTREVILLE, MARYLAND 21617
301-758-2828

October 2, 1984

Clerk, Circuit Court for Queen Anne's County
Court House
Centreville, Maryland 21617

Re: Equity No. 7636

OCT -2-84 * 29966 *****26 00
OCT -2-84 A #29966 *****15 00
OCT -2-84 A #29965 *****10 00

Madam Clerk:

Please record only the judgment in this matter in
the extenso records.

Very truly yours,

J. Donald Braden
J. Donald Braden

JDB/cmh

RECEIVED
CLERK, CIRCUIT COURT
1984 OCT -2 PM 3:46
QUEEN ANNE'S COUNTY

IN THE CIRCUIT COURT FOR QUEEN ANNE COUNTY, MARYLAND

Robert H. Symonds
Barbara A. Oosterhout
Substitute Trustees

JUN 26-84 * 25946 *****60 00
JUN 26-84 A 925946 *****60 00

Plaintiffs

vs.

Equity No. 76 B 2

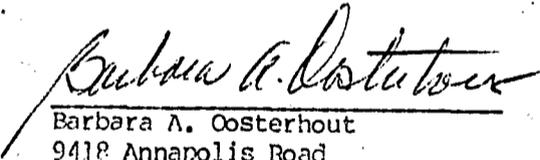
Franklin Anthony Owens and Karen M. Owens

Defendants

Proceedings to foreclosure under the
terms of a Deed of Trust recorded
among the Land Records of QUEEN ANNE
County, Maryland in Liber 193 at
folio 113.

Mr. Clerk:

Kindly docket suit in the above entitled cause,
file the Deed of Trust handed you herewith and bond when
approved.


Barbara A. Oosterhout
9418 Annapolis Road
Lanham, Maryland 20706-3097
301-459-2529

FILED
JUN 26 11 44 AM '84
QUEEN ANNE COUNTY

DEED NO. 111, 40
VA Form 26-6318e (Home Loan)
Jul 1977. Use optional.
Section 1810, Title 38 U.S.C.
Acceptable to Federal National
Mortgage Association.

17 PAGE 17 100263-1 27309

PURCHASE MONEY

MARYLAND

DEED OF TRUST

THIS DEED, made this 27th day of January, 1983, by and between Franklin Anthony Owens and Karen M. Owens

party of the first part, and Terrence C. Murray and Joseph Maeder as hereinafter set forth, party of the second part: FEB -2-83 * 24933 *****21.50
FEB -2-83 A #24933 *****21.50
Trustee,

WHEREAS, the party of the first part is justly indebted unto Chase Home Mortgage Corporation

under the laws of Delaware, a corporation organized and existing in the principal sum of FIFTY THREE THOUSAND THREE HUNDRED & NO/100-----Dollars (\$ 53,300.00), with interest from date at the rate of TWELVE & ONE HALF per centum (12.500%) per annum on the unpaid balance until paid, for which amount the said party has signed and delivered a certain promissory note bearing even date here-with and payable in monthly installments of FIVE HUNDRED SIXTY EIGHT & 85/100-----Dollars (\$ 568.85), commencing on the first day of MARCH, 19 83, and continuing on the first day of each month thereafter until the principal and interest are fully paid, except that the final pay-ment of principal and interest, if not sooner paid, shall be due and payable on the first day of FEBRUARY, 2013. *M.D.
*K.M.O.

AND WHEREAS, the party of the first part desires to secure the prompt payment of said debt, and interest thereon, when and as the same shall become due and payable, and all costs and expenses incurred in respect thereto, including reasonable counsel fees incurred or paid by the said party of the second part or substituted Trustee, or by any person hereby secured, on account of any litigation at law or in equity which may arise in respect to this trust or the property hereinafter mentioned, and of all money which may be advanced, as provided herein, with interest on all such costs and advances from the date thereof.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that the party of the first part, in consideration of the premises, and of one dollar, lawful money of the United States of America, to parties of the first part, in hand paid by the party of the second part, the receipt of which, before the sealing and delivery of these presents, is hereby acknowledged, has granted and conveyed, and does hereby grant and convey unto the party of the second part, as Trustee, its successors and assigns, the following-described land and premises, situate in the county of Queen Anne and State of Maryland, to wit:

ALL that lot or parcel of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a plat entitled, "CLOVERFIELDS, Plat 2", by Purdum and Jeschke, registered engineers and surveyors, dated the 4th day of March, 1959, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 47 folio 383, said lot being known and designated as Lot No. 4, Block L, Plat 2, of Cloverfields.

Being the same lot of ground described in Deed of even date herewith and intended to be recorded prior hereto among the Land records of Queen Anne County Maryland from Harry Lohman Homes, Inc. to Franklin Anthony Owens and Karen M. Owens.

1983 FEB -2 PM 12: 34
QUEEN ANNE'S COUNTY

together with all the improvements in anywise appertaining, and all the estate, right, title, interest, and claim, either at law or in equity, or otherwise however, of the party of the first part, of, in, to, or out of the said land and premises; and all fixtures now or hereafter attached to or used in connection with the premises herein described and in addition thereto the following described household appliances, which are, and shall be deemed to be, fixtures and a part of the realty, and are a portion of the security for the indebtedness herein mentioned; Fee simple.

The following chattels are secured by this Deed of Trust:
Range/oven, Refrig, Washer, Dryer, W/W Carp, Dishwasher,

183 113

To HAVE AND TO HOLD the said property and improvements unto the party of the second part, its successors and assigns

Grantor covenants that 60% of the principal indebtedness hereinafter mentioned up to a maximum of \$27,500.00 of guarantee is eligible for and shall be guaranteed under the provisions of Chapter 37, Title 38 US Code, and the regulations and rules issued under the act and law now in effect; in the event the sum is not eligible, or does not qualify, for guarantee in the full amount within 60 days from the date hereof, the holder of the Note may at its option declare all sums secured hereby immediately due and payable and, if payment thereof is not forthwith made, take or cause to be taken such action or proceeding as may be taken hereunder in the case of any other default in the payment of the indebtedness.

IN AND UPON THE TRUSTS, NEVERTHELESS, hereinafter declared; that is to say: IN TRUST to permit said party of the first part, or assigns, to use and occupy the said described land, and premises, and the rents, issues and profits thereof, to take, have, and apply to and for such party's sole use and benefit, until default be made in the payment of any indebtedness hereby secured, or in the performance of any of the covenants as hereinafter provided.

Upon the full payment of all of said note and the interest thereon, and all moneys advanced or expended as herein provided, and all other proper costs, charges, commissions, half-commissions, and expenses, at any time before the sale hereinafter provided for, to release and reconvey the said described premises unto the said party of the first part or assigns, at such party's cost. Prior to the execution and delivery of any partial or complete release, each trustee shall be entitled to charge and receive a fee of \$5.00, plus \$.50 for Notary's fee, for each release. The right to charge and receive said fee shall be limited to two trustees.

Upon a default in the payment of any indebtedness hereby secured or in the performance of any of the terms or conditions hereof as hereinafter provided, then, in either event, all of the indebtedness hereby secured shall at once become due and payable without notice at the option of the holder of the note and the said party of the second part, or the Trustee acting in the execution of this trust, shall have power and it shall be such trustee's duty to sell, and in case of any default of any purchaser, to resell, at public auction, for cash, in one parcel at such time and place, and after such previous public advertisement as the party of the second part, or the Trustee acting in the execution of this trust, shall deem advantageous and proper; and to convey the same upon compliance with the terms of sale, to, and at the cost of, the purchaser or purchasers thereof, who shall not be required to see to the application of the purchase money; and shall apply the proceeds of said sale or sales: First, to pay all proper costs, charges, and expenses, including all attorneys' and other fees and costs herein provided for, all moneys advanced for costs or expenses, expense of litigation as aforesaid, taxes or assessments, or insurance with interest thereon as aforesaid, and all taxes, general and special, and assessments, due upon said land and premises at time of sale and to retain as compensation a commission of one per centum (1%) on the amount of the said sale or sales; Second, to pay whatever may then remain unpaid of said note, whether the same shall be due or not, and the interest thereon to date of payment, it being agreed that said note shall, upon such sale being made before the maturity of said note, be and become immediately due and payable at the election of the holder thereof; Third, to reimburse the Veterans Administration for any sums paid by it on account of the guarantee or insurance of the indebtedness secured hereby; and, lastly, to pay the remainder of said proceeds, if any there be, to the party of the first part, such party's heirs, executors, administrators, or assigns, upon the delivery and surrender to the purchaser, the heirs or assigns thereof, the possession of the premises, less the expense, if any, of obtaining possession.

Party of the first part covenants and agrees as follows:

1. He will pay the indebtedness, as hereinbefore provided. Privilege is reserved to prepay at any time, without premium or fee, the entire indebtedness or any part thereof not less than the amount of one installment, or one hundred dollars (\$100.00), whichever is less. Prepayment in full shall be credited on the date received. Partial prepayment, other than on an installment due date, need not be credited until the next following installment due date or thirty days after such prepayment, whichever is earlier.

2. Together with, and in addition to, the monthly payments of principal and interest payable under the terms of the note secured hereby, he will pay to the holder of the said note as trustee (under the terms of this trust as hereinafter stated) on the first day of each month until the said note is fully paid, the following sums:

(n) A sum equal to the ground rents, if any, and the taxes and special assessments next due on the premises covered by this Deed of Trust, plus the premiums that will next become due and payable on policies of fire and other hazard insurance on the premises covered hereby (all as estimated by the holder of the note, and of which the party of the first part is notified) less all sums already paid therefor, divided by the number of months to elapse before 1 month prior to the date when such ground rents, premiums, taxes, and assessments will become delinquent, such sums to be held by holder of the note in trust to pay said ground rents, premiums, taxes, and special assessments, before the same become delinquent.

(b) The aggregate of the amounts payable pursuant to subparagraph (a) and those payable on the note secured hereby, shall be paid in a single payment each month, to be applied to the following items in the order stated:

(I) ground rents, if any, taxes, special assessments, fire and other hazard insurance premiums;

(II) interest on the note secured hereby; and

(III) amortization of the principal of the said note.

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good by the party of the first part prior to the due date of the next such payment, constitute an event of default under this Deed of Trust. At the option of the holder of the note, the party of the first part will pay a "late charge" not exceeding four per centum (4%) of any installment when paid more than fifteen (15) days after the due date thereof to cover the extra expense involved in handling delinquent payments, but such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

3. If the total of the payments made by the party of the first part under (a) paragraph 2 preceding shall exceed the amount of payments actually made by the holder of the note as trustee for ground rents, taxes or assessments or insurance premiums, as the case may be, such excess shall be credited on subsequent payments to be made by the party of the first part for such items or, at the option of the holder of the note as trustee, shall be refunded to the party of the first part. If, however, such monthly payments shall not be sufficient to pay such items when the same shall become due and payable, then the party of the first part shall pay to the holder of said note as trustee any amount necessary to make up the deficiency. Such payments shall be made within thirty (30) days after written notice from the holder of the note stating the amount of the deficiency, which notice may be given by mail. If at any time the party of the first part shall tender to the holder of said note, in accordance with the provisions thereof, full payment of the entire indebtedness represented thereby, the said holder as trustee shall, in computing the amount of such indebtedness, credit to the account of the party of the first part any credit balance remaining under the provisions of (a) of paragraph 2 hereof. If there shall be a default under any of the provisions of this Deed of Trust resulting in a public sale of the premises covered hereby, or if the holder of the note acquires the property otherwise after default, the holder of the note as trustee shall apply, at the time of the commencement of such proceedings, or at the time the property is otherwise acquired, the amount then remaining to credit of the party of the first part under (a) of paragraph 2 preceding, as a credit on the interest accrued and unpaid and the balance to the principal then remaining unpaid on said note. In case of the refusal or neglect of the party of the first part to make any payment provided for under (a) of paragraph 2, the holder of the note, may, at its option, make such payment and any sum or sums so paid shall bear interest at the rate provided for in the principal indebtedness and shall be secured hereby.

4. The rents, income and profits of said property are hereby assigned to the holder of the note, provided, however, that the party of the first part shall be entitled to collect and retain the said rents, income and profits until default hereunder. Upon a default in the payment of any of the indebtedness hereby secured or in the performance of any of the terms or conditions hereof, the holder of the note shall be entitled, without notice to the party of the first part, to the immediate appointment of a receiver of the property covered hereby, without regard to the adequacy or inadequacy of the property as security for the mortgage debt; and if there be no receiver, the holder of the note may proceed to collect the rents, income, and profits from the property covered hereby.

5. He will pay all taxes, assessments, water rates and other governmental or municipal charges, fines or impositions, and ground rents, for which provision has not been made hereinbefore and will promptly deliver the official receipt therefor to the holder of the note; and in default of such payment by the party of the first part, the holder of the note may pay the same, and any sum or sums so paid by the holder of the note shall be added to the debt hereby secured, shall be payable thirty (30) days after demand, shall bear interest at the rate provided for in the principal indebtedness from date of payment and shall be secured by this Deed of Trust.

6. Upon the request of the holder of the note the party of the first part shall execute and deliver a supplemental note or notes for the sum or sums advanced by the holder of the note for the alteration, modernization, improvement, maintenance, or repair of said premises, for taxes or assessments against the same and for any other purpose authorized hereunder. Said note or notes shall be secured hereby on a parity with and as fully as if the advance evidenced thereby were included in the note first described above. Said supplemental note or notes shall bear interest at the rate provided for in the principal indebtedness and shall be payable in approximately equal monthly payments for such period as may be agreed upon by the creditor and debtor. Failing to agree on the maturity, the sum or sums so advanced shall be due and payable thirty (30) days after demand by the creditor. In no event shall the maturity extend beyond the ultimate maturity of the note first described above.

7. The lien of this instrument shall remain in full force and effect during any postponement or extension of the time of payment of the indebtedness or any part thereof secured hereby.

8. He will keep the said premises in as good order and condition as they are now, reasonable wear and tear excepted, and will not commit or permit any waste thereof.

9. He will continuously maintain hazard insurance, of such type or types and amounts as the holder of the note may from time to time require, on the improvements now or hereafter on said premises, and except when payment for all such premiums has theretofore been made under (a) of paragraph 2 hereof, will pay promptly when due any premiums therefor. All insurance shall be carried in companies approved by the holder of the note and the policies and renewals thereof shall be held by the holder of the note and have attached thereto loss payable clauses in favor of and in form acceptable to the holder of the note. In event of loss he will give immediate notice by mail to the holder of the note, who may make proof of loss if not made promptly by the party of the first part, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the holder of the note instead of, to the party of the first part and the holder of the note jointly, and the insurance proceeds, or any part thereof, may be applied by the holder of the note at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this Deed of Trust, or other transfer of title to the said premises in extinguishment of the indebtedness secured hereby, all right, title, and interest of the party of the first part in and to any insurance policies then in force shall pass to the purchaser or grantee.

10. If the said property shall be advertised for sale, as herein provided, and not sold, the Trustee or Trustees acting shall be entitled to one-half (1/2) the commission above provided, to be computed on the amount of the debt hereby secured, and the same is hereby secured in like manner as other charges and expenses attending the execution of this trust, and shall bear interest at the rate provided for in the principal indebtedness.

11. The holder of the indebtedness secured by this Deed of Trust shall be entitled to remove, substitute, or add a Trustee or Trustees, at its option, with or without cause or notice, by instrument duly executed, acknowledged and recorded among the land records of the county aforesaid.

The powers herein, when granted to two or more trustees, may be exercised by any of them acting individually or by all acting together.

12. If any suit, action, or proceeding whatsoever shall be commenced or prosecuted for the collection of the note, or any part of the note, or for the enforcement of any endorsement or endorsements thereof, or any other matters hereby secured, or in reference to the execution of the trust hereby created, or any of the trust or property or funds which may become part thereof, he will pay all costs and charges and expenses of the same, including reasonable counsel and attorney's fees and charges, which shall also be deemed a charge attending the execution of this trust, be secured hereby as such and bear interest at the rate provided for in the principal indebtedness and in default of such payment by the party of the first part, the holder of the note may, at its option, make such payment or pay such charge and any sum or sums so paid by the holder of the note shall be secured hereby and bear interest as aforesaid.

LIBER 153 PAGE 116

13. If the indebtedness secured hereby be guaranteed or insured under Title 38, United States Code, such Title and Regulations issued thereunder and in effect on the date hereof shall govern the rights, duties and liabilities of the parties hereto, and any provisions of this or other instruments executed in connection with said indebtedness which are inconsistent with said Title or Regulations are hereby amended to conform thereto.

14. He specially warrants the property herein conveyed and that he will execute such further assurances thereof as may be required.

The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Whenever used the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders and the term "holder of the said note" shall include any payee of the indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise.

WITNESS the signature(s) and seal(s) of the parties of the first part on the day and year first above written.

Witness:

Ch. T. Bell

Conrad J. ...

Franklin Anthony Owens [SEAL]
FRANKLIN ANTHONY OWENS

Karen M. Owens [SEAL]
KAREN M. OWENS

..... [SEAL]

..... [SEAL]

STATE OF MARYLAND, Anne Arundel County to wit:

I HEREBY CERTIFY, That on this 27th day of January, 1983, before me, the subscriber, a Notary Public of the State of Maryland, in and for the jurisdiction aforesaid, personally appeared Franklin Anthony Owens and Karen M. Owens his wife, and they acknowledged the foregoing deed to be their act.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year aforesaid.

Mary Charlene Metcalf
Notary Public

I HEREBY CERTIFY that on this 27th day of January, 1983, before me, the subscriber, a Notary Public in and for the State of Maryland, County of Anne Arundel personally appeared R. Ronald Sinclair

an agent of Chase Home Mortgage Corporation the party secured by the foregoing Deed of Trust, and made oath in due form of law that the consideration recited in said deed of trust (\$ 53,300.00) is true and bona fide as therein set forth; and that the loan sum secured hereby* has been paid over and disbursed by the Party secured hereby unto the within named party of the first part or the person responsible for the disbursement of funds in the closing transaction or their respective agent at a time no later than the execution and delivery of this Deed of Trust by the borrower, and also make oath that he is the agent of the party or parties secured and is duly authorized to make this affidavit.

** actual sum of money advanced at the closing transaction by the secured party

AS WITNESS: my hand and notarial seal.

Mary Charlene Metcalf
Notary Public

My commission expires July 1, 1986

VA Form 26-8318d (Home Loan)
Revised Jun 1974
Use Optional Section
1810, Title 38, U.S.C.
Acceptable to Federal
National Mortgage
Association

MARYLAND

DEED OF TRUST NOTE

Annapolis, Maryland.

\$ 53,300.00

January 27, 1983.

FOR VALUE RECEIVED, the undersigned promise(s) to pay to

Chase Home Mortgage Corporation, A Delaware Corporation

or order, the principal sum of FIFTY THREE THOUSAND THREE HUNDRED & NO/100-----
Dollars (\$ 53,300.00), with interest from date at the rate of TWELVE & ONE per centum (12.50%)
per annum on the unpaid balance until paid, said principal and interest being payable at the office of
HALF

Chase Home Mortgage Corporation
135 Chestnut Ridge Road, in Montvale,
New Jersey 07645

or at such other place as the holder hereof may designate in writing delivered or mailed to the debtor, in
monthly installments of FIVE HUNDRED SIXTY EIGHT & 85/100-----Dollars (\$ 568.85), com-
mencing on the first day of MARCH, 19 83, and continuing on the first day of each
month thereafter until this note is fully paid, except that, if not sooner paid, the final payment of principal
and interest shall be due and payable on the first day of FEBRUARY, 2013.

Privilege is reserved to prepay at any time, without premium or fee, the entire indebtedness or any
part thereof not less than the amount of one installment, or one hundred dollars (\$100.00), whichever is
less. Prepayment in full shall be credited on the date received. Partial prepayment, other than on an
installment due date, need not be credited until the next following installment due date or thirty days
after such prepayment, whichever is earlier.

If any deficiency in the payment of any installment under this note is not made good prior to the due
date of the next such installment, the entire principal sum and accrued interest shall at once become due
and payable without notice at the option of the holder of this note. Failure to exercise this option shall not
constitute a waiver of the right to exercise the same in the event of any subsequent default.

This note is secured by Deed of Trust of even date executed by the undersigned on certain property
described therein and represents money actually used for the acquisition of said property or the improve-
ments thereon.

Presentment, protest and notice are hereby waived.

Franklin Anthony Owens
FRANKLIN ANTHONY OWENS

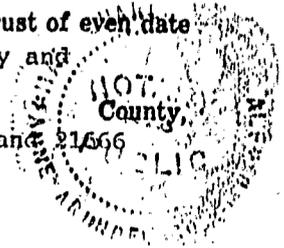
Karen M. Owens
KAREN M. OWENS

THIS IS TO CERTIFY that this is the note described in, and secured by, a Deed of Trust of even date
herewith and in the same principal amounts as herein stated to Terrence C. Murray and
Joseph Maeder
Trustee(s) on real estate located in Queen Anne County
State of Maryland, and known as: Lot 4 Ackerman Road - Stevensville, Maryland 21556

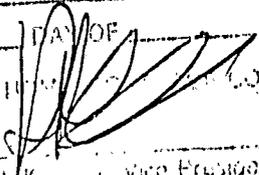
Dated this 27th day of January, 1983.

My Commission Expires: 7-1-86

Mary Chastain Metcalf
Notary Public
530478



WITHOUT RECOURSE
PAY TO THE ORDER OF

THIS _____ DAY OF _____ 19____
CHASE NATIONAL BANK OF _____ CORP
BY: 
Ray J. _____, Vice President

IN THE CIRCUIT COURT FOR QUEEN ANNE COUNTY, MARYLAND

Robert H. Symonds
Barbara A. Oosterhout
Substitute Trustees

Plaintiffs

vs.

Equity No. 7632

Franklin Anthony Owens and Karen M. Owens
Defendants

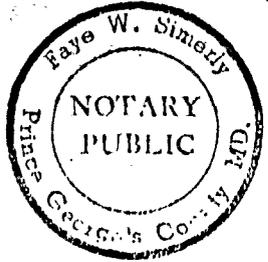
AFFIDAVIT OF INDEBTEDNESS

The undersigned does hereby certify that she is the attorney for the holder of the note secured by the Deed of Trust recorded among the Land Records of QUEEN ANNE County, Maryland in Liber 193 at folio 113 and that the unpaid principal balance due on said note is \$53,244.58 with interest at 12.50% from the first day of July 1, 1983, plus late charges accumulating from the first day of June 1, 1983, at a rate of \$25.06 per month.

Barbara A. Oosterhout
Barbara A. Oosterhout
9418 Annapolis Road
Lanham, Maryland 20706-3097

Subscribed and sworn to before me this 25th day of June, 1984.

Faye W. Simerly
notary public



CLERK
1984 JUN 26 11:30 AM
PRINCE GEORGE'S COUNTY

IN THE CIRCUIT COURT FOR QUEEN ANNE COUNTY, MARYLAND

Military Affidavit under Soldiers' and Sailors'
Civil Relief Act of 1940 and Amendment thereto of
October 6, 1942

Robert H. Symonds
Barbara A. Oosterhout
Substitute Trustees

Plaintiffs

vs.

Equity No. 7632

Franklin Anthony Owens and Karen M. Owens

Defendants

STATE OF NEW JERSEY, County of BERGEN to wit:

I HEREBY CERTIFY that, before me, the subscriber, a
Notary Public of said State in and for said County,
personally appeared Phyllis R. Edwards, and made
oath in due form of law that she knows the defendant(s)
herein, and that to the best of her ~~(XXX)~~ information,
knowledge and belief:

- (1) said defendant(s) ~~is~~ are not in the military
service of the United States,
- (2) said defendant(s) ~~is~~ are not in the military
service of any nation allied with the United
States,
- (3) said defendant(s) ~~is~~ have not been ordered to
report for induction under the Selective
Training and Service Act of 1940 as amended.
- (4) said defendant(s) ~~is~~ are not a member of the
Enlisted Reserve Corps who has been ordered to
report for military service.

B. Phyllis R. Edwards
Phyllis R. Edwards, Assistant Vice President

Subscribed and sworn to before me this 19th day of
June, 1984

Catherine M. Pearson

CATHERINE M. PEARSON
A Notary Public of New Jersey
My Commission Expires Jan. 19, 1986

DEED OF APPOINTMENT OF SUBSTITUTE TRUSTEES

WHEREAS, Franklin Anthony Owens and Karen M. Owens did by Deed of Trust dated January 27, 1983 and recorded among the Land Records of QUEEN ANNE County, Maryland, in Liber 193, folio 113, grant and convey to Terrence C. Murray and Joseph Maeder certain real estate in said Deed of Trust described, in trust secure to Chase Home Mortgage Corp. the payment of a Promissory Note of even date therewith:

WHEREAS, said Deed of Trust provides that the holder of the Note shall have the power and authority to appoint by an instrument duly executed, acknowledged and recorded among the Land Records aforesaid, substitute trustees in the place and stead of the trustees named therein; and

WHEREAS, Chase Home Mortgage Corp. is the owner and holder of the Note secured by said Deed of Trust.

NOW, THEREFORE, by virtue of the power and authority contained in said Deed of Trust, the undersigned holder of the indebtedness secured thereby does by these presents appoint Robert H. Symonds and Barbara A. Osterhout, Substitute Trustees under the aforesaid Deed of Trust, in the place and stead of the trustees named therein; and, the said Substitute Trustees shall have all the rights, powers and authority, and be charged with all the duties that were conferred or charged upon the trustees named in said Deed of Trust.

IN WITNES WHEREOF, on this 19th day of June, 1984, CHASE HOME MORTGAGE CORPORATION

has caused these presents to be signed in its corporate name by William A. Frontera, Vice President and its corporate seal to be hereunto affixed, as attested to by Phyllis R. Edwards, Assistant Vice President.

Chase Home Mortgage Corp.

William A. Frontera

William A. Frontera, Vice President

(SFAL)
Attest:

Phyllis R. Edwards

Phyllis R. Edwards, Asst. Vice President

STATE OF
COUNTY OF

On this 19th day of June, 1984, before me Catherine M. Pearson, the undersigned officer personally appeared William A. Frontera who acknowledges himself to be a Vice President of Chase Home Mortgage Corp. and that he, as such officer, being authorized so to do, executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself as a Vice President.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Catherine M. Pearson
Notary public

(seal)

CATHERINE M. PEARSON
A Notary Public of New Jersey
My Commission Expires Jan. 19, 1986

Filed July 19, 1984

215 135

Barbara A. Osterhout

LIBER

3 PAGE 600

THE TRAVELERS INDEMNITY COMPANY
HARTFORD, CONNECTICUT - (A STOCK COMPANY)
Trustee Under Deed of Trust

7632

KNOW ALL MEN BY THESE PRESENTS, That we... Robert H. Symonds & Barbara A. Oosterhout Substitute Trustees

of Lenham, Maryland and THE TRAVELERS INDEMNITY COMPANY, a body corporate, duly authorized by its charter to become sole surety on bonds, are held and firmly bound unto the State of Maryland, in the full and just sum of

Fifty Nine Thousand and 00/100 (\$59,000.00) Dollars, lawful money of the United States, to be paid to the State of Maryland, or its certain attorney or assign, to the payment whereof we bind ourselves, and each of us, our and each of our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents, sealed with our seals and dated this

13th day of August, in the year of our Lord one thousand nine hundred and eighty four

WHEREAS, BY DEED OF TRUST, dated the 27th day of January nineteen hundred and eighty three, and left to be recorded among the land Records of Queen Anne's County on the 2nd day of February, 1983, in liber 193, No. 113

Franklin Anthony Owens & Karen M. Owens did grant, bargain and sell, assign and transfer unto Robert H. Symonds & Barbara A. Oosterhout, Substitute

Trustees, as therein named their (personal representatives) heirs, executors, administrators and assigns, all the property therein described and intended for the uses and purposes therein named, mentioned and declared.

AUG 17 AM 9:42

GREEN ANNE'S COUNTY

NOW THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, That if, the above bound Robert H. Symonds, Barbara A. Oosterhout, Substitute Trustees

shall faithfully perform the trust reposed in them by said Deed of Trust, or to be reposed in them by any decree of the Circuit Court for Queen Anne's County, Maryland in relation to the sale of such mortgaged property or the proceeds thereof, then the above obligation shall be void; otherwise to be and remain in full force and virtue in law.

WITNESS, the hand and seal of the said Robert H. Symonds, Barbara A. Oosterhout

Substitute Trustees and the signature of the said THE TRAVELERS INDEMNITY COMPANY by its Attorney-in-Fact, and its corporate seal hereunto affixed.

Signed, sealed and delivered in the presence of

Janice L. Simons
Barbara A. Oosterhout

Robert H. Symonds (SEAL)
Barbara A. Oosterhout (SEAL)
THE TRAVELERS INDEMNITY COMPANY

Witness as to Surety

By Glenn J. Goldburn, Attorney-in-Fact.

8-745 PRINTED IN U.S.A. 9-29-41 (183)

SURETY APPROVED

SEE COPY OF POWER OF ATTORNEY ATTACHED

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber MWM No. 3, folio 600, a Bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 27th day of August, 1984.


Marguerite W. Mankin
Marguerite W. Mankin, Clerk, Circuit Court for Queen Anne's County

IN THE CIRCUIT COURT FOR QUEEN ANNE , MARYLAND

Robert H. Symonds
Barbara A. Oosterhout
Substitute Trustees

Plaintiffs

vs.

Equity No: # 7632

Franklin Anthony Owens and Karen M. Owens

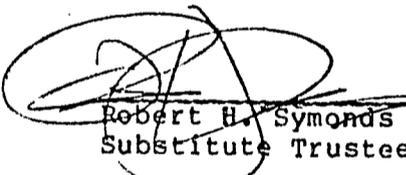
Defendants

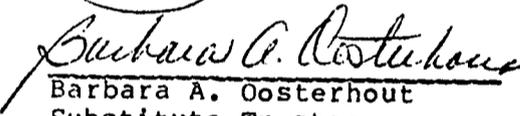
REPORT OF SALE

To the Honorable Judge of the Circuit Court for QUEEN ANNE County, Maryland:

The Report of Sale of Robert H. Symonds and Barbara A. Oosterhout, Substitute Trustees in the captioned matter respectfully shown, that after giving bond for the faithful discharge of their trust, which was duly approved, and having given notice of the time, place and terms of the sale by advertisements inserted in a newspaper published in said county for three successive weeks preceeding the sale, said trustees, did, pursuant to said notice on August 17, 1984 at the Queen Anne's County Courthouse, Centreville, Maryland sell the subject property to Chase Home Mortgage Corp. for the sum of \$50,500.00.

The Trustee certified that the sale was fairly made and conducted.

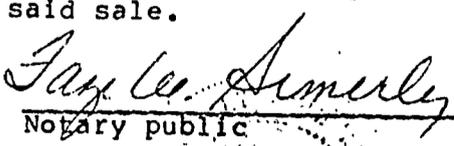

Robert H. Symonds
Substitute Trustee


Barbara A. Oosterhout
Substitute Trustee

STATE OF MARYLAND
COUNTY OF PRINCE GEORGE'S

I hereby certify that on this 21st day of August, 1984, before me, a notary public for the state and county aforesaid, personally appeared Robert H. Symonds and Barbara A. Oosterhout, Substitute Trustees, and made oath that the facts stated in the foregoing report of sale are true to the best of their knowledge and belief and that Robert H. Symonds, Substitute Trustee, attended said sale.

Notary Public
My commission expires 10/1/86


Notary public

1984 AUG 24 AM 9:49



IN THE CIRCUIT COURT FOR QUEEN ANNE COUNTY, MARYLAND

Robert H. Symonds
Barbara A. Oosterhout
Substitute Trustees

Plaintiffs

vs.

Equity No: # 7632

Franklin Anthony Owens and Karen M. Owens

Defendants

AFFIDAVIT OF PURCHASER UNDER RULE BR6-(3)

I, the undersigned hereby certify:

That I purchased the following described property at and for the price of \$50,500.00

Lot 4, Ackerman Road
Stevensville, MD 21666

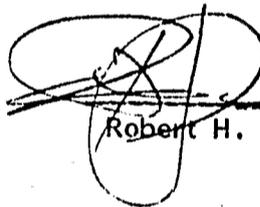
on behalf of Chase Home Mortgage Corp..

That I agree to comply with the terms of the sale as set forth in the advertisement of the said sale.

That I purchased the property on behalf of the above named purchaser, and there are no other persons who are interested as principals.

That I have not directly or indirectly discouraged anyone from bidding at the time of the sale.

As witness my hand and seal this 21st day of August, 19 84.


Robert H. Symonds

STATE OF MARYLAND
COUNTY OF PRINCE GEORGE'S
To Wit:

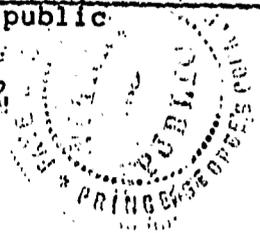
I hereby certify that on this 21st day of August, 19 84, before me, the subscribed, a Notary Public of the State and County aforesaid, personally appeared Robert H. Symonds who made oath in due form of law that the matters and facts set forth above are true to their best knowledge, information and belief.

As witness in my hand and seal.


Notary public

Low W. Circle
14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100

1984 AUG 24 AM 9:49



IN THE CIRCUIT COURT FOR QUEEN ANNE COUNTY, MARYLAND

Robert H. Symonds
Barbara A. Oosterhout
Substitute Trustees

Plaintiffs

vs.

Equity No: # 7632

Franklin Anthony Owens and Karen M. Owens

Defendants

PUBLICATION CERTIFICATE

This is to certify that there was compliance with W
74 2(c) of the Maryland Rules of Procedure by the
mailing of appropriate notice of the place, time, terms,
and conditions of the subject sale to the defendants
herein by certified mail, return receipt requested, on
August 3, 1984.

Barbara A. Oosterhout
Barbara A. Oosterhout

Subscribed and sworn to before me this 21st day of
August, 1984

Jayce A. Sennels
Notary public

My W. Comm. Expires July 1, 1984

ROBERT H. SYMONDS
ATTORNEY AT LAW

LIBER

17 PAGE 188

8418 ANNAPOLIS ROAD LANTHAM, MARYLAND 20706-3007
(301) 460-2500

ASSOCIATE
BARBARA ANN OSTERHOFF

August 3, 1984

Franklin & Karen Owens
Lot 4, Ackerman Road
Stevensville, Maryland

Dear Mr. and Mrs. Owens:

Please find attached a copy of the trustees notice of sale
pertaining to the within described property scheduled for foreclosure.

Very truly yours,

Robert H. Symonds
Robert H. Symonds JS

RHS:fs

SENDER: Complete items 1, 2, 3 and 4.
Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. Show to whom, date and address of delivery.

2. Restricted Delivery
Chase V Owens

3. Article Addressed to:
**Franklin & Karen Owens
Lot # 4 Ackerman Road
Stevensville, Maryland**

4. Type of Service: Article Number
 Registered Insured **912 305**
 Certified COD
 Express Mail

Always obtain signature of addressee or agent and **DATE DELIVERED.**

5. Signature - Addressee
X

6. Signature - Agent
X

7. Date of Delivery

8. Addressee's Address (ONLY if requested and fee paid)
RECEIVED AUG 11 1984

PS Form 3811, July 1983

DOMESTIC RETURN RECEIPT

P 624 912 305
RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

* U.S.G.P.O. 1983-403-517

Sent to Franklin & Karen Owens	
Street and No. Lot # 4 Ackerman Road	
P.O. State and ZIP Code Stevensville, Maryland	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	
8/3/84 Pub letter	

PS Form 3800, Feb. 1982

SUBSTITUTE TRUSTEES' SALE

59M
2/2/83

Trustees' sale of valuable improved real estate improved by premises known as Lot 4, Ackerman Road Stevensville, MD 21666 by virtue of the power and authority contained in a Deed of Trust from Franklin Anthony Owens and Karen M. Owens dated January 27, 1983, and recorded in Liber 193 at folio 113 among the land records of QUEEN ANNE County, Maryland, upon default and request for sale, the undersigned trustees will offer for sale at public auction at the Courthouse door, Centreville, Maryland, on August 17, 1984 at 11:30 P.M., all that property described in said Deed of Trust as follows:

All that lot or parcel of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a plat entitled, CLOVERFIELDS, PLAT 2", by Purdum and Keschke, registered engineers and surveyors, dated the 4th day of March, 1959, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 47 folio 383, said lot being known and designated as Lot No. 4, Block L, Plat 2, of Cloverfields.

said property is improved by dwelling in " as is condition "

TERMS OF SALE: A deposit of \$ 5,000.00 in the form of cash, certified check, or in any other form suitable to the trustees in their sole discretion, shall be required at the time of sale. The balance of the purchase price with interest at 15% per annum from the date of sale to the date of payment will be paid within ten days after the final ratification of the sale.

Adjustments on all taxes, public charges and special or regular assessments will be made as of the date of sale and thereafter assumed by purchaser. ~~Front Foot Benefit Charges, if applicable, are to be adjusted for the current year to date of sale and assumed thereafter by the purchaser.~~ Title examination, conveyancing, state revenue stamps, transfer taxes and all other costs incident to settlement are to paid by the purchaser. Time is of the essence for the purchaser, otherwise the property will be resold at the risk and costs of the defaulting purchaser.

Barbara A. Osterhout
9418 Annapolis Road
Lanham, Md. 20706-3097
301-459-2529

Robert H. Symonds and
Barbara A. Osterhout
Substitute Trustees by virtue
of instrument recorded among
the land records of QUEEN ANNE
County, Maryland

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

ROBERT H. SYMONDS

BARBARA A. OOSTERHOUT
Substitute Trustees
vs.

FRANKLIN ANTHONY OWENS and

KAREN M. OWENS

Civil No. 7632 Equity

ORDER REGARDING RATIFICATION OF SALE

ORDERED, this 27th day of August,
1984, by the Court, that the sale of the real property
made and reported in this action will be ratified after
the expiration of one month from the date hereof, unless
cause to the contrary be previously shown, provided a
copy of this Order shall be published in a newspaper
published in Queen Anne's County at least once a week in
each of three successive weeks before the expiration of
one month from the date hereof.

Clayton C. Carter
CLAYTON C. CARTER,
JUDGE

1984 AUG 28 AM 8:56

Centreville, Md. 8/15 19 84

We Hereby Certify

That the annexed advertisement of
Substitute Trustees' Sale

was published in the RECORD OBSERVER, a newspaper published in Queen Anne's County, Maryland, once in each of 3 successive weeks before the 17th day of Aug. 19 84.

And that the first insertion of said advertisement in the said RECORD OBSERVER/BAY TIMES was on the 1st day of Aug.

19 84, and the last insertion on the 15th day of Aug.

19 84.

Publishers, Record Observer

Per [Signature]
RECEIVED
COURT CLERK
1984 OCT -8 AM 9:30
QUEEN ANNE'S COUNTY

Substitute Trustees' Sale

Trustees' sale of valuable improved real estate improved by premises known as Lot 4, Ackerman Road, Stevensville, MD 21666 by virtue of the power and authority contained in a Deed of Trust from Franklin Anthony Owens and Karen M. Owens dated January 27, 1983, and recorded in Liber 193 at folio 113 among the land records of QUEEN ANNE'S County, Maryland, upon default and request for sale, the undersigned trustees will offer for sale at public auction at the Courthouse door, Centreville, Maryland, on August 17, 1984 at 11:30 A.M., all the property described in said Deed of Trust as follows:

All that lot or parcel of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a plat entitled, CLOVERFIELDS, PLAT 2", by Purdum and Keschke, registered engineers and surveyors, dated the 4th day of March, 1959, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 47 folio 383, said lot being known and designated as Lot No. 4, Block K, Plat 2, of Cloverfields. Said property is improved by dwelling in "as is condition"

TERMS OF SALE: A deposit of \$5,000.00 in the form of cash, certified check, or in any other form suitable to the trustees in their sole discretion, shall be required at the time of sale. The balance of the purchase price with interest at 15% per annum from the date of sale to the date of payment will be paid within ten days after the final ratification of the sale.

Adjustments on all taxes, public charges and special or regular assessments will be made as of the date of sale and thereafter assumed by purchaser. Front Foot Benefit Charges, if applicable, are to be adjusted for the current year to date of sale and assumed thereafter by the purchaser. Title examination, conveyancing, state revenue stamps, transfer taxes and all other costs incident to settlement are to be paid by the purchaser. Time is of the essence for the purchaser, otherwise the property will be resold at the risk and costs of the defaulting purchaser.

Robert H. Symonds and
Barbara A. Oosterhout

Substitute Trustees by virtue of instrument recorded among the land records of QUEEN ANNE'S County, Maryland

Barbara A. Oosterhout
9418 Annapolis Road
Lanham, Md. 20706-3097
301-469-2529

RB-8-131-03

Centreville, Md. 9/19 19 84

We Hereby Certify

That the annexed advertisement of
Civil No. 7632 Equity

was published in the RECORD OB-
SERVER, a newspaper published in
Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 5th day of Oct. 19 84.

And that the first insertion of said adver-
tisement in the said RECORD OB-
SERVER/BAY TIMES was on the
5th day of Sept.

19 84, and the last insertion on the
19th day of Sept.
19 84.

Publishers, Record Observer

Per

Betty M. Comegys

IN THE CIRCUIT COURT FOR
QUEEN ANNE'S COUNTY
ROBERT H. SYMONDS
BARBARA A. OOSTERHOUT
Substitute Trustee
vs.
FRANKLIN ANTHONY OWENS and
KAREN M. OWENS
Civil No. 7632 Equity
ORDER REGARDING RATIFICATION OF SALE
ORDERED, this 27th day of August, 1984, by the
Court, that the sale of the real property made and
reported in this action will be ratified after the
expiration of one month from the date hereof,
unless cause to the contrary be previously shown,
provided a copy of this Order shall be published in
a newspaper published in Queen Anne's County at
least once a week in each of three successive
weeks before the expiration of one month from the
date hereof.
CLAYTON C. CARTER
JUDGE
True Copy, Test:
Marguerite W. Mankin, Clerk
By Betty M. Comegys, Deputy Clerk
RB-9-5-31-02

RECEIVED
CLERK, CIRCUIT COURT

1984 OCT -8 PM 1:05

QUEEN ANNE'S COUNTY

LIBER

17 PAGE 193

ROBERT H. SYMONDS,
BARBARA A. OOSTERHOUT,
Substitute Trustees
Plaintiffs

vs.

FRANKLIN ANTHONY OWENS and
KAREN M. OWENS
Defendants

IN THE CIRCUIT COURT

FOR QUEEN ANNE'S COUNTY

EQUITY NO. 7632

FINAL RATIFICATION OF SALE
AND REFERRAL TO THE AUDITOR

The Court being satisfied that the sale in the above action was fairly and properly made, and no exceptions having been filed to the report of sale within the time limited by the published Order of this Court, it is

ORDERED, by the Circuit Court for Queen Anne's County, this 15th day of October, 1984, that:

1. The sale of the real estate made and reported in this action is hereby finally ratified.
2. The papers in this action are hereby referred to the Court Auditor to state an account, pursuant to Rule 2-543, of the proceeds of the sale and a proper distribution thereof.
3. The Clerk shall furnish to the fiduciary a summary of the information required for the audit including a form of suggested account, which the fiduciary is to submit to the Auditor within fifteen days after the recording of the deed to the real estate sold.
4. Upon receipt of this information from the fiduciary, the Auditor is to file an account or report in accordance with Rule 2-543 (e) within fifteen days, unless extended by the Court.

Clayton C. Carls

Judge

RECEIVED
CLERK, CIRCUIT COURT

1984 OCT 15 PM 3:38

QUEEN ANNE'S COUNTY

Distribution:
File
Fiduciary
Court Auditor

IN THE CIRCUIT COURT FOR QUEEN ANNE COUNTY, MARYLAND

Robert H. Symonds
Barbara A. Oosterhout,
Substitute Trustees

Plaintiff

vs

Equity #7632

Franklin Anthony Owens
Karen M. Owens

Defendants

MOTION TO SUBSTITUTE PURCHASER

Comes now, Robert H. Symonds and Barbara A. Oosterhout, Substitute Trustees, and move the Court to substitute purchaser and for reason therefore state as follows:

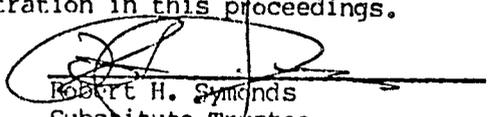
1. The Mortgagee, Chase Home Mortgage Corporation, intends to convey its interest in the subject property to Harry N. Walters, Administrator of Veterans affairs, His successors and assigns the subject Deed of Trust being guaranteed by the Veterans Administration.

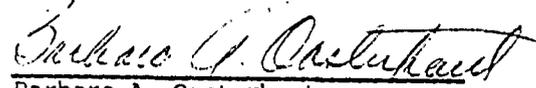
WHEREFORE the Substitute Purchasers pray for an Order substituting the Veterans Administration in this proceedings.

RECEIVED
CLERK OF COURT

1984 NOV 19 PM 1:30

QUEEN ANNE'S COUNTY


Robert H. Symonds
Substitute Trustee


Barbara A. Oosterhout
Substitute Trustee
9418 Annapolis Road
Lanham, MD 20706-3097
459-2529

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

ROBERT H. SYMONDS and	:	
BARBARA A. OOSTERHOUT	:	
Substitute Trustees	:	
Plaintiffs	:	
v.	:	Chancery #7632
FRANKLIN ANTHONY OWENS and	:	
KAREN M. OWENS	:	
Defendants	:	
:	:	
:	:	
:	:	

AUDITOR'S ACCOUNT

PROCEEDS OF FORECLOSURE SALE			
Sale Price, as reported			\$ 50,500.00
Interest (Note A)			
COMMISSIONS, payable to Fiduciary	\$	505.00-	
EXPENSES OF SALE			
Court costs	\$	180.50-	
Advertising			
Notices of sale		180.00-	
Report of sale		78.75-	
Bond premium		118.00-	
Auctioneer's fee		50.00-	
Real property taxes paid		55.68-	
Certified mail		1.55-	664.48-
AUDITOR'S FEE AND COSTS			
Fee for audit	\$	45.00-	
Postage & copies		1.50-	46.25-
			<u>1,215.73-</u>
NET AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 49,284.27

RECEIVED
 CLERK OF CIRCUIT COURT
 1984 DEC 18 11 49 AM '84
 QUEEN ANNE'S COUNTY

INDEBTEDNESS DUE UNDER DEED OF TRUST		
Per Statement of Debt		
Principal	\$ 53,244.58-	
Late charges (Note B)		
Interest on principal @ 12.5%		
07/01/83 to 06/30/84	6,655.57-	
07/01/84 to 08/17/84		
48 days @ \$18.23	<u>875.04-</u>	\$ 60,775.19-
NET CREDIT FROM CREDITOR/PURCHASER		
on 08/17/84 (See Note A)		<u>49,284.27</u>
BALANCE OWNED BY DEBTORS after credit		\$ 11,490.92-
INTEREST 08/18/84 to 10/17/84		
60 days @ \$ 3.94		<u>236.40-</u>
DEFICIT		\$ 11,727.32-

Note A: Net amount used by Creditor to discharge responsibilities as sale purchaser for deposit and pre-settlement interest credited as of date of sale in accordance with Weismiller v. Bush, 56 Md.App. 593, and the Report filed in Chancery #7107, which is incorporated by reference in this Audit.

Note B: The Deed of Trust provides that "late charge[s] shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured hereby."

NOTICE

The attached Account was filed on December 19, 1984. Exceptions to the Account must be filed within ten (10) days of that date. If timely exceptions are not filed, the Account may thereupon be ratified. The amount allowed to each claimant is stated in the attached Account.

CERTIFICATE OF AUDITOR

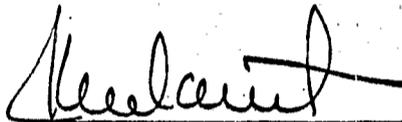
I hereby certify that I have examined the Suggested Account, together with the receipts, vouchers, statements, suggested distribution and affidavit submitted by the Fiduciary in Chancery Cause #7632. On the basis of the facts which appear upon the face of the proceedings and proofs submitted to me, it is my opinion that the claims set forth in the foregoing Auditor's Account have been established and are properly allowable by law in the amounts there set forth.

I further certify that on December 19, 1984, copies of the Auditor's Account and Notice conforming to the requirements of Maryland Rule 2-543 and Second Circuit Rule 12 d were mailed to the following:

Robert H. Symonds, Esquire
Barbara A. Oosterhout, Esquire
9418 Annapolis Road
Lanham, Maryland 20706-3097

Franklin Anthony Owens
Lot #4, Ackerman Road
Stevensville, Maryland 21666

Karen M. Owens
Lot #4, Ackerman Road
Stevensville, Maryland 21666



John W. Sause, Jr.
Auditor

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND

Robert H. Symonds
Barbara A. Oosterhout
Substitute Trustees

Plaintiffs

vs

Equity No. 7632

Franklin Anthony Owens
Karen M. Owens,

Defendants

LINE

TO THE CLERK:

Please assign all rights to any deficiency to which the noteholder, CHASE HOME MORTGAGE CORPORATION, may be entitled in the captioned matter to Harry N. Walters, Administrator of Veterans Affairs, His successors and assigns.

RECEIVED
CLERK, CIRCUIT COURT
1984 DEC 20 AM 10:09
QUEEN ANNE'S COUNTY

Barbara A. Oosterhout

Barbara A. Oosterhout
9418 Annapolis Road
Lanham, Maryland 20706-3097
301-459-2529
Attorney for Plaintiffs

17 1984

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

ROBERT H. SYMONDS and :
BARBARA A. OOSTERHOUT :
Substitute Trustees :

Plaintiffs :

v. :

Chancery #7632

FRANKLIN ANTHONY OWENS and :
KAREN M. OWENS :

Defendants :

: : : : :

ORDER RATIFYING AUDIT

The matter coming before the Court on the Account heretofore filed by the Auditor and it appearing from the Auditor's Certification that the requirements of Rule 2-543 (e) have been met, and no exceptions having been filed within 10 days of the date when the Account was filed, it is this 31st day of December, 1984, by the Circuit Court for Queen Anne's County,

ORDERED that the Account of the Auditor is hereby ratified and confirmed, and the Fiduciary shall apply the proceeds accordingly with a due proportion of interest after same has been or may be received.

FILED

JAN 2 1985

CIRCUIT COURT
QUEEN ANNE'S CO.

Clayton C. Carls
JUDGE

17 202

\$21,200.00

Centreville, Maryland

August 30, 1976

FOR VALUE RECEIVED, we jointly and severally promise to pay to the Order of The Centreville National Bank of Maryland the sum of Twenty - One Thousand Two Hundred Dollars (\$21,200.00).

Negotiable and payable at the Banking House in two hundred forty (240) equal, consecutive, monthly installments of One Hundred Ninety-Seven Dollars and Sixty-Two Cents (\$197.62) each, beginning on the 30th day of SEPTEMBER, 1976, including interest to date of payment of each installment at the rate of nine and one-half per centum (9 1/2%) per annum on the full amount of balance of note; notwithstanding the aforesaid monthly payments, the entire principal balance shall mature at the expiration of three (3) months from the date of the execution of this note or at any time thereafter upon the demand of the holder.

Upon non-payment of any installment of principal or interest, all remaining installments shall immediately become due and payable, at the option of the holder. The maker or makers, and all other parties hereto, whether endorsers, sureties or guarantors, severally waive presentment, demand, protest and notice, consent to any extension of the time of payment hereof made after maturity by agreement with the maker or makers, with or without notice, agree to pay 10% for collection, and authorize any attorney of record to appear in any Court, or before any Justice of the Peace, and confess judgment hereon after maturity, or default, and forthwith issue execution for the amount thereof, with interest and costs, with all exemptions waived. Also, makers hereby further agree that in the event that makers shall fail to make any installment herein provided for at the time when the same becomes due under the provisions hereof, and said installment shall remain overdue for a period in excess of 15 days, makers promise to pay a "late charge" of five cents (5¢) for each dollar so overdue, or two dollars (\$2.00), whichever is greater, for the purpose of defraying the expense of following up and handling the said delinquent installment.

TEST:

David C. Bryan

Paul H. Love (SEAL)

David C. Bryan

Diane L. Love (SEAL)

SECURED BY PURCHASE MONEY REAL ESTATE MORTGAGE

DOCUMENT NO. 85,167

THIS PURCHASE MONEY MORTGAGE, Made this 30th day of AUGUST in the year nineteen hundred seventy-six by and between PAUL H. LOVE and DIANE L. LOVE, his wife, of Anne Arundel County, in the State of Maryland, hereinafter called "Mortgagors," and THE CENTREVILLE NATIONAL BANK OF MARYLAND, a body corporate, hereinafter called "Mortgagee;"

WHEREAS, the said Mortgagors are jointly and severally indebted unto the Mortgagee in the full and just sum of Twenty-One Thousand Two Hundred Dollars (\$21,200.00) for money this day lent and advanced to the Mortgagors for part of the purchase price of the hereinafter described real estate, as represented by a promissory note for the said sum of Twenty-One Thousand Two Hundred Dollars (\$21,200.00), bearing even date herewith and payable at the banking house of said body corporate in Centreville, Queen Anne's County, Maryland, with interest at the rate of nine and one-half per centum (9 1/2%) per annum, in two hundred forty (240) equal, consecutive monthly installments in the sum of One Hundred Ninety-Seven Dollars and Sixty-Two Cents (\$197.62) each, due one (1) month from the date of said note, and monthly thereafter, said payments comprising both principal and interest, notwithstanding the aforesaid monthly payments, the entire principal balance shall mature at the expiration of three (3) months from the date of the execution of said note or at any time thereafter at the option of the Mortgagee; and

WHEREAS, it was a condition precedent to the making of the aforesaid loan of Twenty-One Thousand Two Hundred Dollars (\$21,200.00), represented by the aforesaid promissory note, that the same should be secured by the execution and delivery of this Mortgage.

NOW, THEREFORE, THIS PURCHASE MONEY MORTGAGE WITNESSETH: That in consideration of the premises and the sum of One Dollar (\$1.00), the receipt of which is hereby acknowledged, the said Paul H. Love and Diane L. Love, his wife, do hereby grant and convey unto The Centreville National Bank of Maryland, a body corporate, its successors and assigns, in fee simple, all of the following described real estate, to wit:

ALL that lot and parcel of land, improved by a three story frame dwelling house situate, lying and being in the Town of Centreville, in the Third Election District of Queen Anne's County, State of Maryland, located on the west side of Tilghman Avenue, fronting 41 1/2 feet, more or less, on Tilghman Avenue, and extending back from said Tilghman Avenue a distance of 160 feet to the land formerly of the Standard Oil Company, now of Queen Anne's County Co-op, Inc., being Lot No. 7 of the Gibson Lots, bounded on the north by the property formerly of Anna Q. Skinner, now of Bernard W. Motichka, bounded on the west side or rear by the lands formerly of the Standard Oil Company, now of Queen Anne's County Co-op, Inc., bounded on the south side by the property formerly of Sarah Louise Rich and Arthur L. Morris, now of Gannon and Sons, Inc., and bounded on the east by the aforesaid Tilghman Avenue; and also all that part of Lot No. 8 of the Gibson Lots which was granted to Daniel Tilghman, former owner of said Lot No. 7, by Joseph G. Dawson and wife by deed of exchange, dated November 10, 1896, and recorded among the land records of said Queen Anne's County in Liber W.H.C. No. 5, folio 264; saving and excepting that part of said Lot No. 7 which was granted to Joseph G. Dawson by Daniel Tilghman by the said deed of exchange.

BEING all and the same land and premises granted and conveyed unto Paul H. Love and Diane L. Love, his wife, by Allen Alfred Rieken and Florence Nash Rieken, his wife, by deed bearing even date herewith and recorded or intended to be recorded among the land records of Queen Anne's County immediately preceding the recording of this Mortgage.

TOGETHER with all buildings and improvements now and hereafter on said land, and all and every the rights, roads, alleys, ways, waters, privileges, appurtenances and advantages thereto belonging or in any wise appertaining, including all heating, lighting and plumbing fixtures now or hereafter attached to or used in connection with the premises herein described, and all rents, issues and profits accruing from the premises hereby mortgaged.

PROVIDED that if the said principal sum of money loaned as aforesaid, and the interest thereon, as evidenced by the said promissory note and any renewals or part renewals thereof, shall be paid when due, and the Mortgagor shall perform all the covenants herein on his part to be performed then this mortgage shall be void; and until default be made in the premises, the Mortgagor shall possess the aforesaid property and be entitled to collect and retain the rents, issues and profits thereof.

AND the Mortgagor covenants with the Mortgagee as follows: (1) To repay the indebtedness, together with interest, secured by this mortgage, when due, (2) to pay a late charge not to exceed five cents for each dollar of delinquent principal and interest, or a minimum charge of \$2.00, on each payment more than fifteen days in arrears, to cover the extra expense involved in handling delinquent payments, (3) to keep the improvements on the premises insured against loss or damage by fire and such other hazards as may be required by the Mortgagee, to the amount of at least the insurable value thereof, in an insurance company or companies selected by the Mortgagee, and to have all said policies so framed or endorsed that the proceeds arising from said policies, in case of loss or damage, shall be payable to the Mortgagee only, and may, at his option, be applied to the extinguishment of the indebtedness and sums secured by this mortgage, whether then due or not, or used for the reconstruction of the improvements on the mortgaged property, and to deliver all said policies to the Mortgagee to be kept by him, (4) to pay all taxes, water and sewer charges, insurance premiums, public dues and assessments, for which the Mortgagor and/or the property hereby mortgaged may become liable, when payable; in the event the Mortgagor fails to make the said payments, the Mortgagee is hereby authorized to pay the same, and the Mortgagee shall have a lien hereunder on said premises for the amount so paid, (5) to permit, commit or suffer no waste, impairment or deterioration of said property, or any part thereof, and upon the failure of the Mortgagor to keep the improvements on said property in good condition and repair, the Mortgagee may demand the immediate repair thereof or an increase in the amount of security or the immediate repayment of the indebtedness hereby secured, and the failure of the Mortgagor to comply with said demand of the Mortgagee for a period of thirty days shall constitute a breach of this mortgage, and at the option of the Mortgagee, immediately mature the entire principal and interest hereby secured, and the Mortgagee may, without notice, institute proceedings to foreclose this mortgage and apply for the appointment of a receiver as herein provided, (6) that the holder of this mortgage in any action to foreclose it, shall be entitled (without regard to the adequacy of any security for the debt) to the appointment of a receiver to collect the rents, issues and profits of said premises and account therefor as the Court may direct, (7) that in case of default in the payment of said debt, or interest, or any part of either, when due, or in any covenant of this Mortgage, then the whole debt intended to be secured and all moneys owing hereunder or secured hereby shall, at the option of the Mortgagee, be due and demandable, and the Mortgagee, or David G. Bryan his hereby duly constituted attorney for the purpose, are hereby authorized to sell said premises after giving not less than twenty days notice of the time, place, manner and terms of sale in some newspaper published in the County where the mortgaged property or some portion thereof is located, and such other notice as the party selling may deem expedient, for cash, or for cash and credit, and to apply the proceeds of sale as follows, to wit: first, to the payment of all expenses incident to such sale, including a counsel fee of \$100.00 for conducting the proceedings if without contest, but if legal services be rendered to the party selling under the above power of sale, in connection with any contested matter in the proceedings, then such other counsel fees and expenses shall be allowed out of the proceeds of sale as the Court may deem proper, and also to the payment of a commission to the party making sale equal to the commission allowed trustees making sales of property under a decree of a Court of equity in the County where the sale is reported; second, to the payment of all claims of the Mortgagee, whether the same shall have matured or not; and third, the balance, if any, to the Mortgagor or to whomsoever shall be entitled to the same. Half of such commissions and all such expenses and costs shall be paid by the Mortgagor in the event that the mortgage debt shall be paid when suit has been docketed in the proper Court for the purpose under the power of sale granted herein, (8) that in the event of sale of the mortgaged property under the power of sale granted herein, all annual crops, pitched, planted or growing upon said property at the time of sale shall pass to the purchaser of said property as part thereof, (9) that the Mortgagor will warrant specially the property hereby conveyed and will execute such further assurances of said land as may be requisite.

The covenants herein contained shall bind and the benefits and advantages shall inure to the respective heirs, executors, administrators, successors and assigns of the parties hereto. Whenever used the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

WITNESS the hand and seal of the Mortgagor:

WITNESS:

Katherine C. Neal
.....
Katherine C. Neal
.....

Paul H. Love
.....
Diane L. Love
.....
AUG 31-76 * 21334 *****8.00
AUG 31-76 A #21334 *****
CLERK FOR RECORD
RECEIVED IN DEPT. CLERK
AUG 31 PM 2:07
108-112733

STATE OF MARYLAND }
COUNTY OF QUEEN ANNE'S } To Wit:

On this the 3rd day of August, 1976, before me, *Katherine C. Neal*, the undersigned officer, personally appeared PAUL H. LOVE and DIANE L. LOVE, his wife, known to me to be the person (s) whose name (s) is/are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained; and at the same time appeared JAMES O. PIPPIN, JR., the President of the party secured by the foregoing mortgage,

and made oath in due form of law that the consideration of said Mortgage is true and bona fide as therein set forth; that the loan sum secured hereby has been paid over and disbursed by the party secured hereby unto the within named Mortgagor or the person responsible for the disbursement of funds in the closing transaction or their respective Agent at a time no later than the final and complete execution of this Mortgage (and he further made oath that he is the Agent) of the party secured by the foregoing mortgage and as such is duly authorized to make this Affidavit.

IN WITNESS WHEREOF, I herewith set my hand and official seal

Katherine C. Neal
.....
Notary Public

*Here insert the name of the officer who takes the acknowledgment.

My Commission Expires:

July 1-1978

DAVID C. BRYAN
111 Lawyers Row
Centreville, Maryland 21617
Attorney Named
In Mortgage

v.

PAUL H. LOVE
DIANE L. LOVE
206 Tilghman Avenue
Centreville, Maryland 21617
Mortgagors

* * * * *

* In The Circuit Court
*
* For Queen Anne's County
*
* In Equity
*
* No. 7603

STATEMENT OF MORTGAGE INDEBTEDNESS

Balance due on principal of note dated August 30, 1976 in
the gross amount of \$21,200.00 by Paul H. Love and Diane L.
Love, to The Centreville National Bank of Maryland

\$18,333.42

With earned interest through 5/21/84

423.17

Late charges

54.31

Total

\$18,810.90

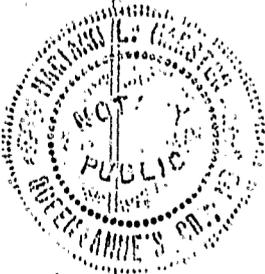
Per diem interest rate \$4.76

STATE OF MARYLAND)

) TO WIT:

QUEEN ANNE'S COUNTY)

This is to certify that on this 22nd day of
May, 1984, before me, the subscriber, a Notary of the
State and County aforesaid, personally appeared David C.
Bryan, Attorney Named In Mortgage, and made oath in due form
of law that the foregoing Statement of Mortgage
Indebtedness due by Paul H. Love and Diane L. Love under the
above described mortgage note is true to the best of his
knowledge and belief, and there is no credit due thereon,
except as shown, nor any security therefor except the said
mortgage.



Thomas R. Thawson
Notary Public
My Commission Expires: 7/1/86

RECORDED
MAY 24 1984
QUEEN ANNE'S COUNTY

1603

STATE OF MARYLAND)
) TO WIT:
QUEEN ANNE'S COUNTY)

KNOW ALL MEN BY THESE PRESENTS, That we, David C. Bryan of Queen Anne's County, State of Maryland, and Selected Risks, a body corporate, duly authorized by its charter to become sole surety on bonds, are held and firmly bound unto the State of Maryland, in the full and just sum of Nineteen Thousand Dollars (\$19,000.00), current money of the United States of America, to be paid to the State of Maryland, or its certain attorney, to which payment well and truly to be made and done, we bind ourselves and each of us, our and each of our heirs, executors, administrators, successors and assigns, in the whole and for the whole, jointly and severally, firmly by these presents, sealed with our seals and dated this 22nd day of July, 1984;

WHEREAS, the above bounded principal, by virtue of the power contained in the mortgage from Paul H. Love and Diane E. Love to The Centreville National Bank of Maryland dated August 30, 1976 and recorded among the land records of Queen Anne's, County, in the State of Maryland, in Liber C.W.C., No. 108, folio 733, in which the principal is specifically authorized to exercise the power of sale therein contained for collection, and he is about to sell the land and premises in said mortgage, default, having been made in the payment of the money as specified and in the conditions and covenants therein contained.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH that if the above bounded David C. Bryan, Attorney Named in Mortgage, as aforesaid, does and shall well, truly and faithfully perform the trusts reposed in him under the mortgage aforesaid, and shall abide by and fulfill any order or decree which shall be made by any Court of Equity in relation to the sale of said mortgaged property, or the proceeds thereof, then the above obligation shall be void, otherwise to be and remain in full force and effect.

IN TESTIMONY WHEREOF, the said principal has hereunto set his hand and seal and the said surety has caused this instrument of writing to be executed, on the day and year first above written.

SIGNED, SEALED and DELIVERED
IN THE PRESENCE OF

Thomas L. Hawks

David C. Bryan (SEAL)
David C. Bryan, Attorney Named
in Mortgage

APPROVED:

Selected Risks

Thomas L. Hawks

By: Julius W. [Signature]
Attorney in Fact

*Security approved
and verified*

11 22 1984
[Signature]



SECRETED COPY OF BOOK OF
AFFIDAVIT APPLICANTS

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber MWM No. 3, folio 491 a Bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 29th day of May, 1984.


Marguerite W. Mankin
Marguerite W. Mankin, Clerk of the
Circuit Court for Queen Anne's
County

Date 17 May 210

above described mortgage is true to the best of his knowledge and belief, and there is no credit due thereon, except as shown, nor any security therefor except the said mortgage.



William L. Houston
Notary Public
My Commission Expires:
7/1/86

5. Your Petitioner verily believes that after the sale of the property to be had in this proceeding, there will be excess proceeds due and owing Paul H. Love and Diane L. Love, and respectfully requests that the same be accounted for and paid to your Petitioner to satisfy the above cited judgment, the same to be done in your Petitioner's proper order and as its interest appears.

David C. Bryan

David C. Bryan, Attorney for
The Centreville National Bank
of Maryland
111 Lawyers Row
Centreville, Maryland 21617
758-1643

I HEREBY DECLARE and affirm under the penalties of perjury that the matters and facts set forth in the foregoing Petition For Surplus Proceeds are true and correct.

David C. Bryan

David C. Bryan

August, I HEREBY CERTIFY that on this 8th day of August, 1984, a copy of the foregoing Petition for Surplus Proceeds was mailed to Paul H. Love and Diane L. Love, 206 Tilghman Avenue, Centreville, Maryland 21617.

David C. Bryan

David C. Bryan

DAVID C. BRYAN
111 Lawyers Row
Centreville, Maryland 21617
Attorney Named in
Mortgage

v.

PAUL H. LOVE
DIANE L. LOVE
206 Tilghman Avenue
Centreville, Maryland 21617
Mortgagors

* IN THE CIRCUIT COURT
* FOR QUEEN ANNE'S COUNTY
* Equity No. 7603
*
*
*
*
*

AFFIDAVIT

I HEREBY CERTIFY, that on this 8th day of August, 1984, before me, the subscriber, a Notary Public of the State of Maryland, in and for Queen Anne's County, personally appeared David C. Bryan, Attorney Named in Mortgage, and made oath in due form of law that notice of the time, place and terms of sale in this cause was duly sent by registered mail to Paul H. Love and Diane L. Love, mortgagors and present record holders of the property to be sold, at their last known address as prescribed by Rule W 74a (2) (c) of the Maryland Rules of Procedure and Section 7-105 of the Real Property Article of the Annotated Code of Maryland.



Travis L. Harston
Notary Public
My Commission Expires: 7/1/86

RECEIVED
CLERK, CIRCUIT COURT
1984 AUG -8 AM 10:39
QUEEN ANNE'S COUNTY

17 AUG 213

LAW OFFICE
DAVID C. BRYAN
111 LAWYERS ROW
CENTREVILLE, MARYLAND
21617

TELEPHONE:
758-1843

August 7, 1984

Mr. and Mrs. Paul H. Love
206 Tilghman Avenue
Centreville, Maryland 21617

Dear Mr. and Mrs. Love:

Because of the judgment entered against both of you in favor of Mr. Harry Kane, Mrs. Lenora Gordon has decided not to purchase your mortgage.

Therefore, the foreclosure proceedings are still open and the sale has been rescheduled.

A copy of the Amended Statement of Mortgage Indebtedness and the new Advertisement of Sale showing the time, place and terms of sale are enclosed.

The sale can be settled and cancelled at any time prior to the proposed sale by paying the moneys due The Centreville National Bank of Maryland plus costs and commissions as prescribed by law.

Very truly yours,



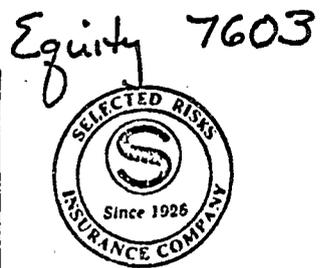
David C. Bryan

DCB/mlm

cc: The Centreville National Bank of Maryland
Centreville, Maryland 21617

Enclosures

SELECTED RISKS INSURANCE COMPANY
BRANCHVILLE, NEW JERSEY 07826



SURETY RIDER

It is hereby understood and agreed that surety bond number B83233 with
David C. Bryan as Principal
and State of Maryland as Obligee is

hereby amended effective August 29, 1984 as follows:
The bond penalty is hereby increased from \$19,000. to \$44,000.

It is further understood and agreed that no other condition, limitation or exclusion of the bond shall be altered or added to this rider.

This rider shall be attached to and from a permanent part of bond number B83233
Signed, sealed and dated this 29th day of August 1984.

Accepted by

David C. Bryan
Obligee

Principal
SELECTED RISKS INSURANCE COMPANY
BY: Linda C. Thomas
Attorney-in-Fact
Linda C. Thomas

Filed August 31, 1984 LIBER

3 PAGE 611

17 215

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber MWM No. 3, folio 611 a Bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 7th day of September, 1984.


Marguerite W. Mankin
Marguerite W. Mankin, Clerk of the
Circuit Court for Queen Anne's County

in this Cause at the time when the Audit is prepared and that the surplus proceeds of sale shall be distributed equitably among all such claimants, subject to exception in accordance with Maryland Rule ~~5-2-543~~ (f.).

Cayton Carl
Judge

1984 SEP -4 PM 4:00

STATE OF MARYLAND)
) TO WIT:
QUEEN ANNE'S COUNTY)

I hereby certify, that on this 24th day of August, 1984, before me, the subscriber, personally appeared David C. Bryan, Attorney Named In Mortgage, in the aforementioned proceedings, and made oath in due form of law that the matters and facts set forth in the foregoing Report of Sale are true to the best of his knowledge and belief and that the sale was fairly made.

And further made oath as aforesaid that there has been no change in the matters and facts set forth in the affidavit as to the military service filed in this cause on May 22, 1984, and that the status of the party mentioned in said affidavit is the same as it was on the date of the filing of said affidavit.



Martin L. Haston
Notary Public
My Commission Expires: 7/1/86

Centreville, Md. 8/22 19 84

We Hereby Certify

That the annexed advertisement of Attorney's sale Paul H. & Diane L. Love was published in the RECORD OBSERVER, a newspaper published in Queen Anne's County, Maryland, once in each of 4 successive weeks before the 24th day of Aug. 19 84.

And that the first insertion of said advertisement in the said RECORD OBSERVER/BAY TIMES was on the 1st day of Aug. 19 84, and the last insertion on the 22nd day of Aug. 19 84.

Publishers, Record Observer

Per *[Signature]*

1984 AUG 24 AM 11:35

Attorney's Sale

OF VALUABLE FEE SIMPLE REAL ESTATE THREE STORY RESIDENCE IN CENTREVILLE

Under and by virtue of the power of sale contained in the mortgage from Paul H. Love and Diane L. Love to The Centreville National Bank of Maryland dated August 30, 1976; and recorded among the land records of Queen Anne's County, State of Maryland, in Liber C.W.C. No. 108, folio 733; default having occurred in the terms of said mortgage, the undersigned attorney, being specifically authorized to exercise the power of sale therein contained, will offer at public auction in front of the Court House Door in the Town of Centreville, Queen Anne's County, State of Maryland, at the hour of 10:00 o'clock A.M., Eastern Time, on

Friday, Aug. 24, 1984

the following described real estate, to wit:

ALL that lot or parcel of land improved by a three story frame dwelling house situate, lying and being in the Town of Centreville, in the Third Election District of Queen Anne's County, State of Maryland, located on the west side of Tilghman Avenue, and known as 206 Tilghman Avenue, and fronting 41 1/2 feet, more or less, on Tilghman Avenue, and extending back from said Tilghman Avenue a distance of 160 feet to the land formerly of Queen Anne's County Co-op, Inc., now of Centreville Elderly Housing Limited Partnership, being Lot No. 7 of the Gibson Lots, bounded on the north by the property of Bernard W. Motichke, bounded on the west side or rear by the said Centreville Elderly Housing Limited Partnership, bounded on the south side by the property of Gannon and Sons, Inc., and bounded on the east by the aforesaid Tilghman Avenue, and also all that part of Lot No. 8 of the Gibson Lots which was granted to Daniel Tilghman, former owner of said Lot No. 7, by Joseph G. Dawson and wife by deed of exchange, dated November 10, 1896, and recorded among the land records of said Queen Anne's County in Liber W.H.C. No. 5, folio 264, saving and excepting that part of said Lot No. 7 which was granted to Joseph G. Dawson by Daniel Tilghman by the said deed of exchange.

TOGETHER with the buildings and improvements thereupon erected, made or being; and all and every the rights, roads, ways, waters, privileges, appurtenances and advantages to the same belonging or in any way appertaining.

IMPROVEMENTS: This is a three story wood shingled residence containing foyer, living room, dining room, family room, modern kitchen and breakfast area, bath, utility room, mud room and jalousied porch on the first floor, five bedrooms and a bath on the second floor and a third floor attic; heated by hot water baseboard heat.

TERMS OF SALE: The purchaser(s) shall be required to pay ten percent (10%) of the purchase price in cash or by certified check on the day of sale, the balance to be paid within ten (10) days of the ratification of the sale by the Circuit Court of Queen Anne's County and to bear interest at nine and one-half percent (9 1/2%) from day of sale to day of settlement, or all cash on the day of sale as the purchaser(s) may elect. The deed for the property will be executed by the undersigned upon ratification of the sale and payment of the purchase price. Taxes and all other assessments and charges will be adjusted to the date of final settlement. All transfer expenses, including deed, title papers, documentary stamps, transfer tax and notary fees to be paid by the purchaser(s).

At the time and place of sale, the purchaser(s) will be required to make affidavit as required by Rule BR6b3 of the Maryland Rules of Procedure.

Time is of the essence. Compliance with the terms of sale shall be made within the times herein set forth, or the deposit shall be forfeited and the property resold at the risk and expense of the defaulting purchaser(s).

All improvements are sold in an "as is" condition and subject to such matters as an inspection of the premises and a modern survey would disclose.

DAVID C. BRYAN

Attorney Named in Mortgage
111 Lawyers Row
Centreville, Maryland 21617
Telephone: 301-758-1643

Joseph A. Jackson, Jr.
Auctioneer

RB-8-1-4-05

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY
Sitting as a Court of Equity

David C. Bryan
Attorney named in Mortgage

vs.

Paul H. Love
Diane L. Love

Mortgagors

vs.

Equity No. 7603

Harry J. Kane, III
#2 Annapolis View Road
Stevensville, Maryland 20850

Claimants

and

Kane Delivery Ltd. Co.,
12411 Washington Avenue
Rockville, Maryland 20850

Claimants

and

Dan Forbes
#2 Annapolis View Road
Stevensville, Maryland 21666

Claimants

PETITION FOR SURPLUS

TO THE HONORABLE, THE JUDGES OF SAID COURT:

Comes now your Petitioners, Harry J. Kane, III, Kane Delivery Ltd., and Dan Forbes, by and through their attorney, Richard D. Paugh and for their Petition for Surplus Funds, states:

1. that pursuant to Maryland Rules of Procedure, Rule

LAW OFFICES
OF
RICHARD D. PAUGH
ATTORNEY AT LAW
SUITE 260
932 HUNGERFORD DRIVE
ROCKVILLE, MARYLAND 20850
TELEPHONE (301) 251-9120

1984 AUG 29 PM 1:11

17 208225

W75a. "a person claiming an interest in the equity of redemption may apply to the court ratifying the sale to have the surplus of the proceeds of sale... paid over to such person, or so much thereof as will satisfy his claim, and the court shall order distribution of such surplus equitably among the claimants thereto."

2. that a Judgment Lienholder has an interest in the equity of redemption,

3. that a Judgment of Default was entered against Paul Love, Diane Love and Paul Love and Diane Love, husband and wife on June 25, 1984,

4. that an Inquisition of Damages pursuant to old Maryland Rule 648 is set for hearing on August 30, 1984; that a Motion to Dismiss or Set Aside the Default Judgment as to Diane Love, only, is also set for August 30, 1984,

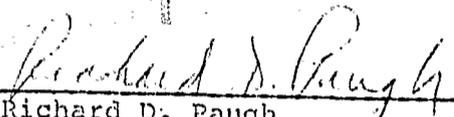
5. that your Petitioners are Judgment lienholders against the named Mortgagors,

WHEREFORE, your Petitioners move this Honorable Court the following relief:

1. That the Surplus funds of the Foreclosure Sale be paid over to your Petitioners in satisfaction or partial satisfaction of their Judgment Lien,

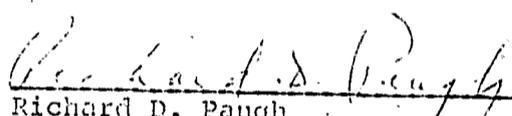
2. And for such other and further relief as to the Court seems just, fair and equitable.

LAW OFFICES
OF
RICHARD D. PAUGH
ATTORNEY AT LAW
SUITE 200
437 HUNTERS LANE DRIVE
ROCKVILLE, MARYLAND 20850
—
TELEPHONE (301) 251-9120


Richard D. Paugh
Suite 26D
932 Hungerford Drive
Rockville, Maryland 20850
(301) 251-9120

CERTIFICATE OF SERVICE

I HEREBY CERTIFY, that a copy of the the foregoing
Petition for Surplus was mailed, postage prepaid, this
27, day of AUGUST, 1984, to; David C. Bryan, 111
Lawyers Row, Centreville, Maryland 21617; Paul Love, 206
Tilghman Avenue, Centreville, Maryland and Diane Love, 206
Tilghman Avenue, Centreville, Maryland.


Richard D. Paugh

LAW OFFICES
OF
RICHARD D. PAUGH
ATTORNEY AT LAW
SUITE 26D
932 HUNGERFORD DRIVE
ROCKVILLE, MARYLAND 20850
—
TELEPHONE (301) 251-9120

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY
Sitting as a Court of Equity

David C. Bryan
Attorney named in Mortgage

vs.

Paul H. Love
Diane L. Love

Mortgagors

vs.

Equity No. 7603

Harry J. Kane, III

Claimant

and

Kane Delivery Ltd. Co.,

Claimant

and

Dan Forbes

Claimant

ORDER

Upon consideration of the Petition for Surplus Funds
filed by and on behalf of Harry J. Kane, III, Kane
Delivery, Ltd., and Dan Forbes, Petitioners by their
attorney Richard D. Paugh, and the facts and premises
contained therein, it is thereupon this 4th day of
September, 1984 by the Circuit Court for Queen Anne's
County, Sitting as a Court of Equity,

LAW OFFICES
OF
RICHARD D. PAUGH
ATTORNEY AT LAW
SUITE 260
932 HUNGFORD DRIVE
ROCKVILLE, MARYLAND 20850
TELEPHONE (301) 251-9120

ORDERED, that the ^{share of} surplus ^{to be} of funds received from the
Foreclosure Sale be distributed equitably among the
aforesaid claimants ^{by Paul H. Love} by the Auditor in his account,
subject to exception in
accordance with Rule Coyler C. Cella
2-543(f.).
JUDGE

1984 SEP -4 PM 4:01

LAW OFFICES
OF
RICHARD D. PAUGH
ATTORNEY AT LAW
SUITE 280
932 HUNGERFORD DRIVE
ROCKVILLE, MARYLAND 20850
TELEPHONE (301) 251-9120

DAVID C. BRYAN
111 Lawyers Row
Centreville, Maryland 21617
Attorney Named
In Mortgage

v.

PAUL H. LOVE
DIANE L. LOVE
206 Tilghman Avenue
Centreville, Maryland 21617
Mortgagors

* * * * *

* In The Circuit Court
*
* For Queen Anne's County
*
* In Equity
*
* No. 7603

ORDER REGARDING RATIFICATION OF SALE

ORDERED, this 4th day of September, 1984, by the Court, that the sale of the real property made and reported in this action will be ratified after the expiration of one month from the date hereof, unless cause to the contrary be previously shown, provided a copy of this Order shall be published in a newspaper published in Queen Anne's County at least once a week in each of three successive weeks before the expiration of one month from the date hereto.

Clayton C. Carter
Judge

1984 SEP -4 PM 4:01

Centreville, Md. 9/26 19 84

We Hereby Certify

That the annexed advertisement of

Equity No. 7603

was published in the RECORD OBSERVER, a newspaper published in Queen Anne's County, Maryland, once in each of 3 successive weeks before the 5th day of Oct. 1984.

And that the first insertion of said advertisement in the said RECORD OBSERVER/BAY TIMES was on the 12th day of Sept.

19 84, and the last insertion on the 26th day of Sept.

19 84

Publishers, Record Observer

Per

Marguerite W. Munkin
CLERK, CIRCUIT COURT

1984 OCT -3 AM 9:19

QUEEN ANNE'S COUNTY

IN THE CIRCUIT COURT FOR
QUEEN ANNE'S COUNTY
In Equity No. 7603
DAVID C. BRYAN
111 Lawyers Row
Centreville, Maryland 21617
Attorney Named in Mortgage
v.
PAUL H. LOVE
DIANEL LOVE
200 Tighman Avenue
Centreville, Maryland 21617
Mortgagors
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CLAYTON C. CARTER
JUDGE
True Copy, Test:
Marguerite W. Munkin, Clerk
By Anne F. Ward, Deputy Clerk
RB-9-12-31-012

CCC:mfe:10/15/84

DAVID C. BRYAN : IN THE CIRCUIT COURT
111 Lawyers Row :
Centreville, MD 21617 :
Attorney Named :
in Mortgage :
vs. : FOR QUEEN ANNE'S COUNTY
PAUL H. LOVE and :
DIANE L. LOVE :
206 Tilghman Avenue :
Centreville, MD 21617 :
Mortgagors : EQUITY NO. 7603

FINAL RATIFICATION OF SALE
AND REFERRAL TO THE AUDITOR

The Court being satisfied that the sale in the above action was fairly and properly made, and no exceptions having been filed to the report of sale within the time limited by the published Order of this Court, it is

ORDERED, by the Circuit Court for Queen Anne's County, this 15th day of October, 1984, that:

1. The sale of the real estate made and reported in this action is hereby finally ratified.
2. The papers in this action are hereby referred to the Court Auditor to state an account, pursuant to Rule 2-543, of the proceeds of the sale and a proper distribution thereof.
3. The Clerk shall furnish to the fiduciary a summary of the information required for the audit including a form of suggested account, which the fiduciary is to submit to the Auditor within fifteen days after the recording of the deed to the real estate sold.
4. Upon receipt of this information from the fiduciary, the Auditor is to file an account or report in accordance with Rule 2-543 (e) within fifteen days, unless extended by the Court.

Clayton C. Clark
RECEIVED
CLERK OF CIRCUIT COURT
1984 OCT 15 PM 3:37
QUEEN ANNE'S COUNTY

Distribution:
File
Fiduciary
Court Auditor

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND

HARRY J. KANE, III
Plaintiff
and
KANE DELIVERY LTD.
Plaintiff

vs.

PAUL H. LOVE and
DIANE L. LOVE, (his wife,
individually and as
husband and wife)

Law No. 4662

LINE

Madam Clerk:

Please file this Memorandum Opinion in Equity No. 7603
which is captioned David C. Bryan, Attorney Named in
Mortgage vs. Paul H. Love, Diane L. Love.


Richard D. Paugh
Suite 26D
932 Hungerford Drive
Rockville, Maryland 20850
(301) 251-9120

RECEIVED
CLERK, CIRCUIT COURT
1984 NOV 13 AM 10:42
QUEEN ANNE'S COUNTY

LAW OFFICES
OF
RICHARD D. PAUGH
ATTORNEY AT LAW
SUITE 26D
932 HUNGERFORD DRIVE
ROCKVILLE, MARYLAND 20850
TELEPHONE (301) 251-9120

HARRY J. KANE, III
Plaintiff

and

KANE DELIVERY LTD.
Plaintiff

and

DAN FORBES
Plaintiff

vs.

PAUL H. LOVE and
DIANE L. LOVE, (his wife,
individually and as
husband and wife)
Defendants

IN THE CIRCUIT COURT

FOR QUEEN ANNE'S COUNTY

LAW NO. 4662

RECEIVED
CIRCUIT COURT
1984 OCT 31 PM 3:00
QUEEN ANNE'S COUNTY

MEMORANDUM OPINION

A judgment by default under former Md. Rule 310 was entered against Paul H. Love (herein Paul), one of the Defendants, on June 25, 1984 and a hearing was held on August 30, 1984 before the Court to determine the amount of the damages. Rule 2-613 (e) (formerly Md. Rule 648).

Count I

The damages for breach of contract allowable under this Count to each of the party Plaintiffs has been established as follows:

Harry J. Kane, III

Date	Service Performed	Hours & Rate at \$25	Mileage	Expenses	TOTAL
04/06/84	Place ads in newspaper	½ hr.			12.50
04/08/84	Search for trucks & school bus - Balto. & Brandywine 2:30 to 7:30 173 mi. at .20	5 hrs.	34.60		159.60
04/09/84	Call to Penn Motors & Brandywine Auto 12:00-1:00 Conference with Paul Love Phone call on fork lift	½ hr. 1 hr. 1 hr.			12.50 25.00 25.00

04/10/84	Phone call on 14 passenger van	1 hr.		25.00
	H.J.K. & Paul to Balto. to purchase truck	3 1/2 hrs.		87.50
04/11/84	Conference with Paul 9:30-10:30	1 hr.		25.00
04/12/84	H.J.K. & Paul to Rockville 9:00-2:00	5 hrs.		125.00
	90 mi. at .20		18.00	18.00
	2 hours phone time	2 hrs.		50.00
04/13/84	H.J.K. & Paul conversation 10:30-12:00	1 1/2 hrs.		37.50
	Fork lift conversation	1 hr.		25.00
	2 drivers at 5 hr. ea. at \$7.00			70.00
04/16/84	West Va. Fork lift-Radio Shop	1 hr.		25.00
04/17/84	Conversation with D.F.F., Calif. Radio Shop-Paul-Herb Gordon	2 hrs.		50.00
04/18/84	Meeting in Rehoboth, Del. Corp. 9:30-12:30	3 hrs.		75.00
04/19/84	Conversation-West Va. D.F.F.-Calif. - Radio Shop	6 hr.		150.00
04/20/84	Insurance Co. & Herb Gordon	3 hrs.		75.00
04/21/84	Interview drivers & cost of ad. 9:00-2:00	5 hrs.		125.00
04/23/84	Conversation with Paul Love	1 hr.		25.00
	Relocation, travel & expenses of D.F.F., Calif. to Md.	1 hr.	1034.95	1059.95
	Driver #84 on stand by-10:30 to 3:00 at \$7.00 per	4 1/2 hrs.	31.50	31.50
04/24/84	Conversation-Baldwin-D.F.F. Limo Cabbage 9:00-11:00	2 hrs.		50.00
	Cabbage 2 hrs. at \$7.00 per			14.00

04/25/84	2 telephone conversations	2 hrs.	50.00
04/26/84	Take trucks to Cambridge		
	11:00-5:30 H.J.K.	5 1/2 hrs.	137.50
	2 drivers 5 1/2 hrs. ea. at \$7.00 per		77.00
	D.F.F. to B.W.I.		
	5:30-10:30	5 hrs.	125.00
	190 mi. at .20 per		38.00
	Room for D.F.F. at International		38.00
	at B.W.I.-H.J.K.		99.60
	Visa Charge		
04/27/84	Place phone ad for crane operator Tom & Penn Motors		
	Conversation with W.Va. Baltimore		
	4:00-8:30	4 1/2 hrs.	112.50
05/02/84	Pick up trucks in Secretary, Md.		
	12:00 to 6:00	6 hrs.	150.00
			\$3,167.65

Dan Forbes

<u>Date</u>	<u>Service Performed</u>	<u>Value</u>
04/26/84	Travel to Cambridge and Secretary, Md., Inspection of property by D.F.F.	125.00
04/27/84 to 05/01/84	Travel Expenses and Fees for D.F.F. in Houston, Texas	750.00
05/02/84	Pick up trucks in Secretary, Md. with Penn Motors	125.00
		\$1,000.00

Kane Delivery Ltd. offered no proof of services or materials supplied Paul.

The compensatory damages awarded above are on an implied assumpsit because these Plaintiffs had no written contract with Paul. However, the law implies a promise or undertaking to do that which a party is legally bound to do. 1 Poe, Pleading & Practice (Sixth Edition) §88. Recovery is allowed on the basis

17 MAR 23 1983

of the reasonable value of the goods furnished or sold and fair value of the services rendered or work performed.

The general rule is that in a contract action punitive damages are not recoverable. St. Paul at Chase v. Mfrs. Life Ins., 262 Md. 192 at 236. Actual malice must be shown to support punitive damages. Damazo v. Wahby, 259 Md. 627. Where the object of the defendant was merely to benefit himself, although Plaintiffs might be injured by non-payment, then actual malice has not been shown. Knickerbocker Co. v. Gardiner Co., 107 Md. 556.

The proof does not show that Paul failed to pay for the sole purpose and with the deliberate intention of wrongfully injuring the Plaintiffs. Id. at 569-70.

Count II

The compensatory damages for deceit allowable under this Count to Kane Delivery Ltd. is set forth in the case of City Chevrolet v. Wedeman, 30 Md. App. 637, and is known as the "flexibility theory." A defrauded plaintiff is entitled to recover either:

- a. The difference between what he paid and the value of what he got (out of pocket), or
- b. The difference between the value of what he agreed to buy and the value of what he got (benefit of the bargain).

The difference between the two rules is a narrow one. Unless the transaction was a "bargain" for the buyer - unless the thing he agreed to buy had a greater value than the price he agreed to pay for it - there is no difference between them. Id. at 645.

In this case, Kane Delivery Ltd. was persuaded by Paul's fraudulent misrepresentations to agree in writing to purchase

150 shares of stock in a non-existent corporation. Plaintiff's Exhibit No. 1 and No. 4. Therefore, Kane Delivery Ltd. is entitled to recover its \$5,000, which was apparently advanced by Henry J. Kane, III to cover the corporate check #228. Plaintiffs' Exhibit No. 11. The fraud committed in this instance was the inducement to Kane Delivery Ltd. (referred in Plaintiffs' Exhibit No. 1 as Kane Delivery & Transfer Service) in entering into the contract, executed on behalf of the corporation by Harry J. Kane, III, President. See Wedeman v. City Chevrolet Co., 278 Md. 524 at 529.

By reason of the fraudulent misrepresentations of Paul, Dan Forbes flew to Houston to meet a non-existent Emensco Corp. representative. He incurred motel, travel and telephone expenses, but they have been paid by others, especially funds advanced by Harry J. Kane, III, or he has been compensated for the same under the first count.

Harry J. Kane, III was not fraudulently induced to enter into a contract with Paul. If he advanced funds at the request of Paul or because of Paul's failure to make good his bad checks, he has been compensated for the same under the first count also.

Wedeman, supra, at 530, spells out the requirements in Maryland for the recovery of punitive damages in fraud cases. Proof of actual malice is not a prerequisite. Legal malice will suffice and that includes deliberate, gross or wanton conduct. This Court has no trouble finding gross fraud - inducing one to enter into a contract to purchase stock in a corporation whose charter had been forfeited and which had no assets.

As in Wedeman, Id. at 532, this Court also finds evidence of "outrageous conduct" on the part of the deceiver.

Those who are tempted and do engage deliberately in fraudu-

lent conduct for profit are more likely to pause and consider the consequences if made aware that they may be compelled to pay more than the actual loss sustained by the party deceived. Id.

Therefore, to teach Paul not to repeat such wrongful conduct and to deter others from engaging in the same conduct, this Court will award Kane Delivery Ltd. punitive damages in the amount of \$25,000.

For the reasons hereinabove set forth, IT IS THEREFORE ORDERED, this 31st day of October, 1984, by the Court, that Judgment by Default be extended against the Defendant, Paul H. Love, as follows:

Count I

In favor of Harry J. Kane, III in the amount of \$3,167.65 with pre-judgment interest at the legal rate of 6% per annum from May 2, 1984 in the amount of \$95.03 for a total of \$3,262.68 with his costs and interest from date.

In favor of Daniel F. Forbes in the amount of \$1,000 with prejudgment interest at the legal rate of 6% per annum from May 3, 1984 in the amount of \$29.38 for a total of \$1,029.38, with his costs and interest from date.

Count II

In favor of Kane Delivery Ltd. in the amount of \$5,000 compensatory damages with prejudgment interest at the legal rate of 6% per annum from April 13, 1984 in the amount of \$164.10 for a total of \$5,164.10 with its costs and interest from date.

In favor of Kane Delivery Ltd. in the total amount of \$25,000 punitive damages.

Clayton Carter

Judge

TRUE COPY, TEST:
MARGUERITE W. MANKIN, CLERK

BY: *Marguerite W. Mankin*.....
DEPUTY CLERK

Distribution:
 Original - Court File
 Photocopies:
 Richard D. Paugh, Esq.
 Jared W. Ingersoll, Esq.

3,137.05+
 1,029.30+
 9,154.10+
 23,000.00+
 34,320.45+

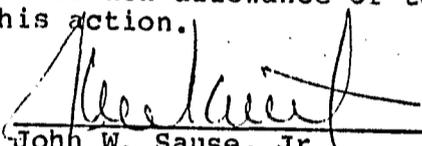
IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

DAVID C. BRYAN, Attorney :
v. : Chancery #7603
PAUL H. LOVE, et ux. :
: : : : :

REQUEST FOR ADDITIONAL COMPENSATION

The above-entitled cause having been referred to the Auditor in accordance with Maryland Rule W74, the Auditor respectfully requests the allowance of extra compensation for the services performed by him for the reasons that he has been required, in addition to his customary and usual duties:

- a. To obtain additional information from the records in the Clerk's office and the attorney for the Centreville National Bank of Maryland with respect to its claim filed on August 8, 1984;
- b. To compute the balances due with respect to one of such claims;
- c. To confer with the Court, undertake extensive legal research and prepare a Special Report with regard to the reason for non-allowance of two of the claims filed in this action.

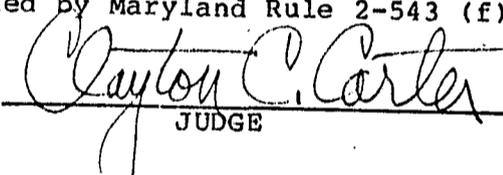

John W. Sause, Jr.
Auditor

ORDER

The foregoing Application having been read and considered, and it appearing that the Auditor has performed duties other than the customary and usual duties performed in an audit; it is this 15th day of November, 1984, by the Circuit Court for Queen Anne's County,

ORDERED, that the Auditor is allowed a total fee of \$ 500.00, together with out of pocket traveling and other expenses allowed by Second Circuit Rule 12 b, such fee and expenses to be paid from funds of the estate, subject to the right of any interested person to file exceptions to this allowance in the manner provided by Maryland Rule 2-543 (f).

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1984 NOV 15 AM 9:46
QUEEN ANNE'S COUNTY


Clayton C. Carter
JUDGE

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

DAVID C. BRYAN, Attorney :
 v. : Chancery #7603
 PAUL H. LOVE, et ux. :
 : : : : :

AUDITOR'S ACCOUNT

PROCEEDS OF FORECLOSURE SALE			
Sale Price, as reported		\$ 44,000.00	
Interest on \$ 39,600.00 @ 9.5%			
from 08/25/84 to 10/19/84			
55 days @ \$10.31 per day		577.36	
Adjusted per terms of sale			
Real property taxes			
07/01/84 to 10/19/84			
State/County	\$ 137.50-		
Town	35.11-		
Water charges			
Water reconnection	20.00-		
04/01/84 to 10/19/84	70.66-	<u>263.27-</u>	
GROSS AMOUNT AVAILABLE FOR DISTRIBUTION			44,314.09
COMMISSIONS, payable to Fiduciary	\$ 2,350.00-		
ATTORNEY FEE, per Mortgage		100.00-	
EXPENSES OF SALE			
Court costs	\$ 223.00-		
Advertising			
Notices of sale			
Uncompleted sale	350.00-		
Sale of 08/24/84	375.00-		
Report of sale	90.00-		
Bond premium	128.00-		
Auctioneer's fee			
Uncompleted sale	55.00-		
Sale of 08/24/84	110.00-		
Certified mail	5.16-	<u>1,336.16-</u>	
AUDITOR'S FEE AND COSTS			
Fee for audit, per Order	\$ 500.00-		
Postage & copies	7.36-	<u>507.36-</u>	<u>4,293.52-</u>
NET AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 40,020.57

RECEIVED
 CLERK, CIRCUIT COURT
 1984 NOV 16 AM 11:45
 QUEEN ANNE'S COUNTY

INDEBTEDNESS DUE UNDER MORTGAGE

Per Amended Statement of Debt

Principal	\$ 18,333.42-	
Interest to 07/27/84	742.93-	
Late charges	74.07-	
1983/84 Town Taxes	120.79-	
Interest on principal @ 9.5%		
07/28/84 to 10/23/84		
88 days @ \$4.79		
	<u>421.52-</u>	\$ 19,692.73-

AVAILABLE FOR DISTRIBUTION, as above

40,020.57

SURPLUS

\$ 20,327.84

TO Centreville National Bank of Maryland

Judgment rendered 4/18/84	\$ 817.00	
Attorney fees	<u>122.55</u>	\$ 939.55-
\$400 paid 06/27/84,		
less interest of \$18.02		
(70 days @ \$0.2574)		381.98
Interest on \$557.57 to 11/15/84		
141 days @ \$0.1527		21.53-
Court costs, including		
recording judgment & lien	<u>30.00-</u>	
TOTAL PAYABLE PER CLAIM FILED		
as of 11/15/84		<u>609.10-</u>
plus interest @ \$0.1527 to		
date of payment		

BALANCE TO BE DISTRIBUTED TO MORTGAGORS

\$ 19,718.74 *

* plus interest accrued on deposit of sale proceeds, less interest payable on Centreville National Bank claim

NOTICE

The attached Account and Special Report were filed on November 16, 1984. Exceptions to the Account must be filed within ten (10) days of that date. If timely exceptions are not filed, the Account may thereupon be ratified. The amount allowed to each claimant is as follows:

The Centreville National Bank	
of Maryland	\$ 609.10
plus interest as above	
Harry J. Kane, III	0
Kane Delivery Ltd.	0
Dan Forbes	0

SPECIAL REPORT OF AUDITOR

This Report deals exclusively with the propriety of allowing expenses in connection with a cancelled sale and the distribution of surplus proceeds. Other aspects of the Account are unremarkable.

Expenses of cancelled sale

The fiduciary indicates that a sale scheduled and advertised in June was cancelled minutes before it was to begin because of a good-faith belief that the mortgage indebtedness would be discharged in connection with a private sale of the property by the Mortgagors. Under such circumstances, expenses related to the cancelled sales are allowable. See, Arundel Asphalt v. Morrison, 256 Md. 170, 175; Griffith v. Dale, 109 Md. 697, 700; Real Est. Trust Co. v. Union Trust Co., 102 Md. 41, 45. As to the advertising portion of these expenses, see also the Special Report in Chancery #7260 and Chancery #7318.

For reasons more fully set forth on page 6 of the Special Report filed in Chancery 7260, the Account contains an allowance to the auctioneer for his services in connection with the cancelled sale, such allowance being half of the fee allowable under Second Circuit Rule BR8 e (measured by the amount chargeable with respect to the completed sale). Upon reflection, this seems more equitable than the minimum auctioneer fee recently allowed (purportedly, but erroneously there said to be consistent with prior allowances) in Chancery 7318.

Surplus proceeds

The Centreville National Bank ("the Bank") and Harry J. Kane, III, Kane Delivery Ltd. Co. and Dan Forbes (collectively, "Kane") have filed claims to the surplus proceeds pursuant to Rule W75 a.

The Bank claim

The Bank's claim, filed on August 8, 1984, is based upon:

(a) a judgment its favor rendered against the Mortgagors on April 8, 1984, in the District of Maryland for Queen Anne's County and recorded there on that date. Notice of lien of the judgment pursuant to former Rule 620 was filed in this Court on May 9, 1984 (M.W.M. 3, folio 10).

(b) court costs in the amount of \$5.00 advanced by the Bank in another case "to satisfy a

summary judgment [rendered in the District Court] in favor of [a third party] . . . dated May 16, 1979", notice of lien having also been filed in this Court (#663), "which judgment had been paid with court costs still due and owing." It is not shown that the underlying judgment or its lien was assigned to the Bank.

This Court approved the claim on September 4, 1984, as follows:

. . . after payment to the mortgagee of its claims and expenses, so much of any surplus proceeds of the sale made herein as will satisfy the [said] claims . . . shall be paid over to said claimant; provided, however, that such claim shall be considered with all other claims filed and approved in this Cause at the time when the Audit is prepared and that the surplus proceeds of sale shall be distributed equitably among all such claimants, subject to exception in accordance with Maryland Rule 595 2-543(f.).

The 1984 judgment has been a lien on the mortgaged property since May 9, 1984, and is allowable. It has been ascertained from the Bank's attorney that a payment of \$400.00 was made on this judgment on June 27, 1984, which has been applied in the Account. In the absence of any indication of whether post-judgment interest should be computed under the special rule of §11-106 of the Courts Article, or the general Rule in §11-107, the latter has been applied.

The Mortgage in this case is dated August 30, 1976, and was recorded on the following day. It thus appears that it represents a senior lien to the 1979 judgment for which the Bank claims reimbursement of \$5.00 court costs. No reason is suggested as to why the Bank undertook to discharge that very small obligation of the Mortgagors; and there is nothing in the Mortgage contract to suggest any right or duty to do so (the closest language which I can find being the right conferred upon the Mortgagee to advance any unpaid "taxes, water and sewer charges, insurance premiums, public dues and assessments"). For purposes of distinction, there is authority under the quoted language for the Bank's payment and collection of taxes as claimed in its Amended Statement of Debt and allowed in the Account.

Without prolonging a matter which can at best have de minimus significance to any person interested in this proceeding, it is plain that the Bank had neither the obligation nor the right to discharge all or any part of the 1979 judgment against the Mortgagors. A fortiori, it cannot be "alleged and

shown to have been paid upon the request, express or implied" of the Mortgagors, a requisite ingredient of a claim for reimbursement. See, Poe, Pleading (1906 edition), §§108 et seq. Furthermore, since the judgment has been satisfied, it does not (and apparently did not at the time of sale) constitute a lien upon the mortgaged property; and, for reasons given in more detail with respect to the Kane claim, the Bank does not have such "interest in the equity of redemption" as would entitle it to participate in surplus under Rule W75 a. In my opinion, the portion of the Bank's claim which relates to the 1979 judgment is not allowable in this proceeding.

The Kane claim

The Kane claim, filed August 29, 1984, asserts that "a Judgment of Default was entered against [the Mortgagors] on June 25, 1984" and "that an Inquisition of Damages [sic] . . . is set for hearing on August 30, 1984" and "that a Motion to Dismiss or Set Aside the Default Judgment as to Diane Love [one of the Mortgagors], only, is also set for August 30, 1984." Kane claims to be "Judgment lienholders against the named Mortgagors."

The Court passed the following Order on September 4, 1984, underscored words being those added by the Court to the pro forma order which had been submitted by counsel for Kane:

ORDERED, that the share of surplus of funds to be received from the Foreclosure Sale by Paul H. Love be distributed equitably among the aforesaid claimants by the Auditor in his account, subject to exception in accordance with Rule 2-543 (f.).

(By that time, as hereafter mentioned, the default judgment entered against one of the Mortgagors had been stricken out by the Court, which explains the restriction in the Court's Order to satisfaction of the claim only from "the share of surplus . . . to be received . . . by Paul H. Love." Assuming that a lien of any kind was created by the entry of a judgment by default, an interesting question arises as to whether such lien would sufficiently attach to one tenant by the entirety's interest in such manner as to make it a lien cognizable by Rule W75 a. In my opinion, we do not reach that question here.)

The default judgment which underlies the Kane claim is that rendered on June 25, 1984, in Law 4662, upon the Mortgagors' failure to file a responsive pleading to a Declaration which had been filed on May 8, 1984, and regularly served.

The judgment as it appears in the docket entries of that case was in the following terms:

Order of Court that a judgment of default as to liability be and the same hereby is entered against the Defendants, Paul Love, Diane Love, and Paul Love and Diane Love, husband and wife, on behalf of the Plaintiffs . . .

On June 28th, the Court ordered that the matter be assigned for hearing "to inquire and assess the damages, costs and interest incurred and suffered by the Plaintiffs" in accordance with former Rule 648.

As earlier noted, a subsequently-filed motion by Diane Love to set aside the judgment was granted by the Court on August 30. On October 31, 1984, the Court filed a Memorandum Opinion and Order in Law 4662, by which damages were assessed and judgment thereon entered against Paul H. Love. On November 13, Kane filed a copy of that Opinion and Order in this case.

The question which arises from these facts is whether Kane is entitled to participate in the surplus proceeds of sale in this proceeding by reason of (a) the default judgment rendered in their favor on June 25 against both Mortgagors and/or (b) the judgment including damages entered on October 31. The basic answer lies within the provisions of Rule W75 a, which is the sole authority for allowance of claims against surplus proceeds of a mortgage sale in the following terms:

. . . a person claiming an interest in the equity of redemption may apply to the court ratifying the sale to have the surplus of the proceeds of sale, after payment to the mortgagee of his claim and expenses, paid over to such person, or so much thereof as will satisfy his claim, and the court shall order distribution of such surplus equitably among the claimants thereto.

Thus, in order to participate in distribution of the proceeds of sale (1) a claimant must have "an interest in the equity of redemption"; (2) aside from a mortgage or other express security instrument, a creditor may have that interest only if he has a "lien" and (3) a "judgment" represents a lien only to the extent provided by statute or Rule. In the last regard, see Liquor Dealers v. Comptroller, 241 Md. 256, 661; O'Neill & Co. v. Schulze, 177 Md. 64, 68; Messinger v. Eckenrode, 162 Md. 63, 67; Caltrider v. Caples, 160 Md. 392, 394; Dyson v. Simmons, 48 Md. 207, 215; Hamilton v. Schwer, 34 Md. 107, 118.

The time of the establishment of the lien or other "interest in the equity of redemption" is especially important. As this Court ruled in connection with a summary judgment motion in Chancery 6718, "all rights, title and interest [of the owners of the equity of redemption] . . . have been foreclosed and cease to exist as of the date of sale [of the mortgaged property] . . . at which time . . . the mortgagors . . . were divested of all rights of redemption." This holding was based primarily upon the opinion of the Court of Appeals in Union Trust Co. v. Biggs, 153 Md. 50, 55.

It therefore follows that a judgment rendered against a mortgagor after the time of a foreclosure sale does not become a lien against the mortgaged property, for the simple reason that the judgment debtor then has no interest in that property. As a result, the holder of such judgment may not make a claim to surplus proceeds of the foreclosure sale, since he never had "an interest in the equity of redemption", which is the requisite to such allowance under Rule W75 a. These principles were applied in disallowing claims based upon post-sale judgments filed in the above-mentioned Chancery 6718 -- exceptions to that Account having been rejected by the Court, although on grounds other than those involved here.

It is clear that no judgment embodying determination of both liability and damages had been rendered in Law #4662 at the time of the subject foreclosure sale on August 24, 1984. Kane's claim here does not suggest the contrary and expressly recognizes that a hearing to determine damages in Law 4662 was to be held 6 days after the sale. Rather, it seems to be Kane's contention that the judgment by default rendered on June 25 -- two months before the sale -- is a judgment which created in Kane a lien or other "interest in the equity of redemption" sufficient to support a claim to surplus proceeds under Rule W75 a.

The law is to the contrary. Poe, Practice (1906 edition), states the matter succinctly, at §372:

Until . . . [a judgment by default] is extended, and the precise amount of the defendant's liability ascertained, either by the assessment of damages by the court . . . or the inquisition of a jury, it is not a lien on the real estate or chattels real of the defendant; nor will the judgment, when extended, relate back to the date of the interlocutory judgment, so as to take priority over a

judgment made final in the interval between recovery of the judgment by default and its subsequent extension.

The authority cited is the early case of Davidson v. Myers, 24 Md. 538, 554-556, which amply supports the statement and was cited in the Union Trust case, supra, for the proposition that "The real and not the apparent rights of the judgment debtor in the property measure the rights of the judgment creditor." 153 Md. at 56. To the same effect is Sharp v. Bates, 102 Md. 344, 349.

In Davidson, the Court first stated the nature and effect of a judgment by default: ". . . a defendant on whose default a judgment by default is entered, confesses the cause of action, and the judgment so entered is conclusive in respect to the jurisdiction of the court and the right of recovery; but it goes no farther, for the amount remains to be ascertained, and the recovery thereof to be finally adjudged to the plaintiff." 24 Md. at 554. Addressing the facts before it, the Court stated that "Strictly speaking, there was no recovery until it was adjudged by the court . . . and the only privilege secured to the appellant by the judgment by default, was that of proceeding by inquisition or otherwise, to assess the damages and obtain a final judgment, without delay to the defendant." 24 Md. at 555.

The Court then held that "Treating the judgment by default as interlocutory, merely, it could not operate as a lien on the real or leasehold property of the defendant" and gave 2 separate reasons, the first of which was based upon its incomplete nature (24 Md. at 555):

The reason why a judgment constitutes a lien on the property of the debtor . . . is that it clothes the judgment creditor with the right to make his debt out of the land of the judgment debtor; this right, on the one side, and consequent liability on the debtor's property on the other, constituting the lien. And it surely cannot be maintained that a creditor is clothed with any such right by an interlocutory judgment, where the amount to be recovered remains to be ascertained, and the recovery of it to be adjudged by the court.

The second reason was still more fundamental:

But further, the Act of 1861 declares in specific terms, that judgments shall be liens for their amount and from their date, and as we

construe this provision, final judgments alone were contemplated [emphasis that of the Court].

The statute which the Court held to be controlling was Chapter 70 of the Acts of 1861, codified in Article 26 of the Code, through 1924, as §19 and as §20 until its inclusion as §11-402 of the present Courts and Judicial Proceedings Article. It was virtually copied as Rule 620 in 1957 and now appears as Rule 2-621.

Because former Rule 620 was in effect at the time of the entry of the subject default judgment, its provisions are quoted here:

A judgment shall constitute a lien to the amount of and from the date thereof upon all real estate of the judgment debtor lying in the county wherein the judgment was entered

Rule 2-621 and §11-402 of the Courts Article differ only in style.

Since the present statute and Rule are basically the same as that in force when Davidson was decided in 1866, clearly Kane cannot prevail against that "all fours" interpretation unless it has been superseded by subsequent decision of the Court of Appeals. There may be slight, albeit in my opinion misplaced, basis for a contention to that effect.

After stating the rule in Davidson as above set forth, Poe adds this sentence: "Nor will an appeal lie from such a judgment". Poe, Practice (1906 edition), §372. No authority is cited for this sentence. However, there was a subsequent holding to the effect that an appeal would not lie from a judgment by default. Sharp v. Bates, 102 Md. 344, 349.

The question of the appealable nature of a default judgment again came before the Court of Appeals in Himes v. Day, 254 Md. 197, where the Court held at 204:

The appellant argues that in the instant case the judgment by default was an interlocutory judgment and hence Rule 625 should not apply. This contention is based on the fact that a judgment by default may require extension by way of proof of damages or some other inquiry by the court, Maryland Rule 648. However, this extension of the judgment was never intended to affect the finality of a judgment by default as to the question of the liability of the party against whom it is obtained. A read-

ing of both Berwyn Fuel Co. . . . and Tasea Investment Corp. . . . leaves no doubt in the Court's mind but that a judgment by default is a final determination as to liability.

I pause to make two important observations: (1) Davidson expressly recognized and was predicated upon the basic proposition of the above quotation, such being that "a judgment by default is a final determination as to liability" (24 Md. at 554) and (2) the above quotation speaks of a specific type of "finality", namely "finality . . . as to the question of . . . liability."

As noted, Himes appears entirely consistent with the holding of Davidson. Such color as the Himes decision may give to Kane's claim here arises elsewhere -- in a footnote to the case of Maggin v. Stevens, 266 Md. 14, 17, where in referring to Himes it was said that "The holding of this case [i.e. Himes] apparently overrules a number of earlier decisions which held that a judgment by default was not final for appeal purposes if it was not extended [emphasis supplied]." See also, J.C. Penney v. Harker, 23 Md.App. 121, 126. The "apparently overrule[d]" decisions were said to include Sharp (which, as already noted, did so hold), Davidson (which did not discuss a right of appeal) and §372 of Poe (where no authority was given for the proposition).

In addition to those authorities, the footnote in Himes also refers to Heffner v. Lynch, 21 Md. 552, and Green v. Hamilton, 16 Md. 317. Green involved the propriety of striking out a final judgment which had been entered after an inquisition preceded by judgment by default. Heffner involved "the single question whether the judgment by default was so far final as to conclude the appellee of the right to deny the jurisdiction of the Court, after the inquisition of the jury"; and it was held, consistently with both Himes and Davidson, that the default judgment was conclusive as to the jurisdiction of the trial court. It appears to me that the only authority in any way "overruled" by Himes were the unsupported statement of Poe and Sharp v. Bates, *supra*.

But, whether Himes overruled prior law with respect to the "final" nature of judgments by default for purposes of appeal is completely beside the point. The question here and in Davidson is purely and simply that of interpretation of the statutes and rules which establish liens, not appeals: is a default judgment a "judgment" within the meaning of §11-402 of the Courts Article and Rule 2-621? That is inher-

ently distinct from the question of whether an appeal will lie from a judgment by default, under all authorities "final" as to liability and jurisdiction.

As previously seen, former Rule 620, present Rule 2-621 and their statutory companion (now §11-402 of the Courts and Judicial Proceedings Article) clearly contemplate that a judgment creating a lien will involve -- to use words common to all of them and emphasized by the Court in Davidson -- "the amount" of the judgment. Manifestly, there was no "amount" of the Kane judgment until more than two months after the foreclosure sale by which the interest of Paul H. Love and Diane L. Love in the mortgaged property was extinguished. That requisite is an explicit part of the holding in Davidson that a default judgment is not a "judgment" within the meaning of the Rules and statutes by which judgments are given the character of "liens".

Since Kane had no lien on the property on August 24, 1984 (the date of sale) by virtue of the default judgment rendered in their favor on June 25, 1984, Kane had no "interest in the equity of redemption" and is not, in my opinion, entitled to the distribution of surplus proceeds of sale under Rule W75 a.

The Court's Orders

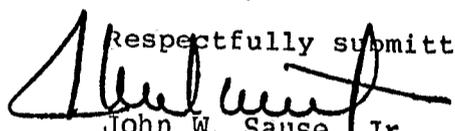
Traditionally, the auditor is the mere calculator and accountant of the Court (Miller, Equity Procedure §535), although it was not unknown that the auditor be given the powers of a master (§555). The latter, it seems, is the position of an auditor under Rule 2-543 (c).

In any event, from his station "near to the Chancellor" (Dorsey v. Hammond, 1 Bland 463, 467), an auditor is hardly in a position to review or supersede Orders of the Court. Clearly, the earlier-quoted Orders in this case give at least the superficial appearance of approving the claims as originally submitted by the Bank and Kane.

Pitched on the horns of the dilemma created by the choice of seeming to disregard the written directions of the Court, or of falsely certifying a belief that allowance of the above claims in the audit is proper, I have consulted the Court for advice and instruction. Without passing directly upon any matters contained in this Special Report, the Court has directed me to prepare the Account and suggest distribution of surplus in accordance with my conclusions of law (Rule 2-543 (c)(7)).

For this and my future guidance, the Court has advised that he views orders such as those passed with respect to the

claims filed in this proceeding as little more than his technical recognition that a claimant has satisfied the direction in Rule W75 a for a claimant to "apply to the Court". As the Court also points out, those Orders were entered ex parte (compare Rule 1-351), whereas a party or claimant has the right to file exceptions to the Account (Rule 2-543 (f)). I am expressly directed to regard the instructions for equitable distribution as contained in such Orders to mean that distribution is to be made in accordance with the facts which appear after referral of the matter to me.

Respectfully submitted,

John W. Sause, Jr.
Auditor

November 15, 1984

CERTIFICATE OF AUDITOR

I hereby certify that I have examined the Suggested Account, together with the receipts, vouchers, statements, suggested distribution and affidavit submitted by the Fiduciary and the claims for participation in the distribution of surplus filed in Chancery Cause #7603. On the basis of the facts which appear upon the face of the proceedings and proofs submitted to me and for the reasons set forth in the attached Special Report, it is my opinion that the allowances and claims reflected in the foregoing Auditor's Account have been established and are properly allowable by law in the amounts there set forth.

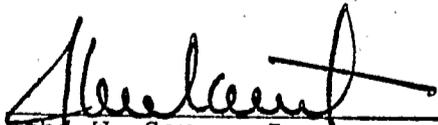
I further certify that on November 16, 1984, copies of the Auditor's Account, Notice and Special Report conforming to the requirements of Maryland Rule 2-543 and Second Circuit Rule 12 d were mailed to the following:

David C. Bryan, Esquire
111 Lawyer's Row
Centreville, Maryland 21617

Paul H. Love
206 Tilghman Avenue
Centreville, Maryland 21617

Diane L. Love
206 Tilghman Avenue
Centreville, Maryland 21617

Richard D. Paugh, Esquire
Attorney for Henry J. Kane, III, et al.
932 Hungerford Drive
Rockville, Maryland 20850



John W. Sause, Jr.
Auditor

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

DAVID C. BRYAN, Attorney :
 v. : Chancery #7603
 PAUL H. LOVE, et ux. :
 : : : : :

ORDER RATIFYING AUDIT

The matter coming before the Court on the Account and Special Report heretofore filed by the Auditor and it appearing from the Auditor's Certification that the requirements of Rule 2-543 (e) have been met, and no exceptions having been filed within 10 days of the date when the Account was filed, it is this 27th day of November, 1984, by the Circuit Court for Queen Anne's County,

ORDERED that the Account and Special Report of the Auditor are hereby ratified and confirmed, and the Fiduciary shall apply the proceeds accordingly with a due proportion of interest after same has been or may be received.

Cayton C. Carter
 JUDGE

RECEIVED
 CLERK, CIRCUIT COURT
 1984 NOV 27 AM 11:20
 QUEEN ANNE'S COUNTY

MICHAEL R. FOSTER
Morgan Building
P.O. Box 367
Stevensville, Maryland 21666

PLAINTIFF

vs.

CLARENCE E. GRAHAM
BETTY MAE GRAHAM
Route 2 Box 379
Queenstown, Maryland 21658

DEFENDANTS

IN THE
CIRCUIT COURT

FOR

QUEEN ANNE'S COUNTY

MARYLAND

CIVIL ACTION NO. 84-00033

AUG 10-84 * 27863 *****70
AUG 10-84 A 27863 *****70

ORDER TO DOCKET SUIT FOR FORECLOSURE OF MORTGAGE

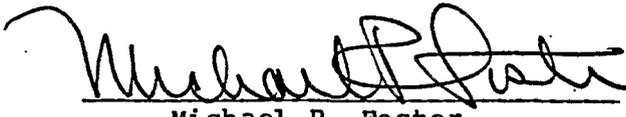
Marguerite W. Mankin, Clerk:

Please docket suit as above entitled for foreclosure of the mortgage from Clarence E. Graham and Betty Mae Graham, his wife, to the Queenstown Bank of Maryland, dated August 17, 1982, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 187, folio 723 and assigned to Michael R. Foster, Attorney, for purposes of foreclosure on August 8, 1984, said assignment being duly recorded among the Land Records of Queen Anne's County on August 9, 1984; the undersigned being thereby authorized to exercise the power of sale, default having occurred in the terms thereof by reason of the nonpayment when due of principal and interest of the note secured by said mortgage.

Please also docket the attached certified copy of the mortgage and assignment, Military Affidavit, and Statement of Indebtedness, and Bond.

LAW OFFICES
MICHAEL R. FOSTER
MORGAN BUILDING
SHOPPING CENTER ROAD
P. O. BOX 367
STEVENSVILLE, MD. 21666
(301) 643-2141

RECEIVED
CLERK, CIRCUIT COURT
1984 AUG 10 PM 12:11
QUEEN ANNE'S COUNTY


Michael R. Foster
Assignee for Purposes of Foreclosure
Morgan Building
P.O. Box 367
Stevensville, Maryland 21666
(301) 643-2141
Plaintiff

17-257

DOCUMENT NO. 109,727

LIBER 17 AUG 258

AUG 18-82 * 27499 *****141.10
AUG 18-82 A @27499 *****127.60
AUG 18-82 A @27498K *****.50
AUG 18-82 A @27497 *****13.00

THIS MORTGAGE, made this 17th day of August, 1982, by and between CLARENCE E. GRAHAM and BETTY MAE GRAHAM, his wife, parties of the first part, hereinafter referred to as Mortgagor, and QUEENSTOWN BANK OF MARYLAND, a body corporate, party of the second part, hereinafter referred to as Mortgagee.

WHEREAS, the Mortgagor is justly indebted unto the said Mortgagee in the sum of TWENTY-NINE THOUSAND AND NO/100 DOLLARS, (\$29,000.00), which sum was this day loaned by the Mortgagee unto the Mortgagor, evidenced by and payable with interest as provided in a Promissory Note of even date herewith, the unpaid balance with interest accrued thereon being due and payable on August 17, 1983.

AND, WHEREAS, the better to secure payment of said loan with interest, this Mortgage is executed and delivered.

NOW, THEREFORE, THIS MORTGAGE WITNESSETH, that in consideration of the premises and the sum of One Dollar (\$1.00), this day paid, the receipt whereof is hereby acknowledged, the Mortgagor does hereby grant, convey and assign unto the Mortgagee, in fee simple, the following described real estate, to wit:

ALL that lot of land, situate, lying and being in the Fifth Election District of Queen Anne's County, Maryland, set forth and designated as Lot No. 2, on a plat entitled "Rhyans Scottown Development", by C. Roland Sharretts, Registered Surveyor, dated July 22, 1970, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 49, folio 624, et seq.

BEING the same land which by deed dated October 9, 1970 and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 51, folio 11, was granted and conveyed by S.E.W. Friel, Jr., et al unto the said Mortgagor.

SHOULD the title to the herein mortgaged property be acquired by any person, persons, partnership, or corporation, other than the Mortgagor, by voluntary or involuntary grant or assignment, or in any other manner without the Mortgagee's written consent, or should the same be encumbered by the Mortgagor, his or her heirs, personal representatives and assigns, without the Mortgagee's written consent, then the whole of said principal sum shall at the option of the Mortgagee immediately become due and owing as provided herein.

113.1.0

1982 AUG 18 AM 8:57

QUEEN ANNE'S COUNTY

LIBER 187 AUG 723

TOGETHER with all buildings and improvements now and hereafter on said land, and all and every the rights, roads, alleys, ways, waters, privileges, appurtenances and advantages thereto belonging or in any wise appertaining, including all heating, lighting and plumbing fixtures now or hereafter attached to or used in connection with the premises herein described, and all rents, issues and profits accruing from the premises hereby mortgaged.

PROVIDED that if the said principal sum of money loaned as aforesaid, and the interest thereon, as evidenced by the said promissory note and any renewals or part renewals thereof, shall be paid when due, and the Mortgagor shall perform all the covenants herein on his part to be performed then this mortgage shall be void; and until default be made in the premises, the Mortgagor shall possess the aforesaid property and be entitled to collect and retain the rents, issues and profits thereof.

AND the Mortgagor covenants with the Mortgagee as follows: (1) To repay the indebtedness, together with interest, secured by this mortgage, when due, (2) to keep the improvements on the premises insured against loss or damage by fire and such other hazards as may be required by the Mortgagee, to the amount of at least the insurable value thereof, in an insurance company or companies selected by the Mortgagee, and to have all said policies so framed or endorsed that the proceeds arising from said policies, in case of loss or damage, shall be payable to the Mortgagee only, and may, at his option, be applied to the extinguishment of the indebtedness and sums secured by this mortgage, whether then due or not, or used for the reconstruction of the improvements on the mortgaged property, and to deliver all said policies to the Mortgagee to be kept by him, (3) to pay all taxes, water and sewer charges, insurance premiums, public dues and assessments, for which the Mortgagor and/or the property hereby mortgaged may become liable, when payable; in the event the Mortgagor fails to make the said payments, the Mortgagee is hereby authorized to pay the same, and the amount so paid shall then be added to the principal indebtedness secured by this mortgage and bear interest at the rate of 17% per centum per annum from the date of said payment, and the Mortgagee shall have a lien hereunder on said premises for the amount so paid, together with said interest thereon, (4) to permit, commit or suffer no waste, impairment or deterioration of said property, or any part thereof, and upon the failure of the Mortgagor to keep the improvements on said property in good condition and repair, the Mortgagee may demand the immediate repair thereof or an increase in the amount of security or the immediate repayment of the indebtedness hereby secured, and the failure of the Mortgagor to comply with said demand of the Mortgagee for a period of thirty days shall constitute a breach of this mortgage, and at the option of the Mortgagee, immediately mature the entire principal and interest hereby secured, and the Mortgagee may, without notice, institute proceedings to foreclose this mortgage and apply for the appointment of a receiver as herein provided, (5) that the holder of this mortgage in any action to foreclose it, shall be entitled (without regard to the adequacy of any security for the debt) to the appointment of a receiver to collect the rents, issues and profits of said premises and account therefor as the Court may direct, (6) that in case of default in the payment of said debt, or interest, or any part of either, when due, or in any covenant of this Mortgage, or should title to the hereby mortgaged property be acquired by any persons or corporations, other than the Mortgagor, by voluntary or involuntary grant or assignment, or in any other manner, without the Mortgagee's written consent, then the whole debt intended to be secured and all moneys owing hereunder or secured hereby shall, at the option of the Mortgagee, be due and demandable, and the Mortgagee, or James W. Yates

his hereby duly constituted attorney for the purpose, are hereby authorized to sell said premises after giving not less than twenty days notice of the time, place, manner and terms of sale in some newspaper published in the County where the mortgaged property or some portion thereof is located, and such other notice as the party selling may deem expedient, for cash, or for cash and credit, and to apply the proceeds of sale as follows, to wit: first, to the payment of all expenses incident to such sale, including a counsel fee of \$500.00 for conducting the proceedings if without contest, but if legal services be rendered to the party selling under the above power of sale, in connection with any contested matter in the proceedings, then such other counsel fees and expenses shall be allowed out of the proceeds of sale as the Court may deem proper, and also to the payment of a commission to the party making sale equal to the commission allowed trustees making sales of property under a decree of a Court of equity in the County where the sale is reported; second, to the payment of all claims of the Mortgagee, whether the same shall have matured or not; and third, the balance, if any, to the Mortgagor or to whomsoever shall be entitled to the same. Half of such commissions and all such expenses and costs shall be paid by the Mortgagor in the event that the mortgage debt shall be paid when suit has been docketed in the proper Court for the purpose of foreclosure under the power of sale granted herein, (7) that in the event of sale of the mortgaged property under the power of sale granted herein, all annual crops, pitched, planted or growing upon said property at the time of sale shall pass to the purchaser of said property as part hereof, (8) that the Mortgagor will warrant specially the property hereby conveyed and will execute such further assurances as may be requisite.

The covenants herein contained shall bind and the benefits and advantages shall inure to the respective heirs, executors, administrators, successors and assigns of the parties hereto. Whenever used the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

WITNESS the hand and seal of the Mortgagor:

WITNESS:

Katharine C. O'Neal

Clarence E. Graham (SEAL)
Clarence E. Graham

Katharine C. O'Neal

Betty Mae Graham (SEAL)
Betty Mae Graham

..... (SEAL)
..... (SEAL)

STATE OF MARYLAND
COUNTY OF QUEEN ANNE'S

On this the 17 day of August, 1982, before me, Katharine C. O'Neal, the undersigned officer, personally appeared Clarence E. Graham and Betty Mae Graham

known to me to be the person (s) whose name (s) Xs/are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained; and at the same time appeared James W. Yates, Esq.

and made oath in due form of law that the consideration set forth in said mortgage is true and bona fide as therein set forth, and that the actual sum of money advanced at the closing transaction by the secured party was paid over and disbursed by the Mortgagee unto the Mortgagor or the person responsible

IN WITNESS WHEREOF I hereunto set my hand and official seal. or disbursing of funds in the closing transaction or their respective agents at a time no later than the execution and delivery of this Mortgage by the Mortgagor.

My Commission Expires: 7/1/86

Katharine C. O'Neal
Notary Public

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber MWM 187, folio 723, a Land Record Book for Queen Anne's County.



IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 9th day of August, 19 84.

Marguerite W. Mankin
Marguerite W. Mankin, Clerk of
the Circuit Court for Queen Anne's County.

DOCUMENT NO. 118,782

No. RECEIVED
Re. CLERK. CIRCUIT COURT RECEIVED FOR RECORD

1984 AUG -9 AM 10:38

QUEEN ANNE'S COUNTY

Assignment

AUG -9-84 * 27807 *****1250
AUG -9-84 A #27807 *****1250

OF MORTGAGE FROM Clarence E. Graham & Betty Mae Graham

TO Queenstown Bank Of Maryland AS RECORDED IN

LIBER MWM NO. 187 FOLIO 723

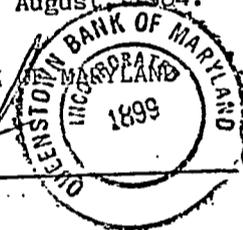
MAIL TO Michael R. Foster, Esquire, Morgan Building, P.O. Box 367,
Stevensville, MD 21666

ASSIGNMENT

The undersigned, Queenstown Bank of Maryland, does hereby assign the
aforegoing Mortgage, together with the debt secured thereby, unto Michael R.
Foster for purposes of foreclosure this 9th day of August, 1984.

QUEENSTOWN BANK

BY: [Signature]



(SEAL)

LIBER 217 451

17 201

LIBER 17 202

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber MWM 217, folio 451, a Land Record Book for Queen Anne's County.



IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 9th day of August, 19 84.

Marguerite W. Menkin
Marguerite W. Menkin, Clerk of
the Circuit Court for Queen Anne's County.

MICHAEL R. FOSTER
Morgan Building
P.O. Box 367
Stevensville, Maryland 21666

PLAINTIFF

vs.

CLARENCE E. GRAHAM
BETTY MAE GRAHAM
Route 2 Box 379
Queenstown, Maryland 21658

DEFENDANTS

IN THE
CIRCUIT COURT

FOR

QUEEN ANNE'S COUNTY

MARYLAND

CIVIL ACTION NO. 84-00033

MILITARY AFFIDAVIT

STATE OF MARYLAND, QUEEN ANNE'S COUNTY:

I HEREBY CERTIFY, that, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Michael R. Foster, Attorney for purposes of foreclosure, and made oath in due form of law that he knows of the Defendants herein, and that to the best of his information, knowledge and belief

(1) said Defendants are not in the military service of the United States,

(2) said Defendants are not in the military service of any nation allied with the United States,

(3) said Defendants have not been ordered to report for induction under the Selective Training and Service Act of 1940, as amended,

(4) said Defendants are not members of the Enlisted Reserve Corps who have been ordered to report for military service.

Subscribed and sworn to before me this 9th day

LAW OFFICES
MICHAEL R. FOSTER
MORGAN BUILDING
SHOPPING CENTER ROAD
P. O. BOX 367
STEVENSVILLE, MD. 21666
(301) 643-2141

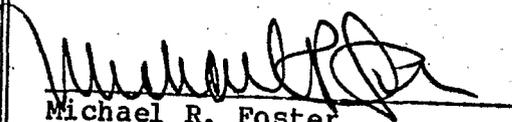
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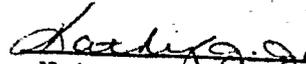
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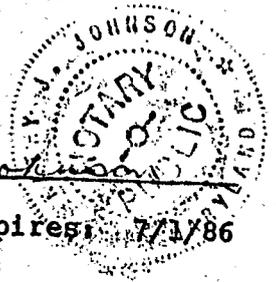
QUEEN ANNE'S COUNTY

17-203

of August, 1984.


Michael R. Foster
Attorney for Purposes of
Foreclosure


Notary Public
My commission expires 7/1/86



LAW OFFICES
MICHAEL R. FOSTER
MORGAN BUILDING
SHOPPING CENTER ROAD
P. O. BOX 367
STEVENSVILLE, MD. 21668
(301) 643-2141

17 266

mortgage indebtedness by Clarence E. Graham and Betty Mae Graham, under the above described mortgage note is true and correct.

WITNESS my hand and Notarial Seal.

Laura G. Johnson
Notary Public
My commission expires 7/1/86



LAW OFFICES
MICHAEL R. FOSTER
MORGAN BUILDING
SHOPPING CENTER ROAD
P. O. BOX 367
STEVENSVILLE, MD. 21156
(301) 643-2141

CERTIFIED COPY OF POWER OF ATTORNEY ATTACHED

BOND

KNOW ALL MEN BY THESE PRESENTS, that we, Michael R. Foster and the Selected Risks Insurance Company, a body corporate, duly authorized by its charter to become sole surety on bonds, are held and firmly bound unto the State of Maryland, in the full and just sum of Thirty-five Thousand Dollars (\$35,000.00) current money of the United States of America, to be paid to the State of Maryland, or its certain attorney, to which payment well and truly to be made and done, we bond ourselves and each of us, our and each of our heirs, personal representatives, successors and assigns, in the whole and for the whole, jointly and severally, firmly by these presents, sealed with our seals and dated this 9th day of August, 1984.

WHEREAS, the above bounded principal, by virtue of the power contained in the mortgage from Clarence E. Graham and Betty Mae Graham to the Queenstown Bank of Maryland, dated August 17, 1982, and recorded among the Land Records of Queen Anne's County, State of Maryland, in Liber M.W.M. No. 187, folio 723, by which the undersigned principal, being assignee of the foregoing mortgage, is authorized to exercise the power of sale, and he is about to sell the land and premises in said mortgage, default having been made in payment of the money as specified and in conditions and covenants therein contained.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH that if the above bounded Michael R. Foster does and shall well, truly and faithfully perform the trusts reposed in him under the mortgage aforesaid, and shall abide by and fulfill any order or decree which shall be made by any court in relation to the sale of said mortgaged property, or the proceeds thereof, then the above obligation shall be void, otherwise to be and remain in full force and effect.

IN TESTIMONY WHEREOF, the said principal has hereunto set his hand and seal and the said surety has caused this instrument of writing to be executed, on the day and year first above written.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF

Kathleen Johnson

Michael R. Foster (SEAL)
Michael R. Foster

ATTEST:

SELECTED RISKS INSURANCE COMPANY

Kathleen Johnson

BY: *Jeffrey...* (SEAL)
Attorney-in-Fact

Surety approved and bond filed August 10, 1984



STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, THAT the foregoing was truly taken and copied from Liber MWM No. 3, folio 599 a Bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 27th day of August, 1984.



Marguerite W. Mankin
Marguerite W. Mankin, Clerk of the
Circuit Court for Queen Anne's County

MICHAEL R. FOSTER	:	IN THE
Morgan Building	:	CIRCUIT COURT
P.O. Box 367	:	FOR
Stevensville, Maryland 21666	:	QUEEN ANNE'S COUNTY
Plaintiff	:	MARYLAND
CLARENCE E. GRAHAM	:	CIVIL ACTION NO. _____
BETTY MAE GRAHAM	:	EA 84-00033
Route 2, Box 379	:	
Queenstown, Maryland 21658	:	
Defendants	:	

Report of Sale

TO THE HONORABLE, THE JUDGES OF SAID COURT:

The Report of Michael R. Foster, Attorney, Assignee of the mortgage from Clarence E. Graham and Betty Mae Graham, his wife, to the Queenstown Bank of Maryland, dated August 17, 1982 and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 187, folio 723 and assigned to Michael R. Foster, Attorney, for purposes of foreclosure on August 8, 1984, said assignment being duly recorded among the Land Records of Queen Anne's County on August 9, 1984; the undersigned attorney being thereby authorized to exercise the power of sale, after any default in the terms of said mortgage, respectfully shows:

That default having occurred in the terms thereof by reason of the nonpayment when due of the principal and interest of the note secured by said mortgage, the said Michael R. Foster filed in this Honorable Court his order to

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QUEEN ANNE'S COUNTY

-1-

17 AGE 269

docket suit to foreclose said mortgage, accompanied by the said mortgage, his sworn statement as to the mortgage indebtedness and his bond given to the State of Maryland, executed by himself and the Selected Risks Insurance Company, a body corporate, duly authorized by its charter to become sole surety on bonds of this character, as surety on the full and just sum of Thirty-Five Thousand Dollars (\$35,000.00) containing the conditions required by law relative to the foreclosure of mortgages under a power of sale contained therein.

That after having advertised the mortgaged premises for sale in accordance with the annexed Certificate of Advertisement in the Queen Anne's County Record Observer, a newspaper published in said County at least once each week for three (3) successive weeks, the first such publication being not less than fifteen (15) days prior to sale, the last such publication being not more than one (1) week prior to sale, and after having sent, not earlier than (20) days and not later than five (5) days before the date of sale, by registered mail to the mortgagors, at their last known address, notice of the time, place and terms of sale, the said Michael R. Foster did attend, on the premises at Scottown Lane, Rhyans Scottown Development, Fifth Election District, Queen Anne's County, Maryland at the hour of 10:00 a.m., Eastern Time, on Tuesday, September 4, 1984, and after having the auctioneer cry the sale for a considerable length of time,

and after reading the advertisement of sale, did sell all that lot, parcel or tract of and land, together with the improvements thereon situate, lying and being in the Fifth Election District of Queen Anne's County, State of Maryland, and more particularly described in the above-mentioned mortgage, and Advertisement of Sale unto the Queenstown Bank of Maryland, it being then and there the highest bidder therefore, at and for the sum of Thirty-Six Thousand Dollars (\$36,000.00).

The purchaser is the mortgagor and the undersigned is satisfied that the purchaser will make full settlement of the purchase price in accordance with the Advertisement of Sale.

The Affidavit by Purchaser, required by the Maryland Rules, Certificate of the Auctioneer, and Certificate of the Advertisement of Sale are attached hereto.

This report states the amount of sale to be Thirty-Six Thousand Dollars (\$36,000.00).

Respectfully submitted,


Michael R. Foster
Attorney named in Mortgage

LIREP 17 APR 272

MICHAEL R. FOSTER
Morgan Building
P.O. Box 367
Stevensville, Maryland 21666

Plaintiff

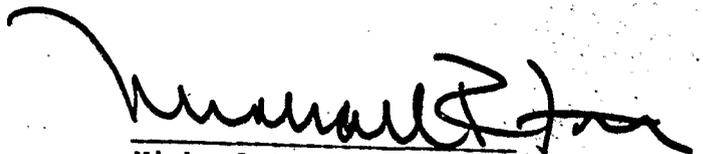
CLARENCE E. GRAHAM
BETTY MAE GRAHAM
Route 2, Box 379
Queenstown, Maryland 21658

Defendants

: IN THE
: CIRCUIT COURT
: FOR
: QUEEN ANNE'S COUNTY
: MARYLAND
: CIVIL ACTION NO. _____
: CA 84-00033

Affidavit on Report of Sale

I HEREBY CERTIFY, that I, Michael R. Foster,
Attorney, Assignee of the mortgage in the aforementioned
proceeding, do solemnly affirm under penalties of perjury that
the contents of the foregoing Report of Sale are true to the
best of my knowledge, information and belief; that the sale
was fairly made, and that there has been no change in the
matters and facts set forth in the Affidavit as to the
military service filed in this cause on August 9, 1984, and
that the status of the parties mentioned in said Affidavit is
the same as it was on the date of the filing of said
Affidavit.


Michael R. Foster

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QUEEN ANNE'S COUNTY

MICHAEL R. FOSTER
Morgan Building
P.O. Box 367
Stevensville, Maryland 21666.

Plaintiff

CLARENCE E. GRAHAM
BETTY MAE GRAHAM
Route 2, Box 379
Queenstown, Maryland 21658

Defendants

: IN THE
: CIRCUIT COURT
: FOR
: QUEEN ANNE'S COUNTY
: MARYLAND
: CIVIL ACTION NO. _____
: ~~CA~~ 84-00033

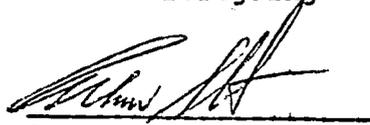
Affidavit of Purchaser

I HEREBY CERTIFY, that I, Albert Stant, President of the Queenstown Bank of Maryland, and purchaser at the foreclosure sale of this cause, being duly authorized to do so, did purchase all that lot, parcel or tract of land with improvements, described in the Advertisement of Sale in this cause, as agent for

the Queenstown Bank of Maryland;
that no others are interested in said sale as principal or principals; and that I did not directly or indirectly discourage anyone from bidding on said property at the public auction held on the premises at Queenstown, Maryland on Tuesday, September 4, 1984, at 11:00 a.m., Eastern Time.

I, Albert Stant, President of the Queenstown Bank of Maryland, solemnly affirm under the penalties of perjury and upon personal knowledge that the contents of the foregoing paper are true.

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CLERK, CIRCUIT COURT
1984 SEP 21 PM 3 31
QUEEN ANNE'S COUNTY


Albert Stant

MICHAEL R. FOSTER
Morgan Building
P.O. Box 367
Stevensville, Maryland 21666

PLAINTIFF

vs.

CLARENCE E. GRAHAM
BETTY MAE GRAHAM
Route 2 Box 379
Queenstown, Maryland 21658

DEFENDANTS

IN THE
CIRCUIT COURT

FOR

QUEEN ANNE'S COUNTY

MARYLAND

CIVIL ACTION NO. _____

EA 84-00033

CERTIFICATE OF AUCTIONEER

I HEREBY CERTIFY, that I did sell at public auction, on the premises at Queenstown, Maryland, on Tuesday September 4, 1984 at 10:00 a.m., Eastern Time, the following property:

Lot 2, Rhyans Scottown Development

Together with the buildings and improvements thereupon erected, made or being, and all and every the rights, roads, ways, waters, privileges, appurtenances and advantages to the same belonging or in anyway appertaining.

The property was sold unto the highest bidder, Queenstown Bank of Maryland, at and for the sum of \$ 36,000.00

Joseph A. Jackson, Jr.
Joseph A. Jackson, Jr.
Auctioneer

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1984 SEP 21 PM 3:31
QUEEN ANNE'S COUNTY

MICHAEL R. FOSTER
Morgan Building
P.O. Box 367
Stevensville, Maryland 21666

Plaintiff

CLARENCE E. GRAHAM
BETTY MAE GRAHAM
Route 2, Box 379
Queenstown, Maryland 21658

Defendants

: IN THE
:
: CIRCUIT COURT
:
: FOR
:
: QUEEN ANNE'S COUNTY
:
: MARYLAND
:
: CIVIL ACTION NO. _____
: CA 84-00033

AFFIDAVIT OF COMPLIANCE
WITH NOTICE REQUIREMENTS OF RULE W74a2(c)

I do hereby certify that notice of the time, place and terms of sale was mailed by United States certified mail, postage prepaid, to the last known address of:

- (i) The mortgagors - Clarence E. and Betty Mae Graham.
- (ii) The present owner of the property - same as (i) above.
- (iii) The holders of a recorded subordinate mortgage or other recorded subordinate interest in the mortgaged property having recorded in the Land Records of Queen Anne's County a request for notice of sale ----- NONE OF RECORD.

As of the date of the first publication of notice of this foreclosure sale, a review of the Land Records of Queen Anne's County together with the Clerk's Docket for Requests of Notice of Sale was conducted and revealed the information set

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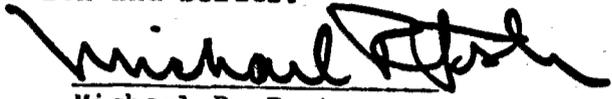
QUEEN ANNE'S COUNTY

-1-

UNEP 17 PAGE 275

forth in paragraph (i), (ii) and (iii) above.

I solemnly affirm under the penalties of perjury that the contents of the foregoing affidavit are true to the best of my knowledge, information and belief.



Michael R. Foster
Attorney named in Mortgage

P 704 005 603

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

PS Form 3800, Feb. 1982
* U.S.G.P.O. 1983-403-517

Sent to <u>Mr. Mrs. Clarence C. Graham</u>	
Street and No. <u>Route 2 Box 379</u>	
P.O., State and ZIP Code <u>Queenstown, Md. 21658</u>	
Postage	\$ <u>20</u>
Certified Fee	<u>75</u>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	<u>.60</u>
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ <u>1.55</u>
Postmark by Date	

PS Form 3811, Dec. 1980

● SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
 Show to whom and date delivered —f
 Show to whom, date, and address of delivery.. —f
 RESTRICTED DELIVERY
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ _____

3. ARTICLE ADDRESSED TO:
Mr. Mrs. Clarence C. Graham
Route 2 Box 379
Queenstown, Md. 21658

4. TYPE OF SERVICE: ARTICLE NUMBER
 REGISTERED INSURED
 CERTIFIED COD P. 704 005 603
 EXPRESS MAIL

(Always obtain signature of addressee or agent)
 I have received the article described above
 SIGNATURE Addressee Authorized agent
Clara Graham

5. DATE OF DELIVERY
8-24-84

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE: 7a. EMPLOYEE'S INITIALS

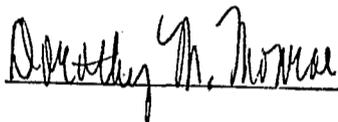
RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

Centreville, Md. 8/29 19 84

We Hereby CertifyThat the annexed advertisement of
Sale - Grahamwas published in the RECORD OB-
SERVER, a newspaper published in
Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 4th day of Sept. 19 84.And that the first insertion of said adver-
tisement in the said RECORD OB-
SERVER/BAY TIMES was on the
15th day of Aug.19 84, and the last insertion on the
29th day of Aug.
19 84.

Publishers, Record Observer

Per

**Assignee's Sale****OF VALUABLE FEE SIMPLE REAL ESTATE
LOT 2, RHYANS SCOTTOWN DEVELOPMENT
FIFTH ELECTION DISTRICT
QUEEN ANNE'S COUNTY, MARYLAND**

Under and by virtue of the power of sale contained in a mortgage from Clarence E. Graham and Betty Mae Graham, his wife, to the Queenstown Bank of Maryland, dated August 17, 1982, and recorded among the Land Records of Queen Anne's County, State of Maryland, in Liber M.W.M. No. 187, folio 723, the said mortgage having been assigned unto Michael R. Foster, Attorney, for purposes of foreclosure, on August 8, 1984, said assignment being duly recorded among the Land Records of Queen Anne's County on August 9, 1984; the undersigned being thereby authorized to exercise the power of sale, default having occurred in the terms thereof by reason of the non-payment when due of principal and interest of the note secured by said mortgage; the undersigned will offer at public auction on the premises, Scottown Lane, Rhyans Scottown Development, Fifth Election District, Queen Anne's County, Maryland, at the hour of 10:00 a.m., Eastern Time, on:

Tues., Sept. 4, 1984

the following described real estate, to wit:

ALL that lot of land, situate, lying and being in the Fifth Election District of Queen Anne's County, Maryland, set forth and designated as Lot No. 2, on a plat entitled "Rhyans Scottown Development", by C. Roland Sherratts, Registered Surveyor, dated July 22, 1970, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 49, folio 624, et saq. (See CWC 49/391 for Plat)

BEING the same land which by deed dated October 9, 1970 and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 51, folio 11, was granted and conveyed by S.E.W. Frial, Jr., et al., unto the said Mortgagee.

SUBJECT to utility and roadway easements, and restrictive covenants, if any, of record.

TOGETHER with the buildings and improvements thereupon erected, made or being, and all and every the rights, roads, ways, waters, privileges, appurtenances and advantages to the same belonging or in anyway appertaining.

IMPROVEMENTS: One story dwelling. Sold in "as is" condition.

TERMS OF SALE: The purchaser shall be required to pay Four Thousand Dollars (\$4,000.00) of the purchase price in cash or by certified check on the day of sale, the balance to be paid within ten (10) days of the ratification of the sale by the Circuit Court for Queen Anne's County and to bear interest at Seventeen percent (17%) from the day of sale to day of settlement, or all cash on the day of sale as the purchaser(s) may elect. Full possession will be given to the purchaser(s) upon ratification of the sale and payment of the purchase price. Taxes and all other assessments and charges will be adjusted to the date of final settlement. All transfer expenses, including deed, title papers, documentary stamps, transfer tax, and notary fees to be paid by the purchaser(s).

At the time and place of sale, the purchaser(s) will be required to make affidavit as required by Rule BR6b3 of the Maryland Rules of Procedure.

Time is of the essence. Compliance with the terms of sale shall be within the time herein set forth, or the deposit shall be forfeited and the property resold at the risk and expense of the defaulting purchaser(s).

All improvements are sold in an "as is" condition and subject to such matters as an inspection of the premises and a modern survey would disclose.

MICHAEL R. FOSTER

Assignee for Purposes of Foreclosure
Morgen Building
Shopping Center Road
P.O. Box 367

Stevensville, Maryland 21666

Telephone: 301-643-2141

Joseph A. Jackson, Jr.
Auctioneer

RB-8-15-31-028

MICHAEL R. FOSTER
Morgan Building
P.O. Box 367
Stevensville, Maryland 21666

Plaintiff

CLARENCE E. GRAHAM
BETTY MAE GRAHAM
Route 2, Box 379
Queenstown, Maryland 21658

: IN THE
:
: CIRCUIT COURT
:
: FOR
:
: QUEEN ANNE'S COUNTY
:
: MARYLAND
:
: CIVIL ACTION NO. _____
: ~~84~~ 84-00033

ORDER REGARDING RATIFICATION OF SALE

ORDERED, this 21st day of September, 1984, by the Circuit Court, that the sale of the real property made and reported in this action will be ratified after the expiration of one month from the date hereof, unless cause to the contrary be previously shown, provided a copy of this Order shall be published in a newspaper published in Queen Anne's County at least once a week in each of three successive weeks before the expiration of one month from the date hereto.

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QUEEN ANNE'S COUNTY

Clayton C. Carter
CLAYTON C. CARTER
JUDGE

Centreville, Md. 10/17 19 84

We Hereby Certify

That the annexed advertisement of

Ratification of sale
Graham

was published in the RECORD OBSERVER, a newspaper published in Queen Anne's County, Maryland, once in each of 3 successive weeks before the 3rd day of Nov. 19 84.

And that the first insertion of said advertisement in the said RECORD OBSERVER/BAY TIMES was on the 3rd day of Oct. 19 84, and the last insertion on the 17th day of Oct. 19 84.

Publishers, Record Observer

Per Marguerite W. Mankin

IN THE CIRCUIT COURT FOR
 QUEEN ANNE'S COUNTY, MARYLAND
 CIVIL ACTION NO. 84-00033
 MICHAEL R. FOSTER
 Morgan Building, P.O. Box 367
 Stevensville, Maryland 21668
 Plaintiff

CLARENCE E. GRAHAM
 BETTY MAE GRAHAM
 Route 2, Box 379
 Queenstown, Maryland 21658

ORDER REGARDING RATIFICATION OF SALE
 ORDERED, this 21st day of September, 1984, by the Circuit Court, that the sale of the real property made and reported in this action will be ratified after the expiration of one month from the date hereof, unless cause to the contrary be previously shown, provided a copy of this order shall be published in a newspaper published in Queen Anne's County at least once a week in each of three successive weeks before the expiration of one month from the date hereto.

CLAYTON C. CARTER
 JUDGE

True Copy, Test:
 Marguerite W. Mankin, Clerk
 By: Anne F. Ward, Deputy Clerk

Filed September 21, 1984
 Circuit Court, Queen Anne's County
 RB-10-3-31-01

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 QUEEN ANNE'S COUNTY

MICHAEL R. FOSTER
Morgan Building
P.O. Box 367
Stevensville, Maryland 21666

Plaintiff

Vs.

CLARENCE E. GRAHAM
BETTY MAE GRAHAM
Route 2, Box 379
Queenstown, Maryland 21658

Defendants

IN THE
CIRCUIT COURT

FOR

QUEEN ANNE'S COUNTY

MARYLAND

CIVIL ACTION NO. 84-00033

FINAL RATIFICATION OF SALE
AND REFERRAL TO THE AUDITOR

The Court being satisfied that the sale in the above action was fairly and properly made, and no exceptions having been filed to the report of sale within the time limited by the published Order of this Court, it is

ORDERED, by the Circuit Court for Queen Anne's County, this 22nd day of October, 1984, that:

1. The sale of the real estate made and reported in this action is hereby finally ratified.
2. The papers in this action are hereby referred to the Court Auditor to state an account, pursuant to Rule 2-543, of the proceeds of the sale and a proper distribution thereof.
3. The Clerk shall furnish to the fiduciary a summary of the information required for the audit including a form of suggested account, which the fiduciary is to submit to the Auditor within fifteen days after the recording of the deed to the real estate sold.
4. Upon receipt of this information from the fiduciary, the Auditor is to file an account or report in accordance with Rule 2-543 (e) within fifteen days, unless extended by the Court.

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1984 OCT 22 PH 1:35
QUEEN ANNE'S COUNTY


CLAYTON C. CARTER
JUDGE

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

MICHAEL R. FOSTER	:	
Plaintiff	:	
v.	:	Civil #84-00033
CLARENCE E. GRAHAM	:	
BETTY MAE GRAHAM	:	
Defendants	:	
	:	
	:	

AUDITOR'S ACCOUNT

PROCEEDS OF FORECLOSURE SALE		
Sale Price, as reported		\$ 36,000.00
Interest (See Note A)		
Real property taxes \$ 000.00		
from 12/12/84 to 06/30/85		
200 days @ \$00.946		<u>189.20</u>
GROSS AMOUNT AVAILABLE FOR DISTRIBUTION		\$ 36,189.20
COMMISSIONS, payable to Fiduciary		\$ 1,950.00-
ATTORNEY FEE, per MORTGAGE		500.00-
EXPENSES OF SALE		
Court costs	\$ 205.50-	
Advertising		
Notices of sale	270.00-	
Report of sale	90.00-	
Bond premium	140.00-	
Auctioneer's fee	90.00-	
Real property taxes paid	356.01-	
Certified mail	<u>1.55-</u>	1,153.06-
AUDITOR'S FEE AND COSTS		
Fee for audit	\$ 45.00	
Postage & copies	<u>1.50</u>	<u>46.50-</u>
		<u>3,649.56-</u>
NET AMOUNT AVAILABLE FOR DISTRIBUTION		\$ 32,539.64

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 QUEEN ANNE'S COUNTY

INDEBTEDNESS DUE UNDER MORTGAGE

Per Statement of Debt		
Principal	\$ 28,874.93-	
Interest to 08/09/84	3,974.62-	
Interest on principal @ 17%		
08/17/84 to 09/04/84		
18 days @ \$13.45	<u>242.10-</u>	\$33,091.65-
NET CREDIT FROM CREDITOR/PURCHASER		
on 09/04/84 (See Note A)		<u>32,539.64</u>
BALANCE OWED BY DEBTORS after credit		\$ 552.01-
INTEREST 09/05/84 to 11/03/84		
60 days @ \$ 00.257		<u>15.42-</u>
DEFICIT		\$ 567.43-

Note A: Net amount used by Creditor to discharge responsibilities as sale purchaser for deposit and pre-settlement interest credited as of date of sale in accordance with Weismiller v. Bush, 56 Md.App. 593, and the Report filed in Chancery #7107, which is incorporated by reference in this Audit.

NOTICE

The attached Account was filed on December 14, 1984. Exceptions to the Account must be filed within ten (10) days of that date. If timely exceptions are not filed, the Account may thereupon be ratified. The amount allowed to each claimant is stated in the attached Account.

CERTIFICATE OF AUDITOR

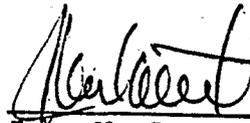
I hereby certify that I have examined the Suggested Account, together with the receipts, vouchers, statements, suggested distribution and affidavit submitted by the Fiduciary in Civil #84-00033. On the basis of the facts which appear upon the face of the proceedings and proofs submitted to me, it is my opinion that the claims set forth in the foregoing Auditor's Account have been established and are properly allowable by law in the amounts there set forth.

I further certify that on December 14, 1984, copies of the Auditor's Account and Notice conforming to the requirements of Maryland Rule 2-543 and Second Circuit Rule 12 d were mailed to the following:

Michael R. Foster, Esquire
Morgan building
Post Office Box 367
Stevensville, Maryland 21666

Clarence E. Graham
Route 2, Box 379
Queenstown, Maryland 21658

Betty Mae Graham
Route 2, Box 379
Queenstown, Maryland 21658



John W. Sause, Jr.
Auditor

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

MICHAEL R. FOSTER
Plaintiff

:
:

v.

:

Civil #84-00033

CLARENCE E. GRAHAM
BETTY MAE GRAHAM
Defendants

:
:
:

: : : : :

ORDER RATIFYING AUDIT

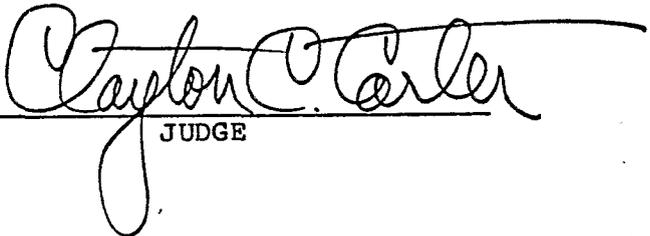
The matter coming before the Court on the Account heretofore filed by the Auditor and it appearing from the Auditor's Certification that the requirements of Rule 2-543 (e) have been met, and no exceptions having been filed within 10 days of the date when the Account was filed, it is this ^{27th} day of December, 1984, by the Circuit Court for Queen Anne's County,

ORDERED that the Account of the Auditor is hereby ratified and confirmed, and the Fiduciary shall apply the proceeds accordingly with a due proportion of interest after same has been or may be received.

FILED

DEC 27 1984

QUEEN ANNE'S COUNTY
CIRCUIT COURT
QUEEN ANNE'S CO.


JUDGE

THE COMMONWEALTH NATIONAL BANK, A BANKING ASSOCIATION DULY ORGANIZED AND EXISTING UNDER THE LAWS OF THE UNITED STATES OF AMERICA
28 Penn Square
Lancaster, PA 17603

Plaintiff

vs.

MILLINGTON MILLS, INC., A MARYLAND CORPORATION,
P. O. Box 253
Millington, Maryland 21651

Defendant

BY SERVICE UPON:

CORPORATION TRUST INC.
32 South Street
Baltimore, Maryland 21202,
RESIDENT AGENT

IN THE
CIRCUIT COURT

FOR

QUEEN ANNE'S COUNTY

7564

MAR 27-84 * 22135 ***** 70 00
MAR 27-84 A 522135 ***** 60 00
MAR 27-84 A 522134 ***** 60 00

QUEEN ANNE'S COUNTY
1984 MAR 27 AM 11:00

PETITION FOR FORECLOSURE

TO THE HONORABLE, THE JUDGE OF SAID COURT:

The Petition of the Plaintiff respectfully represents:

That on the 14th day of April, 1981, the Defendant executed and delivered to The Commonwealth National Bank, a mortgage upon certain real property in Queen Anne's County, therein described, to secure the payment of a mortgage debt of One Million One Hundred Fourteen Thousand Six Hundred Thirty Three Dollars (\$1,114,633.00) and interest as therein mentioned, wherein said mortgagor assented to the passage of a decree for

the sale of said mortgaged property, to take place at any time after the default in any covenant or condition of said mortgage; all of which will appear from said mortgage, marked "Petitioner's Exhibit No. 1," and filed herewith as a part of this Petition.

That the mortgage is in default and payment is past due.

That on the 28th day of January, 1983, the Defendant executed and delivered to The Commonwealth National Bank a mortgage upon certain real property in Queen Anne's County, therein described, to secure the payment of another mortgage debt of Three Hundred Fifty Thousand Dollars (\$350,000) and interest as therein mentioned, wherein said mortgagor assented to the passage of a decree for the sale of said mortgaged property, to take place at any time after any default in any covenant or condition of said mortgage; all of which will appear from said mortgage, marked "Petitioner's Exhibit No. 2," and filed herewith as part of this Petition.

That this mortgage is also in default and payment is past due.

And your Petitioner prays that a decree may be passed for the sale of said property in accordance with the terms of said mortgage.

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AND AS IN DUTY BOUND, etc.

WEINBERGER, WEINSTOCK, SAGNER,
STEVAN & HARRIS, P.A.

BY:

Sanford A. Harris

Sanford A. Harris
345 N. Charles Street
Baltimore, Maryland 21201
301/727-6700

Attorneys for Plaintiff

MORTGAGE

This Mortgage, made the 28th day of January, 1983
BETWEEN MILLINGTON MILLS, INC.
a corporation organized and existing under the laws of the State of Maryland with offices at
P. O. Box 253, Millington, Maryland 21651, Mortgagee, and THE COMMON-
WEALTH NATIONAL BANK, a banking association duly organized and existing under the laws of the United
States of America, ~~Mortgagee~~ with offices at 28 Penn Square, Lancaster, Pennsylvania 17603,
Mortgagee.

WITNESSETH:

WHEREAS, the said Mortgagor, in and by its certain notes (hereinafter/called "Note") under its corporate seal, duly executed, ~~being~~ is indebted to Mortgagee, its successors or assigns, in the principal sum of Three Hundred Fifty Thousand and 00/100

Dollars (\$ 350,000.00)

lawful money of the United States of America, payable, with interest thereon, all in accordance with the terms and conditions of the Note; and
WHEREAS, pursuant to the terms of Mortgagee's commitment letter dated January 14, 1983, Mortgagee may in the future make additional advancements to Mortgagor up to \$100,000.00;

NOW, THEREFORE, in consideration of said indebtedness and for better securing the payment of the same, and the interest thereon, and all other sums provided for in the Note or herein, to Mortgagee, and the performance of the covenants and agreements hereinafter expressed, Mortgagor does hereby grant, convey and mortgage unto Mortgagee the real property (hereinafter called "Land") described on Exhibit "A" appended hereto and made a part hereof;

TOGETHER WITH any and all buildings and existing improvements erected thereon.

TOGETHER WITH all fixtures, appliances, machinery, furnishings, heating and air conditioning plants, pipes, radiators, gas pipes, electric wiring and fixtures, ranges, boilers, bath tubs, lavatories, sinks, water closets, plumbing pipes, and all industrial equipment and machinery necessary for the operation of the premises as a complete going concern, now in the buildings erected on said premises, or which may hereafter be placed in said buildings, or in any buildings or additions which may hereafter be erected thereon, and which the Mortgagor, its successors or assigns, covenants, promises and agrees shall be taken and considered as part of the realty.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging to the land or any part thereof, hereby mortgaged or intended so to be, or in anywise appertaining thereto (including but not limited to all income, rents, and profits arising therefrom), all streets, alleys, passages, ways, water-courses, all other rights, liberties and privileges of whatsoever kind or character, the reversions and remainders, and all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well at law as in equity, of Mortgagor, in and to all of the foregoing or any or every part thereof (said land, buildings, improvements, fixtures, machinery, equipment, tenements, and other property interests being hereinafter collectively called "Premises").

THIS MORTGAGE shall be deemed to be a plant mortgage.

TO HAVE AND TO HOLD the Premises unto the Mortgagee to its own proper use and behoof forever.

THIS MORTGAGE ~~(is)~~ (is not) a Construction Mortgage.

AND Mortgagor covenants and agrees with Mortgagee, as follows:

1. **WARRANTY OF TITLE.** Mortgagor warrants and will warrant generally the property hereby conveyed.
2. **PAYMENT OF SUMS SECURED.** Mortgagor shall pay to Mortgagee the principal of and interest upon the Note according to the terms of the Note secured hereby, reasonable charges fixed by Mortgagee to satisfy and discharge this Mortgage of record, and all other sums hereby secured; and shall keep and perform every other covenant and agreement of such Note and this Mortgage.
3. **WASTE, MAINTENANCE, COMPLIANCE AND INSPECTION.** Mortgagor shall abstain from and not permit the commission of waste in or about the Premises; shall not remove or demolish, or alter the structural character of, any building at any time erected on the Premises without the prior written consent of Mortgagee; shall maintain the Premises in good condition and repair, reasonable wear and tear excepted; and shall comply with any municipal ordinance or regulation affecting the Premises within thirty (30) days after notice thereof; provided, however, that if Mortgagor shall in good faith, and by proper legal action, contest any such ordinance or regulation, or the validity thereof, then Mortgagor shall not be required to comply therewith so long as such contest operates to prevent enforcement, and is maintained and prosecuted with diligence, and shall not have been terminated or discontinued adversely to Mortgagor. Mortgagee shall have the right, but not the duty to enter upon the Premises at any reasonable hour to inspect the order, condition and repair thereof.
4. **INSURANCE.** Mortgagor shall keep the building and improvements on the Land continuously insured against loss by fire, with extended coverage, in such total amount as Mortgagee may from time to time require (but such amount shall in no event exceed the full fair insurable value of said buildings and improvements), and against other hazards as Mortgagee may reasonably require. The policy or policies for such insurance shall be maintained in full force and effect until such time as the indebtedness hereby secured is fully repaid. All policies, including but not limited to policies for any amounts carried in excess of the aforesaid minimum shall be with an insurance company or companies, and in form, satisfactory to Mortgagee, and shall be payable to Mortgagee according to the terms of a standard mortgagee clause, not subject to full contribution, or of such other form as shall be satisfactory to Mortgagee. Mortgagee shall have the right to apply the proceeds of any such insurance, at its election, either to reduce the indebtedness secured hereby or to restore the Premises. All renewal policies shall be delivered, premiums paid, to Mortgagee at least ten (10) days before the expiration of the old policies. If Mortgagee becomes the owner of the Premises or any part thereof by foreclosure or otherwise, such policies shall become the absolute property of Mortgagee. Mortgagor shall give Mortgagee twenty (20) days' written notice before any termination or cancellation becomes effective to Mortgagee.
5. **TAXES AND OTHER CHARGES.** Mortgagor shall pay all real estate taxes, water and sewer rents and other similar claims and liens assessed or which may be assessed against the Premises or any part thereof, without any deduction, defalcation or abatement, not later than ten (10) days before the dates on which such taxes, water and sewer rents, claims and liens commence to be a interest or penalties, and not later than such dates shall produce to Mortgagee receipts for the payment thereof in full and shall pay every other tax, assessment, claim, lien or encumbrance which may at any time be or become a lien upon the Premises prior to the lien of this Mortgage, provided, however, that if Mortgagor shall in good faith, and by proper legal action, contest any such taxes, claims, liens, encumbrances or other charges, or the validity thereof, and shall have established on its books, or by deposit of cash with Mortgagee (as Mortgagee may elect), a reserve for the payment thereof in such amount as Mortgagee may require, then Mortgagor shall not be required to pay the same, or to produce such receipts, during the maintenance of said reserve and as long as such contest operates to prevent collection, and is maintained and prosecuted with diligence, and shall not have been terminated or discontinued adversely to Mortgagor. Mortgagor shall also pay, when due, and will not suffer to remain outstanding, any charges for utilities, whether public or private, with respect to the Premises.

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6. **ESCROW FUNDS.** Without limiting the effect of Paragraphs 4 and 5 hereof, Mortgagor shall from the receipt of Mortgagee pay to Mortgagee monthly at the time when such monthly installment of principal and/or interest payable, an amount equal to one-twelfth (1/12) of the annual premiums for such fire and extended coverage insurance and such annual real estate taxes, ground rent, water rents, sewer rents, special assessments, and any other tax, assessment, claim, lien or encumbrance which may at any time be or become a lien upon the Premises prior to the lien of this Mortgage, and on demand from time to time shall pay to Mortgagee additional sums necessary to pay such premiums and other payments, all as estimated by Mortgagee, the amounts so paid to be security for such premiums and other payments and to be used in payment thereof. No amount so paid shall be deemed to be trust funds but may be commingled with general funds of Mortgagee, and an interest shall be payable thereon. If, pursuant to any provision of this Mortgage, the whole amount of said principal debt, or any installment of interest or principal and interest, remaining becomes due and payable, Mortgagee shall have the right at its election to apply any amounts so held against the entire indebtedness secured hereby.

7. **FUTURE IMPOSITION.** If at any time the United States Government or any department or bureau thereof shall require internal revenue stamps on the Note secured hereby, upon demand Mortgagor shall pay for the same; and on default of such payment within thirty (30) days after demand for same, the Mortgagor may pay for such stamps and add the amount so paid to the principal indebtedness evidenced by the Note and secured by this Mortgage, and said additional principal shall bear interest at the rate set forth in the Note.

8. **LEASES.** The Mortgagor will comply with and observe its obligations as Landlord under all leases affecting the Premises or any part or parts thereof. No existing or future lease for a term in excess of one (1) year, or at an annual rent in excess of Five Thousand Dollars (\$5,000.00), or which affects more than ten percent (10%) of the gross income of the Premises, and which covers the Premises or property or any part or parts thereof, or any facilities or business located or operated thereon or therefrom, shall be cancelled, surrendered, or modified without the written consent of Mortgagee. Mortgagor shall notify the Mortgagee immediately of any default asserted by any tenant under such a lease. If Mortgagor fails to cure such default on its part, as Landlord in any such lease, then Mortgagor expressly authorizes Mortgagee, at its option, to cure such default in order to prevent termination of any such lease by any such tenant, and the leases shall set forth the foregoing provisions. If, by reason of default of Mortgagor in the performance of any such lease, the tenant has the right to cancel such leases or to claim any diminution of or offset against further rents, then, at the option of Mortgagee, such default shall be a default under the Note and this Mortgage. Mortgagor agrees that it will not, without the written consent of the Mortgagee, receive or collect rents from any tenant, subtenant, undertenant, or other occupant of any part of the Premises for a period of more than one (1) month in advance, nor will Mortgagor grant any concessions to any of the foregoing persons or parties which will in any way reduce the monthly rentals as stated in any lease, and further that all leases on said Premises shall not be modified so as to in any way reduce the rental without the written consent of the Mortgagee. The Mortgagor upon request, from time to time, but not more often than annually unless a default shall have occurred under this Mortgage, will furnish to the Mortgagee in such reasonable detail as the Mortgagee may request, certified by the Mortgagor, copies of all leases relating to the Premises; and on demand, the Mortgagor will furnish to the Mortgagee executed counterparts of any and all such leases. Further, the Mortgagor, upon request, will furnish to the Mortgagee information relative to the occupancy and vacancy rates on the mortgaged property.

9. **RIGHT TO REMEDY DEFECTS.** If Mortgagor fails to pay any tax, claim, lien or encumbrance which shall be or become prior in lien to this Mortgage, or to pay any insurance premium as aforesaid, or to keep the Premises in repair, as aforesaid, or commits or permits waste, then Mortgagee, at its option, may pay said claim, lien, encumbrance, tax assessment or premium, with right of subrogation thereunder, may make such repairs and take such steps as it deems advisable to prevent or cure such waste, and may appear in any action or proceeding with respect to any of the foregoing and retain counsel therein, and take such action therein as Mortgagee deems advisable, and for any of said purposes Mortgagee may advance such sums of money as it deems necessary. Mortgagor will pay to Mortgagee, immediately and without demand, all sums of money advanced by Mortgagee pursuant to this paragraph, together with interest on each advance at the rate set forth in the Note, and all such sums and interest thereon shall be secured hereby.

10. **CONDEMNATION.** If any part of the Premises is condemned by any lawful authority for any public or quasi-public use or purpose, any award or payment arising therefrom shall be applied first to pay the indebtedness secured hereby. No settlement for the damages sustained thereby shall be made by Mortgagor without Mortgagee's prior written approval thereof. If the amount of an initial award of damages for the condemnation is insufficient to pay the amount of the indebtedness secured hereby in full with interest and costs, Mortgagee shall have the right to file an appeal or such other legal proceedings as legal counsel may advise to be appropriate under the circumstances in the name of Mortgagor or of Mortgagee (for which action Mortgagee or such counsel as it chooses is hereby irrevocably appointed attorney-in-fact for Mortgagor), and to prosecute same to final conclusion or otherwise dispose thereof, to which event the expenses of the appeal or other appropriate legal proceedings, including but not limited to counsel fees, shall be first paid out of the proceeds, and no credit shall be given on account of the mortgage debt other than a credit for the amount, if any, whereby the final proceeds exceed all such expenses. Nothing in this covenant or elsewhere in this Mortgage shall limit rights otherwise available at law to Mortgagee, including but not limited to rights to intervene as a party to any condemnation proceeding. Any and all compensation, awards, damages, claims, rights of action and proceeds hereunder are hereby assigned by the Mortgagor to the Mortgagee, to be applied as herein provided. The Mortgagor agrees to execute any assignment agreements that the Mortgagee may require in furtherance thereof.

11. **DEFAULT AND REMEDIES.** The following shall constitute Events of Default hereunder:

- (a) The failure of Mortgagor to pay any installment of principal or interest or escrow deposit after the same becomes due and payable.
- (b) The failure of Mortgagor to pay any other sum required to be paid in the Note or in this Mortgage after the same becomes due and payable.
- (c) The failure of Mortgagor to perform or observe any covenant or agreement in the Note or in this Mortgage (other than the payment of money), and such failure is not cured within thirty (30) days after written notice from Mortgagee.
- (d) Mortgagor's estate in the Premises is levied upon in execution or by other process of law and said execution or other process is not stayed or satisfied within twenty (20) days from the date of the issuance thereof.
- (e) Any assignment for the benefit of Mortgagor's creditors, or other proceedings intended to liquidate or rehabilitate Mortgagor's estate, which proceedings are not discharged, vacated, dismissed or otherwise terminated and ended within ninety (90) days after the filing of the same or a valid appeal taken therefrom is pending; or Mortgagor's becoming insolvent within the meaning of the federal bankruptcy law.
- (f) The occurrence of any event of default under the Note.

Upon the happening of any one or more Events of Default, the entire unpaid balance of the principal, the accrued interest and all other sums secured by this Mortgage shall, at the option of Mortgagee, become immediately due and payable without notice or demand, and in any such Event of Default Mortgagee may forthwith:

- (1) **Foreclosure.** Institute an action of mortgage foreclosure, or take such other action, as the law may allow in rem, at law or in equity, for the enforcement thereof and realization of the mortgage security or any other security which is herein or elsewhere provided for, and proceed thereon to final judgment and execution thereon for the entire unpaid balance of said principal sum with interest at the rate provided in the Note, together with all other sums secured by this Mortgage, all costs of suit, interest as provided in the Note on any judgment obtained by Mortgagee from and after the date of any Sheriff's Sale of the Premises (which may be sold in one parcel or in such parcels, manner or otherwise as Mortgagee shall elect) until actual payment is made by the Sheriff of the full amount due Mortgagee, and an attorney's commission for collection which shall be ten per cent (10%) of the total of the foregoing sums, but not less than Five Hundred Dollars (\$500.00), without further stay, any law, usage or custom to the contrary notwithstanding, or
- (2) **Entry; Receivership.** Enter into possession of the Premises, with or without legal action, and by force if necessary, lease the same, collect all rents and profits therefrom, and after deducting all costs of collection and administration expense, apply the net rents and profits to the payment of taxes, water and sewer rents, charges and claims, insurance premiums and all other carrying charges (including but not limited to agents' compensation and fees and costs of counsel and receivers) and to the maintenance, repair or restoration of the Premises, or on account and in reduction of the principal or interest, or principal and interest, hereby secured, in such order and amounts as Mortgagee in Mortgagee's sole discretion may elect, or have a receiver appointed to enter into possession of the Premises, collect the rents and profits therefrom, and apply the same as the court may direct. Mortgagee shall be liable to account only for rents and profits actually received by Mortgagee. For such purposes Mortgagor hereby authorizes any attorney of any court of record to appear for Mortgagor to sign an agreement for entering an amicable action of ejectment for possession of the Premises, and to confess judgment thereon against Mortgagor in favor of Mortgagee, whereupon a writ may forthwith issue for the immediate possession of the Premises, without any prior writ or proceeding whatsoever, and for so doing this Mortgage or a copy hereof verified by affidavits shall be a sufficient warrant.

(3) Confession of Judgment. Full judgment by confession pursuant to the terms and conditions of the Note and proceed with execution thereon.

12. **ASSIGNMENT OF LEASES AND RENTS AFTER DEFAULT.** As further security for payment of the indebtedness and performance of the obligations, covenants and agreements secured hereby, upon default hereof Mortgagor assigns to Mortgagee all leases applicable to the Land already in existence and to be created in the future, together with all rents to become due under existing or future leases. In any such case, Mortgagor hereby confers on Mortgagee the exclusive power, to be used or not in its sole discretion, to act as agent, or to appoint a third person to act as agent for Mortgagor, with power to take possession of, and collect all rents arising from, the Premises and apply such rents, at the option of Mortgagee, to the payment of the mortgage debt, taxes, costs of maintenance, repairs, expenses incident to managing and other expenses, in such order or priority as Mortgagee may in its sole discretion determine, and to turn any balance remaining over to Mortgagor; but such collection of rents shall not operate as an affirmation of the tenant or lease in the event Mortgagor's title to the Premises should be acquired by Mortgagee. Mortgagee shall be liable to account only for rents and profits actually received by Mortgagee. In exercising any of the powers in this paragraph contained, Mortgagee may also take possession of, and for these purposes use, any and all personal property contained in the Premises and used by Mortgagor in the rental or leasing thereof or any part thereof.

13. **COUNSEL FEES.** If Mortgagee becomes a party (by intervention or otherwise) to any action or proceeding affecting the Premises or the title thereto or Mortgagee's interest under this Mortgage, or employs an attorney to collect any of the indebtedness or to enforce performance of the obligations, covenants and agreements secured hereby, all reasonable costs, charges and counsel fees incurred by Mortgagee, in any such case, whether or not suit be commenced, shall be secured hereby as a further charge and lien upon the premises, and shall bear interest at the rate set forth in the Note.

14. **WAIVER OF DEFENSES AND CERTAIN NOTICES.** Mortgagor hereby waives and releases:

- (a) All errors, defects and imperfections in any proceedings instituted by Mortgagee under this Mortgage, except for lack of required notice.
- (b) All benefits that might accrue to Mortgagor by virtue of any present or future laws exempting the Premises, or any part of the proceeds arising from any sale thereof, from attachment, levy or sale under execution, or providing for any stay of execution, exemption from civil process, or extension of time for payment.
- (c) All notices not herein elsewhere specifically required, of Mortgagor's default or of Mortgagee's exercise, or election to exercise, any option under this Mortgage.

15. **TRANSFER OF TITLE.** Any transfer by sale, gift, devise, operation of law or otherwise of the fee title interest in all or any portion of the Premises (including the transfer of equitable title by execution of an agreement of sale) shall have the same consequences as an event of default respecting the indebtedness secured hereby, and upon such transfer, Mortgagee without prior notice or the elapse of any period of grace or the right to cure, shall have the right to declare all sums secured hereby immediately due and payable, and upon failure by Mortgagor to make such payment within thirty (30) days of written demand therefor, Mortgagee shall have the right to exercise all remedies provided in the Note, this Mortgage, or otherwise at law. Mortgagor understands and agrees that any transfer as herein described will materially impair Mortgagee's security and constitute a material breach of contract warranting exercise of any and all remedies as aforesaid.

16. **USE OF PREMISES AFTER DEFAULT.** On and after any event of default in the payment of any sum secured hereby, the Mortgagor or anyone claiming by, through or under him, shall, upon demand of the Mortgagee, become a month-to-month tenant of the Mortgagee and shall pay as monthly rental for the portion of the Premises occupied by the Mortgagor, the respective sums agreed to be paid as monthly payments to this Mortgage in advance on the dates and in the manner provided for such payment in said Note, and in default of so doing, the Mortgagor and anyone claiming by, through, or under him, may be dispossessed by proceeding under the Landlord Tenant Act or any other appropriate summary proceedings, and Mortgagee may exercise such other rights and remedies as it determines to collect rentals and otherwise deal with the tenants on the Premises, and this covenant shall be effective either with or without any action being brought to foreclose this Mortgage and without applying for a receiver to collect rents.

17. **ESTOPPEL AFFIDAVITS.** The Mortgagee and Mortgagor within ten (10) days after written request from the other party shall furnish a written statement, duly acknowledged, setting forth the unpaid principal of, and interest on, the Note and whether or not any offsets or defenses exist against such principal and interest, and/or whether or not there exists or has been any default under the terms of this Mortgage or under such other documents as are executed in connection with this Mortgage together with the details thereof.

18. **FURTHER ASSURANCES.** At any time, and from time to time, upon request by the Mortgagee, the Mortgagor will cooperate to execute and deliver or cause to be made, executed and delivered to the Mortgagee any and all other further instruments, certificates, and other documents as reasonably may, in the opinion of the Mortgagee be necessary, or desirable in order to effectuate, complete, perfect or to continue and preserve the obligation of the Mortgagor under the Note and the lien of this Mortgage and security interest.

19. **PAYMENT.** All payments of principal, interest and any and all other payments required or provided for herein shall be paid at the office of the Mortgagee or at such other place either within or without the Commonwealth of Pennsylvania as the holder of the Note may from time to time designate.

20. **LATE CHARGES.** In the event any installment of principal and interest or payments into the escrow account shall become overdue for a period in excess of fifteen (15) days, a "late charge" may be imposed at the rate of four cents (4¢) for each dollar so overdue.

21. **RECORDED INSTRUMENTS.** Mortgagor will promptly perform and observe, or cause to be performed or observed, all of the terms, covenants and conditions of all instruments of record affecting the Premises, noncompliance with which shall affect the security of this Mortgage, and the Mortgagor shall do or cause to be done all things necessary to preserve intact and unimpaired any and all easements, appurtenances and other interests and rights in favor of or constituting any portion of the Premises.

22. **NOTICE.** A notice which is mailed certified mail, return receipt requested, to Mortgagor at the Premises or at such other address as Mortgagor shall designate to Mortgagee in writing, and a notice to Mortgagee or such other person as shall be designated in writing by Mortgagee, at the address herein or in said notice, by certified mail, return receipt requested, shall be sufficient notice when required under this Mortgage.

23. **CUMULATIVE RIGHTS AND REMEDIES.** The rights and remedies of Mortgagee as provided herein, or in the Note, and the warrant therein contained, shall be cumulative and concurrent, and may be pursued singly, successively or together at the sole discretion of Mortgagee, and may be exercised as often as occasion therefor shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release of the same.

24. **INVALID PROVISIONS TO AFFECT NO OTHER.** In case of any one or more of the covenants, agreements, terms or provisions contained in this Mortgage or in the Note shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein and in the Note shall be in no way affected, prejudiced or disturbed thereby.

25. **SATISFACTION OF THIS MORTGAGE.** If Mortgagor complies with the provisions of this Mortgage and pays to Mortgagee said principal sum, and all other sums payable by Mortgagor to Mortgagee as are hereby secured, in accordance with the provisions of the Note and in the manner and at the times therein set forth, without deduction, fraud or delay, then and from thenceforth this Mortgage, and the estate hereby granted, shall cease and become void, anything hereinbefore contained to the contrary notwithstanding.

26. **MORTGAGE ADVANCES.** If this mortgage is stated to be a construction mortgage, it is understood and agreed by the parties hereto that the consideration for the within mortgage is the present and future advancement of funds to the Mortgagor by the Mortgagee in accordance with a loan agreement executed concurrently herewith to provide for financing the acquisition and/or construction of improvements on the Premises herein described, and it is understood and agreed by the parties hereto that the within mortgage shall have the full force, effect and benefits of a mortgage to secure present and future advances since this Mortgage is intended to be and is a construction and purchase money mortgage under the provisions of the Lien Priority Law, as amended.

27. **CONSTRUCTION.** The words "Mortgagor" and "Mortgagee" include coparties, the respective successors and assigns of Mortgagor and Mortgagee, as the case may be. This Mortgage and the Note secured hereby are to be construed according to the laws of the State of Maryland.

28. Paragraph 28 appears on Exhibit A.

29. Paragraph 29 appears on Exhibit A.

EXHIBIT A

28. Anything herein provided to the contrary notwithstanding, it is expressly understood and agreed that this mortgage shall provide security for (i) a series of notes which have been executed and delivered by Mortgagor to Mortgagee, the principal amounts of which, in the aggregate, total \$350,000.00 as follows:

<u>Date</u>	<u>Amount</u>
5/4/81	\$245,000.00
4/29/82	\$ 60,000.00
10/4/82	\$ 20,000.00
11/26/82	\$ 25,000.00

as well as for (ii) any additional advancements that may be made by Mortgagee to Mortgagor at any time or times hereafter, pursuant to the terms of Mortgagee's commitment letter, dated January 14, 1983, which additional advancements shall not exceed \$100,000.00.

29. Mortgagor, in accordance with the provisions of the Real Property Article of the Code of Public General Laws of the State of Maryland, of the Maryland Rules or of any other general or local laws of the State of Maryland relating to mortgages, including any amendments, supplements or additions thereof, does hereby (1) declare its assent to the passing of a decree for the sale of the herein described property at any time after default has occurred in any of the conditions of this mortgage, as herein provided; and (2) authorize Mortgagee, its heirs, personal representatives, successors or assigns, or its attorney, after any such default shall have occurred as aforesaid, to sell the hereby mortgaged premises.

BEGINNING at a point in the centerline of the aforesaid public road, Maryland Route 313, and in the East line of land of Ethel P. Scofield, said point being North forty-one (41) degrees sixteen (16) minutes East of, and thirty-eight and ninety-six hundredths (38.96) feet from a concrete monument; thence running by and with the centerline of said public road and being the south line of land of the United Logging and Piling Company, formerly a part of the land herein described, North eighty-eight (88) degrees thirty-two (32) minutes East, one thousand five hundred ninety-eight and seventy-seven hundredths (1598.77) feet; thence by the same and being a chord of the curve in said road, North eighty (80) degrees forty (40) minutes East, three hundred seven and four tenths (307.4) feet to a point at the intersection of the centerlines of the said Maryland Route No. 313 and the public road leading therefrom to Highman's Mill; thence by and with the centerline of the said Highman's Mill Road South fifty-one (51) degrees three (03) minutes East, one hundred seventy-one and thirty-eight hundredths (171.38) feet to a point and being the Northwest corner of land of Elmer E. Glanding, said point being North thirty-three (33) degrees eleven (11) minutes East of, and twenty-five and sixty-seven hundredths (25.67) feet from a concrete monument; thence running by and with the westerly line of land of the said Elmer E. Glanding and land of Earl L. Glanding, through and over the aforesaid concrete monument South thirty-three (33) degrees eleven (11) minutes West, three thousand six hundred ninety-six and sixty-five hundredths (3696.65) feet to a point in the high water line of Unicorn Mill Pond, said point being South thirty-three (33) degrees eleven (11) minutes West of and fifteen and zero hundredths (15.00) feet from a concrete monument; thence running by and with the high water line of said Mill Pond the following fourteen courses and distances:

- (1) North seventeen (17) degrees thirty-six (36) minutes West one hundred ninety-three and nine hundredths (193.09) feet;
- (2) North forty-three (43) degrees nineteen (19) minutes West two hundred forty-six and thirty-six hundredths (246.36) feet;
- (3) North one (01) degree sixteen (16) minutes East ninety-six and fifty-eight hundredths (96.58) feet;
- (4) North fifteen (15) degrees twenty (20) minutes West one hundred eighty-three and forty-eight hundredths (183.48) feet;
- (5) North eighty-five (85) degrees five (05) minutes West one hundred fifty-five and twenty-two hundredths (155.22) feet;
- (6) North thirty-eight (38) degrees ten (10) minutes West one hundred fifty-six and ninety-two hundredths (156.92) feet;
- (7) North fifteen (15) degrees thirty-nine (39) minutes East seventy-two and eighty-two hundredths (72.82) feet;
- (8) North thirty-nine (39) degrees twenty-six (26) minutes West one hundred nine and twenty-two hundredths (109.22) feet;

(9) North two (02) degrees thirty-five (35) minutes West eighty (80.0) feet;

(10) North fifty-two (52) degrees one (01) minute East ninety and eighty-two hundredths (90.82) feet;

(11) North twenty-one (21) degrees six (06) minutes West ninety-four and sixty-two hundredths (94.62) feet;

(12) North two (02) degrees nine (09) minutes East three hundred six and seven tenths (306.7) feet;

(13) North fifteen (15) degrees forty-six (46) minutes West sixty-seven and ninety-eight hundredths (67.98) feet;

(14) North thirty-eight (38) degrees twenty-three (23) minutes West two hundred seventeen and thirty-seven hundredths (217.37) feet to a State of Maryland concrete monument at the Northeast corner of the breast of said Unicorn Mill Pond which was conveyed unto the State of Maryland to the use of the Game and Inland Fish Commission by James Francis Panunto, by deed dated September 6, 1961, and recorded in Liber TSP No. 62, folio 492, etc.; thence running by and with land of the said State of Maryland, formerly of James Francis Panunto, the following four courses and distances:

(1) North eighteen (18) degrees twenty-one (21) minutes West two hundred four and forty-four hundredths (204.44) feet to an iron pipe;

(2) North thirty-three (33) degrees fifty-eight (58) minutes West one hundred forty-four and ninety-seven hundredths (144.97) feet to an iron pipe;

(3) North twenty-two (22) degrees twenty-one (21) minutes West one hundred twenty-six and three hundredths (126.03) feet to a State of Maryland concrete monument;

(4) by and with land of the said State of Maryland and land of Ethel P. Scofield North forty-one (41) degrees sixteen (16) minutes East, one thousand three hundred eleven and twenty-four hundredths (1311.24) feet to a point in the centerline of said Maryland Route No. 313, the place of beginning.

CONTAINING 107.015 acres, more or less.

SAVING AND EXCEPTING a certain tract of land granted and conveyed unto, the State of Maryland by Leola Supply Company of Maryland by deed of conveyance bearing date of October 19, 1976, and recorded among the Land Records of Queen Anne's County in Liber CWC 117, page 393, etc.

BEING the property described in a Deed dated October 17, 1980, and recorded among the Land Records of Queen Anne's County in Liber MWM 168, folio 529, from Edward Turner and Patrick E. Thompson, Attorneys, to Millington Mills, Inc.

RECEIVED
CLERK OF THE COURT

1983 JAN 28 AM 11:32

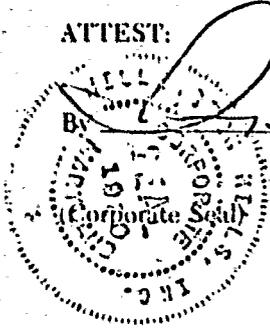
QUEEN ANNE'S COUNTY

JAN 26-83 A #24635 ***1.50**
JAN 28-83 A #24634K *****
JAN 28-83 A #24633 *****25**

IN WITNESS WHEREOF, this Mortgage has been duly executed as of the day and year first above written.

ATTEST:

MORTGAGOR: MILLINGTON MILLS, INC.



By [Signature]
Secretary

By [Signature]
President

STATE OF PENNSYLVANIA:

SS:

COUNTY OF LANCASTER

On this, the 27 day of JAN., 1983 before me, A NOTARY PUBLIC, the undersigned officer, personally appeared who acknowledged himself to be the of Millington Mills, a corporation, and that he is such President, being authorized to do so, executed the foregoing Mortgage for the purposes therein contained by signing the name of the corporation by himself as President.

[Notary Seal]
Peggy L. Sherman
Notary Public
Upper Merion, Lancaster County
My Commission Expires Oct 29, 1983
Member, Pennsylvania Association of Notaries

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

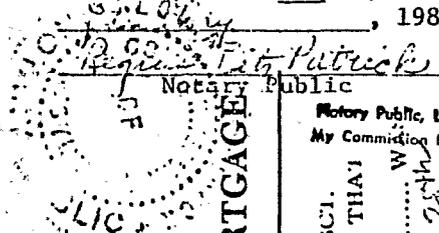
[Signature]

STATE OF PENNSYLVANIA)
COUNTY OF LANCASTER)

SS:

JOHN J. BAKER, being duly sworn according to law, depose and say that he is Vice President of The Commonwealth National Bank, that he is authorized to make this affidavit on its behalf, and that the consideration recited in the foregoing Mortgage is true and bona fide.

Sworn and subscribed to)
before me this 27th day of January, 1983. [Signature]
(John J. Baker)



MORTGAGE

Notary Public, Lancaster, Lancaster County
My Commission Expires November 13, 1986
I HEREBY CERTIFY THAT
[Signature]
WAS FOR RECORD THIS 28th
OF JAN 1983 AT 11:32
AM AND RECORDED IN
LIBER 192 PAGE 177
RECORD BOOK FOR QUEEN ANNE'S
COUNTY
Marguerite de [Signature]

The Commonwealth National Bank

MAIL TO:
Barley, Snyder, Cooper & Barber
115 East King St.
Lancaster, PA 17602
Dated:

Amount:

Table with columns for fees and amounts: OLD FEE 26.50, STAMP 1540.00, TOTAL \$1566.50

COMMONWEALTH OF PENNSYLVANIA:
COUNTY OF

Recorded on this _____ day of _____ 19____,
in the Office of the Recorder of Deeds in and for said County, in Mortgage Book _____, Volume _____, Page _____.

Given under my hand and seal of office, the date above written.

Recorder of Deeds

I hereby certify that the precise residence and complete post office address of the within-named Mortgagee is: 28 Penn Square, Lancaster, Pennsylvania 17603--attention John J. Baker.

[Signature]
Attorney for Mortgagee

Corporate Mortgage

MORTGAGE

This Mortgage, made the 14th day of April, 1981,
BETWEEN MILLINGTON MILLS, INC.
a corporation organized and existing under the laws of the State of Maryland with offices at
P.O. Box 253, Millington, Maryland 21651, Mortgagor, and THE COMMON-
WEALTH NATIONAL BANK, a banking association duly organized and existing under the laws of the United
States of America, Mortgagee;

WITNESSETH:

WHEREAS, the said Mortgagor, in and by its certain mortgage note (hereinafter called "Note") under its corporate seal, duly executed, bearing even date herewith, is indebted to Mortgagee, its successors or assigns, in the principal sum of One Million, One Hundred Fourteen Thousand, Six Hundred Thirty-Three and 00/100 Dollars (\$1,114,633.00) lawful money of the United States of America, payable, with interest thereon, all in accordance with the terms and conditions of the Note;

NOW, THEREFORE, in consideration of said indebtedness and for better securing the payment of the same, and the interest thereon, and all other sums provided for in the Note or herein, to Mortgagee, and the performance of the covenants and agreements hereinafter expressed, Mortgagor does hereby grant, convey and mortgage unto Mortgagee the real property (hereinafter called "Land") described on Exhibit "A" appended hereto and made a part hereof;

TOGETHER WITH any and all buildings and existing improvements erected thereon.

TOGETHER WITH all fixtures, appliances, machinery, furnishings, heating and air conditioning plants, pipes, radiators, gas pipes, electric wiring and fixtures, ranges, boilers, bath tubs, lavatories, sinks, water closets, plumbing pipes, and all industrial equipment and machinery necessary for the operation of the premises as a complete going concern, now in the buildings erected on said premises, or which may hereafter be placed in said buildings, or in any buildings or additions which may hereafter be erected thereon, and which the Mortgagor, its successors or assigns, covenants, promises and agrees shall be taken and considered as part of the realty.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging to the land or any part thereof, hereby mortgaged or intended so to be, or in anywise appertaining thereto (including but not limited to all income, rents, and profits arising therefrom), all streets, alleys, passages, ways, water-courses, all other rights, liberties and privileges of whatsoever kind or character, the reversions and remainders, and all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well at law as in equity, of Mortgagor, in and to all of the foregoing or any or every part thereof (said land, buildings, improvements, fixtures, machinery, equipment, tenements, and other property interests being hereinafter collectively called "Premises").

THIS MORTGAGE shall be deemed to be a plant mortgage.

TO HAVE AND TO HOLD the Premises unto the Mortgagee to its own proper use and behoof forever.

THIS MORTGAGE (is) (~~is not~~) a Construction Mortgage, and any default under a Construction Loan AND Mortgagor covenants and agrees with Mortgagee, as follows: Agreement of even date shall be a default hereunder.

1. WARRANTY OF TITLE. Mortgagor warrants and will warrant generally the property hereby conveyed.

2. PAYMENT OF SUMS SECURED. Mortgagor shall pay to Mortgagee the principal of and interest upon the Note according to the terms of the Note secured hereby, reasonable charges fixed by Mortgagee to satisfy and discharge this Mortgage of record, and all other sums hereby secured; and shall keep and perform every other covenant and agreement of such Note and this Mortgage.

3. WASTE, MAINTENANCE, COMPLIANCE AND INSPECTION. Mortgagor shall abstain from and not permit the commission of waste in or about the Premises; shall not remove or demolish, or alter the structural character of, any building at any time erected on the Premises without the prior written consent of Mortgagee; shall maintain the Premises in good condition and repair, reasonable wear and tear excepted; and shall comply with any municipal ordinance or regulation affecting the Premises within thirty (30) days after notice thereof; provided, however, that if Mortgagor shall in good faith, and by proper legal action, contest any such ordinance or regulation, or the validity thereof, then Mortgagor shall not be required to comply therewith so long as such contest operates to prevent enforcement, and is maintained and prosecuted with diligence, and shall not have been terminated or discontinued adversely to Mortgagor. Mortgagee shall have the right, but not the duty to enter upon the Premises at any reasonable hour to inspect the order, condition and repair thereof.

4. INSURANCE. Mortgagor shall keep the building and improvements on the Land continuously insured against loss by fire, with extended coverage, in such total amount as Mortgagee may from time to time require (but such amount shall in no event exceed the full fair insurable value of said buildings and improvements), and against other hazards as Mortgagee may reasonably require. The policy or policies for such insurance shall be maintained in full force and effect until such time as the indebtedness hereby secured is fully repaid. All policies, including but not limited to policies for any amounts carried in excess of the aforesaid minimum shall be with an insurance company or companies, and in form, satisfactory to Mortgagee, and shall be payable to Mortgagee according to the terms of a standard mortgagee clause, not subject to full contribution, or of such other form as shall be satisfactory to Mortgagee. Mortgagee shall have the right to apply the proceeds of any such insurance, at its election, either to reduce the indebtedness secured hereby or to restore the Premises. All renewal policies shall be delivered, premiums paid, to Mortgagee at least ten (10) days before the expiration of the old policies. If Mortgagee becomes the owner of the Premises or any part thereof by foreclosure or otherwise, such policies shall become the absolute property of Mortgagee. Mortgagor shall give Mortgagee twenty (20) days' written notice before any termination or cancellation becomes effective to Mortgagee.

5. TAXES AND OTHER CHARGES. Mortgagor shall pay all real estate taxes, water and sewer rents and other similar claims and liens assessed or which may be assessed against the Premises or any part thereof, without any deduction, defalcation or abatement, not later than ten (10) days before the dates on which such taxes, water and sewer rents, claims and liens commence to bear interest or penalties, and not later than such dates shall produce to Mortgagee receipts for the payment thereof in full and shall pay every other tax, assessment, claim, lien or encumbrance which may at any time be or become a lien upon the Premises prior to the lien of this Mortgage, provided, however, that if Mortgagor shall in good faith, and by proper legal action, contest any such taxes, claims, liens, encumbrances or other charges, or the validity thereof, and shall have established on its books, or by deposit of cash with Mortgagee (as Mortgagee may elect), a reserve for the payment thereof in such amount as Mortgagee may require, then Mortgagor shall not be required to pay the same, or to produce such receipts, during the maintenance of said reserve and as long as such contest operates to prevent collection, and is maintained and prosecuted with diligence, and shall not have been terminated or discontinued adversely to Mortgagor. Mortgagor shall also pay, when due and will not suffer to remain outstanding, any charges for utilities, whether public or private, with respect to the Premises.

17 APR 2016 LIBR LIT PAGE 4/16
6. **ESCROW FUNDS.** Without limiting the effect of Paragraphs 4 and 5 hereof, Mortgagor shall, on the request of Mortgagee pay to Mortgagee monthly at the time when such monthly installment of principal and/or interest payable is due an amount equal to one-twelfth (1/12) of the annual premiums for such fire and extended coverage insurance and such annual real estate taxes, ground rent, water rents, sewer rents, special assessments, and any other tax, assessment, claim, lien or encumbrance which may at any time be or become a lien upon the Premises prior to the lien of this Mortgage, and on demand from time to time shall pay to Mortgagee additional sums necessary to pay such premiums and other payments, all as estimated by Mortgagee, the amounts so paid to be security for such premiums and other payments and to be used in payment thereof. No amount so paid shall be deemed to be trust funds but may be commingled with general funds of Mortgagee, and no interest shall be payable thereon. If, pursuant to any provision of this Mortgage, the whole amount of said principal debt, or any installment of interest or principal and interest, remaining becomes due and payable, Mortgagee shall have the right at its election to apply any amounts so held against the entire indebtedness secured hereby.

7. **FUTURE IMPOSITION.** If at any time the United States Government or any department or bureau thereof shall require internal revenue stamps on the Note secured hereby, upon demand Mortgagor shall pay for the same; and in default of such payment within thirty (30) days after demand for same, the Mortgagee may pay for such stamps and add the amount so paid to the principal indebtedness evidenced by the Note and secured by this Mortgage, and said additional principal shall bear interest at the rate set forth in the Note.

8. **LEASES.** The Mortgagor will comply with and observe its obligations as Landlord under all leases affecting the Premises or any part or parts thereof. No existing or future lease for a term in excess of one (1) year, or at an annual rent in excess of Five Thousand Dollars (\$5,000.00), or which affects more than ten percent (10%) of the gross income of the Premises, and which covers the Premises or property or any part or parts thereof, or any facilities or business located or operated thereon or therefrom, shall be cancelled, surrendered, or modified without the written consent of Mortgagee. Mortgagor shall notify the Mortgagee immediately of any default asserted by any tenant under such a lease. If Mortgagor fails to cure such default in order to prevent termination of any such lease by any such tenant, and the leases shall set forth the foregoing provisions. If, by reason of default of Mortgagor in the performance of any such lease, the tenant has the right to cancel such leases or to claim any diminution of or offset against further rents, then, at the option of Mortgagee, such default shall be a default under the Note and this Mortgage. Mortgagor agrees that it will not, without the written consent of the Mortgagee, receive or collect rents from any tenant, subtenant, undertenant, or other occupant of any part of the Premises for a period of more than one (1) month in advance, nor will Mortgagor grant any concessions to any of the foregoing persons or parties which will in any way reduce the monthly rentals as stated in any lease, and further that all leases on said Premises shall not be modified so as to in any way reduce the rental without the written consent of the Mortgagee. The Mortgagor upon request, from time to time, but not more often than annually unless a default shall have occurred under this Mortgage, will furnish to the Mortgagee in such reasonable detail as the Mortgagee may request, certified by the Mortgagor, copies of all leases relating to the Premises; and on demand, the Mortgagor will furnish to the Mortgagee executed counterparts of any and all such leases. Further, the Mortgagor, upon request, will furnish to the Mortgagee information relative to the occupancy and vacancy rates on the mortgaged property.

9. **RIGHT TO REMEDY DEFECTS.** If Mortgagor fails to pay any tax, claim, lien or encumbrance which shall be or become prior in lien to this Mortgage, or to pay any insurance premium as aforesaid, or to keep the Premises in repair, as aforesaid, or commits or permits waste, then Mortgagee, at its option, may pay said claim, lien, encumbrance, tax assessment or premium, with right of subrogation thereunder, may make such repairs and take such steps as it deems advisable to prevent or cure such waste, and may appear in any action or proceeding with respect to any of the foregoing and retain counsel therein, and take such action therein as Mortgagee deems advisable, and for any of said purposes Mortgagee may advance such sums of money as it deems necessary. Mortgagor will pay to Mortgagee, immediately and without demand, all sums of money advanced by Mortgagee pursuant to this paragraph, together with interest on each advance at the rate set forth in the Note, and all such sums and interest thereon shall be secured hereby.

10. **CONDEMNATION.** If any part of the Premises is condemned by any lawful authority for any public or quasi-public use or purpose, any award or payment arising therefrom shall be applied first to pay the indebtedness secured hereby. No settlement for the damages sustained thereby shall be made by Mortgagor without Mortgagee's prior written approval thereof. If the amount of an initial award of damages for the condemnation is insufficient to pay the amount of the indebtedness secured hereby in full with interest and costs, Mortgagee shall have the right to file an appeal or such other legal proceedings as legal counsel may advise to be appropriate under the circumstances in the name of Mortgagor or of Mortgagee (for which action Mortgagee or such counsel as it chooses is hereby irrevocably appointed attorney-in-fact for Mortgagor), and to prosecute same to final conclusion or otherwise dispose thereof, in which event the expenses of the appeal or other appropriate legal proceedings, including but not limited to counsel fees, shall be first paid out of the proceeds, and no credit shall be given on account of the mortgage debt other than a credit for the amount, if any, whereby the final proceeds exceed all such expenses. Nothing in this covenant or elsewhere in this Mortgage shall limit rights otherwise available at law to Mortgagee, including but not limited to rights to intervene as a party to any condemnation proceeding. Any and all compensation, awards, damages, claims, rights of action and proceeds hereunder are hereby assigned by the Mortgagor to the Mortgagee, to be applied as herein provided. The Mortgagor agrees to execute any assignment agreements that the Mortgagee may require in furtherance thereof.

11. **DEFAULT AND REMEDIES.** The following shall constitute Events of Default hereunder:

- (a) The failure of Mortgagor to pay any installment of principal or interest or escrow deposit after the same becomes due and payable.
- (b) The failure of Mortgagor to pay any other sum required to be paid in the Note or in this Mortgage after the same becomes due and payable.
- (c) The failure of Mortgagor to perform or observe any covenant or agreement in the Note or in this Mortgage (other than the payment of money), and such failure is not cured within thirty (30) days after written notice from Mortgagee.
- (d) Mortgagor's estate in the Premises is levied upon in execution or by other process of law and said execution or other process is not stayed or satisfied within twenty (20) days from the date of the issuance thereof.
- (e) Any assignment for the benefit of Mortgagor's creditors, or other proceedings intended to liquidate or rehabilitate Mortgagor's estate, which proceedings are not discharged, vacated, dismissed or otherwise terminated and ended within ninety (90) days after the filing of the same or a valid appeal taken therefrom is pending; or Mortgagor's becoming insolvent within the meaning of the federal bankruptcy law.
- (f) The occurrence of any event of default under the Note.

Upon the happening of any one or more Events of Default, the entire unpaid balance of the principal, the accrued interest and all other sums secured by this Mortgage shall, at the option of Mortgagee, become immediately due and payable without notice or demand, and in any such Event of Default Mortgagee may forthwith:

- (1) **Foreclosure.** Institute an action of mortgage foreclosure, or take such other action, as the law may allow in rem, at law or in equity, for the enforcement thereof and realization on the mortgage security or any other security which is herein or elsewhere provided for, and proceed thereon to final judgment and execution thereon for the entire unpaid balance of said principal sum with interest at the rate provided in the Note, together with all other sums secured by this Mortgage, all costs of suit, interest as provided in the Note on any judgment obtained by Mortgagee from and after the date of any Sheriff's Sale of the Premises (which may be sold in one parcel or in such parcels, manner or otherwise as Mortgagee shall elect) until actual payment is made by the Sheriff of the full amount due Mortgagee, and an attorney's commission for collection which shall be ten per cent (10%) of the total of the foregoing sums, but not less than Five Hundred Dollars (\$500.00), without further stay, any law, usage or custom to the contrary notwithstanding, or
- (2) **Entry; Receivership.** Enter into possession of the Premises, with or without legal action, and by force if necessary, lease the same, collect all rents and profits therefrom, and after deducting all costs of collection and administration expense, apply the net rents and profits to the payment of taxes, water and sewer rents, charges and claims, insurance premiums and all other carrying charges (including but not limited to agents' compensation and fees and costs of counsel and receivers) and to the maintenance, repair or restoration of the Premises, or on account and in reduction of the principal or interest, or principal and interest, hereby secured, in such order and amounts as Mortgagee in Mortgagee's sole discretion may elect, or have a receiver appointed to enter into possession of the Premises, collect the rents and profits therefrom, and apply the same as the court may direct. Mortgagee shall be liable to account only for rents and profits actually received by Mortgagee. For such purposes Mortgagor hereby authorizes any attorney of any court of record to appear for Mortgagor to sign an agreement for entering an amicable action of ejectment for possession of the Premises, and to confess judgment therein against Mortgagor in favor of Mortgagee, whereupon a writ may forthwith issue for the immediate possession of the Premises, without any prior writ or proceeding whatsoever, and for so long as this Mortgage or a copy hereof verified by affidavit shall be a sufficient warrant.

(b) Confession of Judgment. Later judgment by confession pursuant to the terms and conditions of the Note and proceed with execution thereon.

12. **ASSIGNMENT OF LEASES AND RENTS AFTER DEFAULT.** As further security for payment of the indebtedness and performance of the obligations, covenants and agreements secured hereby, upon default hereunder Mortgagor assigns to Mortgagee all leases applicable to the Land already in existence and to be created in the future, together with all rents to become due under existing or future leases. In any such case, Mortgagor hereby confers on Mortgagee the exclusive power, to be used or not in its sole discretion, to act as agent, or to appoint a third person to act as agent for Mortgagor, with power to take possession of, and collect all rents arising from, the Premises and apply such rents, at the option of Mortgagee, to the payment of the mortgage debt, taxes, costs of maintenance, repairs, expenses incident to managing and other expenses, in such order or priority as Mortgagee may in its sole discretion determine, and to turn any balance remaining over to Mortgagor; but such collection of rents shall not operate as an affirmation of the tenant or lease in the event Mortgagor's title to the Premises should be acquired by Mortgagee. Mortgagee shall be liable to account only for rents and profits actually received by Mortgagee. In exercising any of the powers in this paragraph contained, Mortgagee may also take possession of, and for these purposes use, any and all personal property contained in the Premises and used by Mortgagor in the rental or leasing thereof or any part thereof.

13. **COUNSEL FEES.** If Mortgagee becomes a party (by intervention or otherwise) to any action or proceeding affecting the Premises or the title therein or Mortgagee's interest under this Mortgage, or employs an attorney to collect any of the indebtedness or to enforce performance of the obligations, covenants and agreements secured hereby, all reasonable costs, charges and counsel fees incurred by Mortgagee, in any such case, whether or not suit be commenced, shall be secured hereby as a further charge and lien upon the premises, and shall bear interest at the rate set forth in the Note.

14. **WAIVER OF DEFENSES AND CERTAIN NOTICES.** Mortgagor hereby waives and releases:

- (a) All errors, defects and imperfections in any proceedings instituted by Mortgagee under this Mortgage, except for lack of required notice.
- (b) All benefits that might accrue to Mortgagor by virtue of any present or future laws exempting the Premises, or any part of the proceeds arising from any sale thereof, from attachment, levy or sale under execution, or providing for any stay of execution, exemption from civil process, or extension of time for payment.
- (c) All notices not herein elsewhere specifically required, of Mortgagor's default or of Mortgagee's exercise, or election to exercise, any option under this Mortgage.

15. **TRANSFER OF TITLE.** Any transfer by sale, gift, devise, operation of law or otherwise of the fee title interest in all or any portion of the Premises (including the transfer of equitable title by execution of an agreement of sale) shall have the same consequences as an event of default respecting the indebtedness secured hereby, and upon such transfer, Mortgagee without prior notice or the elapse of any period of grace or the right to cure, shall have the right to declare all sums secured hereby immediately due and payable, and upon failure by Mortgagor to make such payment within thirty (30) days of written demand therefor, Mortgagee shall have the right to exercise all remedies provided in the Note, this Mortgage, or otherwise at law. Mortgagor understands and agrees that any transfer as herein described will materially impair Mortgagee's security and constitute a material breach of contract warranting exercise of any and all remedies as aforesaid.

16. **USE OF PREMISES AFTER DEFAULT.** On and after any event of default in the payment of any sum secured hereby, the Mortgagor or anyone claiming by, through or under him, shall, upon demand of the Mortgagee, become a month-to-month tenant of the Premises and shall pay as monthly rental for the portion of the Premises occupied by the Mortgagor, the respective sums agreed to be paid as monthly payments in this Mortgage in advance on the dates and in the manner provided for such payment in said Note, and in default of so doing, the Mortgagor and anyone claiming by, through, or under him, may be dispossessed by proceeding under the Landlord Tenant Act or any other appropriate summary proceedings, and Mortgagee may exercise such other rights and remedies as it determines to collect rentals and otherwise deal with the tenants on the Premises, and this covenant shall be effective either with or without any action being brought to foreclose this Mortgage and without applying for a receiver to collect rents.

17. **ESTOPPEL AFFIDAVITS.** The Mortgagee and Mortgagor within ten (10) days after written request from the other party shall furnish a written statement, duly acknowledged, setting forth the unpaid principal of, and interest on, the Note and whether or not any offsets or defenses exist against such principal and interest, and/or whether or not there exists or has been any default under the terms of this Mortgage or under such other documents as are executed in connection with this Mortgage together with the details thereof.

18. **FURTHER ASSURANCES.** At any time, and from time to time, upon request by the Mortgagee, the Mortgagor will cooperate to execute and deliver or cause to be made, executed and delivered to the Mortgagee any and all other further instruments, certificates, and other documents as reasonably may, in the opinion of the Mortgagee be necessary, or desirable in order to effectuate, complete, perfect or to continue and preserve the obligation of the Mortgagor under the Note and the lien of this Mortgage and security interest.

19. **PAYMENT.** All payments of principal, interest and any and all other payments required or provided for herein shall be paid at the office of the Mortgagee or at such other place either within or without the Commonwealth of Pennsylvania as the holder of the Note may from time to time designate.

20. **LATE CHARGES.** In the event any installment of principal and interest or payments into the escrow account shall become overdue for a period in excess of fifteen (15) days, a "late charge" may be imposed at the rate of four cents (4¢) for each dollar so overdue.

21. **RECORDED INSTRUMENTS.** Mortgagor will promptly perform and observe, or cause to be performed or observed, all of the terms, covenants and conditions of all instruments of record affecting the Premises, noncompliance with which shall affect the security of this Mortgage, and the Mortgagor shall do or cause to be done all things necessary to preserve intact and unimpaired any and all easements, appurtenances and other interests and rights in favor of or constituting any part of the Premises.

22. **NOTICE.** A notice which is mailed certified mail, return receipt requested, to Mortgagor at the Premises or at such other address as Mortgagor shall designate to Mortgagee in writing, and a notice to Mortgagee or such other person as shall be designated in writing by Mortgagee, at the address herein or in said notice, by certified mail, return receipt requested, shall be sufficient notice when required under this Mortgage.

23. **CUMULATIVE RIGHTS AND REMEDIES.** The rights and remedies of Mortgagee as provided herein, or in the Note, and the warrant therein contained, shall be cumulative and concurrent, and may be pursued singly, successively or together at the sole discretion of Mortgagee, and may be exercised as often as occasion therefor shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release of the same.

24. **INVALID PROVISIONS TO AFFECT NO OTHER.** In case of any one or more of the covenants, agreements, terms or provisions contained in this Mortgage or in the Note shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein and in the Note shall be in no way affected, prejudiced or disturbed thereby.

25. **SATISFACTION OF THIS MORTGAGE.** If Mortgagor complies with the provisions of this Mortgage and pays to Mortgagee said principal sum, and all other sums payable by Mortgagor to Mortgagee as are hereby secured, in accordance with the provisions of the Note and in the manner and at the times therein set forth, without deduction, fraud or delay, then and from thenceforth this Mortgage, and the estate hereby granted, shall cease and become void, anything hereinbefore contained to the contrary notwithstanding.

26. **MORTGAGE ADVANCES.** If this mortgage is stated to be a construction mortgage, it is understood and agreed by the parties hereto that the consideration for the within mortgage is the present and future advancement of funds to the Mortgagor by the Mortgagee in accordance with a loan agreement executed concurrently herewith to provide for financing the acquisition and/or construction of improvements on the Premises herein described, and it is understood and agreed by the parties hereto that the within mortgage shall have the full force, effect and benefits of a mortgage to secure present and future advances since this Mortgage is intended to be and is a construction and purchase money mortgage under the provisions of the Lien Priority Law, as amended.

27. **CONSTRUCTION.** The words "Mortgagor" and "Mortgagee" include corporation, the respective successors and assigns of Mortgagor and Mortgagee, as the case may be. This Mortgage and the Note secured hereby are to be construed according to the laws of the State of Maryland.

28. Paragraph 28 appears on Exhibit A.

29. Paragraph 29 appears on Exhibit A.

178 111 563

LIBER

17 PAGE 297

28. Anything herein provided, to the contrary, notwithstanding, it is expressly understood and agreed that the aforesaid obligation shall cover, as well, any future advancements that may be made by Mortgagee to Mortgagor at any time or times hereafter, provided at no time may the total balance due by Mortgagor to Mortgagee thereunder, whether the same represents, in whole or in part, the initial advance or any future advances or advance, exceed the sum of \$1,114,633.00.

29. Mortgagor, in accordance with the provisions of the Real Property Article of the Code of Public General Laws of the State of Maryland, of the Maryland Rules or of any other general or local laws of the State of Maryland relating to mortgages, including any amendments, supplements or additions thereof, does hereby (1) declare its assent to the passing of a decree for the sale of the herein described property at any time after a default has occurred in any of the conditions of this mortgage, as herein provided; and Mortgagor does (2) also authorize Mortgagee, its heirs, personal representatives, successors or assigns, or its attorney, after any such default shall have occurred as aforesaid, to sell the hereby mortgaged premises.

BEGINNING at a point in the centerline of the aforesaid public road, Maryland Route No. 313, and in the East line of land of Ethel P. Scofield, said point being North 41 degrees 16 minutes East of, and 38.96 feet from a concrete monument; thence running by and with the centerline of said public road and being the south line of land of the United Logging and Piling Company, formerly a part of the land herein described, North 88 degrees 32 minutes East, 1598.77 feet; thence by the same and being a chord of the curve in said road, North 80 degrees 40 minutes East, 307.4 feet to a point at the intersection of the centerlines of the said Maryland Route No. 313 and the public road leading therefrom to Highman's Mill; thence by and with the centerline of the said Highman's Mill Road South 51 degrees 3 minutes East, 171.38 feet to a point and being the Northwest corner of land of Elmer E. Glanding, said point being North 33 degrees 11 minutes East of, and 25.67 feet from a concrete monument; thence running by and with the Westerly line of land of the said Elmer E. Glanding and land of Earl L. Glanding, through and over the aforesaid concrete monument South 33 degrees 11 minutes West, 3696.65 feet to a point in the high water line of Unicorn Mill Pond, said point being South 33 degrees 11 minutes West of and 15.00 feet from a concrete monument; thence running by and with the high water line of said Mill Pond the following fourteen courses and distances:

- (1) North 17 degrees 36 minutes West 193.09 feet;
- (2) North 43 degrees 19 minutes West 246.36 feet;
- (3) North 01 degree 16 minutes East 96.58 feet;
- (4) North 15 degrees 20 minutes West 183.48 feet;
- (5) North 85 degrees 05 minutes West 155.22 feet;
- (6) North 38 degrees 10 minutes West 156.92 feet;
- (7) North 15 degrees 39 minutes East 72.82 feet;
- (8) North 39 degrees 26 minutes West 109.22 feet;
- (9) North 02 degrees 35 minutes West 80.0 feet;
- (10) North 52 degrees 01 minute East 90.82 feet;
- (11) North 21 degrees 06 minutes West 94.62 feet;
- (12) North 02 degrees 09 minutes East 306.7 feet;
- (13) North 15 degrees 46 minutes West 67.98 feet;
- (14) North 38 degrees 23 minutes West 217.37 feet to a State of Maryland

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QUEEN ANNE'S COUNTY

concrete monument at the Northeast corner of the breast of said Unicorn Mill Pond which was conveyed unto the State of Maryland to the use of the Game and Inland Fish Commission by James Francis Panunto, by deed dated September 6, 1961 and recorded in Liber TSP No. 62, folio 492, etc.; thence running by and with land of the said State of Maryland, formerly of James Francis Panunto, the following four courses and distances:

- (1) North 18 degrees 21 minutes West 204.44 feet to an iron pipe;
- (2) North 33 degrees 58 minutes West 144.97 feet to an iron pipe;
- (3) North 22 degrees 21 minutes West 126.03 feet to a State of Maryland concrete monument;

(4) by and with land of the said State of Maryland and land of Ethel P. Scofield North 41 degrees 16 minutes East, 1311.24 feet to a point in the centerline of said Maryland Route No. 313, the place of beginning.

CONTAINING 107.015 acres, more or less.

SAVING AND EXCEPTING a certain tract of land granted and conveyed unto the State of Maryland by Leola Supply Company of Maryland by deed of conveyance bearing date of October 19, 1976 and recorded among the Land Records of Queen Anne's County in Liber CWC 117, page 393, etc.

BEING the property described in a Deed dated October 17, 1980 and recorded among the Land Records of Queen Anne's County in Liber HWX 168, folio 529 from Edward Turner and Patrick E. Thompson, Attorneys, to Millington Mills, Inc.

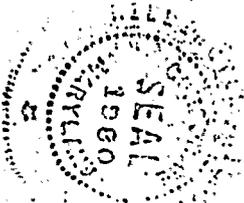
IN WITNESS WHEREOF, this Mortgage has been duly executed as of the day and year first above written.

ATTEST:

MORTGAGOR: MILLINGTON MILLS, INC.

By [Signature]
Secretary
(Corporate Seal)

By [Signature]
President



STATE OF PENNSYLVANIA:

SS:

COUNTY OF LANCASTER

On this, the 14th day of April, 1981, before me, John P. Myer, the undersigned officer, personally appeared / President who acknowledged himself to be the of Millington Mills, Inc., a corporation, and that he as such President, being authorized to do so, executed the foregoing Mortgage for the purposes therein contained by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission Expires: CATHRINE J. ERNST, Notary Public
Lancaster, Lancaster Co., Pa.
My Commission Expires Jan. 30, 1984

[Signature]
CATHRINE J. ERNST, Notary Public
Lancaster, Lancaster Co., Pa.
My Commission Expires Jan. 30, 1984

STATE OF PENNSYLVANIA)
COUNTY OF LANCASTER) SS:

JOHN J. BAKER, being duly sworn according to law, does depose and say that he is Vice President of The Commonwealth National Bank, that he is authorized to make this affidavit on its behalf, and that the consideration recited in the foregoing mortgage is true and bona fide.

Sworn and subscribed to before me this 14th day of April, 1981.

[Signature] (John J. Baker)



The Commonwealth National Bank

Dated: April 14, 1981
Amount: \$1,114,633.00

17.00
4,903.80
4,920.80

MORTGAGE

MILLINGTON MILLS, INC.

TO

STATE OF MARYLAND
COUNTY OF QUEEN ANNE'S

Recorded on this 22nd day of April 1981 in the Office of the Recorder of Deeds in and for said County, in Mortgage Book 1100M, Volume 174, Page 441

Given under my hand and seal of office, the date above written.

[Signature]
Recorder of Deeds

I hereby certify that the precise residence and complete post office address of the within-named Mortgagee is: P.O. Box 253 Millington, MD 21651

[Signature]
Attorney for Mortgagee

17-299

105,481

THE COMMONWEALTH NATIONAL *
BANK, A BANKING *
ASSOCIATION DULY ORGANIZED *
AND EXISTING UNDER THE *
LAWS OF THE UNITED *
STATES OF AMERICA *
28 Penn Square *
Lancaster, PA 17603 *

Plaintiff

vs.

MILLINGTON MILLS, INC., *
A MARYLAND CORPORATION, *
P. O. Box 253 *
Millington, Maryland 21651 *

Defendant

BY SERVICE UPON:

CORPORATION TRUST INC. *
32 South Street *
Baltimore, Maryland 21202, *
RESIDENT AGENT *

* * *

IN THE
CIRCUIT COURT
FOR
QUEEN ANNE'S COUNTY

7564

CLERK OF COURT
1984 MAR 27 4:11:00
QUEEN ANNE'S COUNTY

STATEMENT OF MORTGAGE DEBT

Original amount of mortgage dated April 14, 1981 and recorded in the land records of Queen Anne's County, Liber 174, page 441 &c.	\$1,114,633.00
Original amount of mortgage dated January 28, 1983 and recorded in the land records of Queen Anne's County, Liber 192, Page 779 &c.	<u>350,000.00</u>
TOTAL	\$1,461,633.00
Less principal payments made	<u>371,040.32</u>
Principal balance due	\$1,090,592.68

Plus interest due and payable through
March 27, 1984 (interest accrues
thereafter at the per diem rate of
\$333.24)

226,728.21

TOTAL

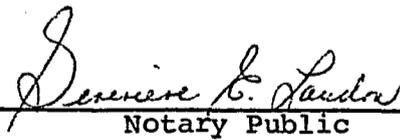
\$1,317,320.99

STATE OF MARYLAND

CITY OF BALTIMORE, to wit:

I HEREBY CERTIFY that on this 21st day of March , 1984,
before me, a Notary Public of the State of Maryland, in and for
the City of Baltimore, personally appeared Jacques H. Geisen-
berger, Jr., Agent for The Commonwealth National Bank, the
Plaintiff in the above-entitled cause, and made oath that the
foregoing is a true statement of the amount of the mortgage
claim under the mortgage filed in the said cause now remaining
due and unpaid.

AS WITNESS my hand and Notarial Seal this day and year
first above written.



Notary Public

Military Affidavit under Soldiers' and Sailors' Civil Relief Act of 1940 and Amendment thereto of October 6, 1942

THE COMMONWEALTH NATIONAL BANK, A BANKING ASSOCIATION DULY ORGANIZED AND EXISTING UNDER THE LAWS OF THE UNITED STATES OF AMERICA

vs.

MILLINGTON MILLS, INC., A MARYLAND CORPORATION

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

Docket Folio 7564

Military Affidavit

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY that, before me, the subscriber, a Notary Public of said State, in and for said City, personally appeared Sanford A. Harris, attorney for The Commonwealth National Bank

and made oath in due form of law that he (she) knows the defendant herein, and that to the best of his (her) information, knowledge and belief

- (1) said defendant is not in the military service of the United States, said Defendant is a corporation.
(2) said defendant is not in the military service of any nation allied with the United States,
(3) said defendant has not been ordered to report for induction under the Selective Training and Service Act of 1940 as amended,
(4) said defendant is not a member of the Enlisted Reserve Corps who has been ordered to report for military service.

Sanford A. Harris Affiant.

Subscribed and sworn to before me this 26th day of March 1944

Beverly Ann Herth Notary Public



1954 MAR-27 AM 11:00 QUEEN ANNE'S COUNTY

CCC:mfe:4/2/84

THE COMMONWEALTH NATIONAL BANK
vs.
MILLINGTON MILLS, INC.

: IN THE CIRCUIT COURT
: FOR QUEEN ANNE'S COUNTY,
: SITTING IN EQUITY
: NO. 7564

DECREE FOR SALE OF MORTGAGED PREMISES

The Petition, Exhibits, Statement of Mortgage Debt and Military Affidavit in the above cause having been submitted, the proceedings therein were by the Court read and considered,

It is Thereupon, this 3rd day of April, 1984, by the Circuit Court for Queen Anne's County, Sitting in Equity, ADJUDGED, ORDERED and DECREED, that the mortgaged property in the proceedings mentioned be sold, at or after any one of the periods limited in the mortgage filed for the forfeiture of said mortgage; that Sanford A. Harris be and he is hereby appointed Trustee to make said sale, and that the course and manner of the proceedings shall be as follows: (1) before making a sale of the mortgaged property, (a) he shall file with the Clerk of this Court a bond to the State of Maryland, approved pursuant to Md. Rule H2, to abide by any court order which may be made in relation to the sale of the mortgaged property, or the proceeds thereof, and (b) he shall give notice of the time, place and terms thereof by advertisement pursuant to Md. Rule W74 2 (b); (2) as soon as practicable after any such sale, and in no event more than 30 days after the date thereof, the Trustee shall render to this Court a full and particular account of the proceedings relative to the sale, with an affidavit of the fairness of the sale and of the truth of the report annexed thereto; (3) after complying with Md. Rule BR6 b. 3. and obtaining the Court's ratification of the sale, and on payment of the whole

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QUEEN ANNE'S COUNTY

purchase money, and not before, the said Trustee shall by a good and sufficient deed, to be executed, acknowledged and recorded, according to law, convey to the purchaser or purchasers, the property and estate sold, free, clear and discharged from all claim of the parties hereto and those claiming by, from or under them, or either of them; and (4) the said Trustee shall bring into this Court the money arising from said sale, to be distributed under the direction of this Court, after the papers in the proceeding have been referred to the Auditor of this Court to state an account, pursuant to Md. Rules W74 e. and BR6 b. 5.



Judge

DOCUMENT NO. 105,481

Corporate Mortgage

MORTGAGE

This Mortgage, made the 14th day of April, 1981, BETWEEN MILLINGTON MILLS, INC., a corporation organized and existing under the laws of the State of Maryland with offices at P.O. Box 253, Millington, Maryland 21651, Mortgagor, and THE COMMONWEALTH NATIONAL BANK, a banking association duly organized and existing under the laws of the United States of America, Mortgagee;

WITNESSETH:

WHEREAS, the said Mortgagor, in and by its certain mortgage note (hereinafter called "Note") under its corporate seal, duly executed, bearing even date herewith, is indebted to Mortgagee, its successors or assigns, in the principal sum of One Million, One Hundred Fourteen Thousand, Six Hundred Thirty-Three and 00/100 Dollars (\$1,114,633.00) lawful money of the United States of America, payable, with interest thereon, all in accordance with the terms and conditions of the Note;

NOW, THEREFORE, in consideration of said indebtedness and for better securing the payment of the same, and the interest thereon, and all other sums provided for in the Note or herein, to Mortgagee, and the performance of the covenants and agreements hereinafter expressed, Mortgagor does hereby grant, convey and mortgage unto Mortgagee the real property (hereinafter called "Land") described on Exhibit "A" appended hereto and made a part hereof;

TOGETHER WITH any and all buildings and existing improvements erected thereon.

TOGETHER WITH all fixtures, appliances, machinery, furnishings, heating and air conditioning plants, pipes, radiators, gas pipes, electric wiring and fixtures, ranges, boilers, bath tubs, lavatories, sinks, water closets, plumbing pipes, and all industrial equipment and machinery necessary for the operation of the premises as a complete going concern, now in the buildings erected on said premises, or which may hereafter be placed in said buildings, or in any buildings or additions which may hereafter be erected thereon, and which the Mortgagor, its successors or assigns, covenants, promises and agrees shall be taken and considered as part of the realty.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging to the land or any part thereof, hereby mortgaged or intended so to be, or in anywise appertaining thereto (including but not limited to all income, rents, and profits arising therefrom), all streets, alleys, passages, ways, water-courses, all other rights, liberties and privileges of whatsoever kind or character, the reversions and remainders, and all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well at law as in equity, of Mortgagor, in and to all of the foregoing or any or every part thereof (said land, buildings, improvements, fixtures, machinery, equipment, tenements, and other property interests being hereinafter collectively called "Premises").

THIS MORTGAGE shall be deemed to be a plant mortgage.

TO HAVE AND TO HOLD the Premises unto the Mortgagee to its own proper use and behoof forever.

THIS MORTGAGE (is) (~~is not~~) a Construction Mortgage, and any default under a Construction Loan AND Mortgagor covenants and agrees with Mortgagee, as follows: Agreement of even date shall be a default hereunder.

1. **WARRANTY OF TITLE.** Mortgagor warrants and will warrant generally the property hereby conveyed.
2. **PAYMENT OF SUMS SECURED.** Mortgagor shall pay to Mortgagee the principal of and interest upon the Note according to the terms of the Note secured hereby, reasonable charges fixed by Mortgagee to satisfy and discharge this Mortgage of record, and all other sums hereby secured; and shall keep and perform every other covenant and agreement of such Note and this Mortgage.
3. **WASTE, MAINTENANCE, COMPLIANCE AND INSPECTION.** Mortgagor shall abstain from and not permit the commission of waste in or about the Premises; shall not remove or demolish, or alter the structural character of, any building at any time erected on the Premises without the prior written consent of Mortgagee; shall maintain the Premises in good condition and repair, reasonable wear and tear excepted, and shall comply with any municipal ordinance or regulation affecting the Premises within thirty (30) days after notice thereof; provided, however, that if Mortgagor shall in good faith, and by proper legal action, contest any such ordinance or regulation, or the validity thereof, then Mortgagor shall not be required to comply therewith so long as such contest operates to prevent enforcement, and is maintained and prosecuted with diligence, and shall not have been terminated or discontinued adversely to Mortgagor. Mortgagee shall have the right, but not the duty to enter upon the Premises at any reasonable hour to inspect the order, condition and repair thereof.
4. **INSURANCE.** Mortgagor shall keep the building and improvements on the Land continuously insured against loss by fire, with extended coverage, in such total amount as Mortgagee may from time to time require (but such amount shall in no event exceed the full fair insurable value of said buildings and improvements), and against other hazards as Mortgagee may reasonably require. The policy or policies for such insurance shall be maintained in full force and effect until such time as the indebtedness hereby secured is fully repaid. All policies, including but not limited to policies for any amounts carried in excess of the aforesaid minimum shall be with an insurance company or companies, and in form, satisfactory to Mortgagee, and shall be payable to Mortgagee according to the terms of a standard mortgagee clause, not subject to full contribution, or of such other form as shall be satisfactory to Mortgagee. Mortgagee shall have the right to apply the proceeds of any such insurance, at its election, either to reduce the indebtedness secured hereby or to restore the Premises. All renewal policies shall be delivered, premiums paid, to Mortgagee at least ten (10) days before the expiration of the old policies. If Mortgagee becomes the owner of the Premises or any part thereof by foreclosure or otherwise, such policies shall become the absolute property of Mortgagee. Mortgagor shall give Mortgagee twenty (20) days' written notice before any termination or cancellation becomes effective to Mortgagee.
5. **TAXES AND OTHER CHARGES.** Mortgagor shall pay all real estate taxes, water and sewer rents and other similar claims and liens assessed or which may be assessed against the Premises or any part thereof, without any deduction, defalcation or abatement, not later than ten (10) days before the dates on which such taxes, water and sewer rents, claims and liens commence to bear interest or penalties, and not later than such dates shall produce to Mortgagee receipts for the payment thereof in full and shall pay every other tax, assessment, claim, lien or encumbrance which may at any time be or become a lien upon the Premises prior to the lien of this Mortgage; provided, however, that if Mortgagor shall in good faith, and by proper legal action, contest any such taxes, claims, liens, encumbrances or other charges, or the validity thereof, and shall have established on its books, or by deposit of cash with Mortgagee (as Mortgagee may elect), a reserve for the payment thereof in such amount as Mortgagee may require, then Mortgagor shall not be required to pay the same, or to produce such receipts, during the maintenance of said reserve and as long as such contest operates to prevent collection, and is maintained and prosecuted with diligence, and shall not have been terminated or discontinued adversely to Mortgagor. Mortgagor shall also pay, when due, and will not suffer to remain outstanding any charges of record, whether public or private, with respect to the Premises.

6. ESCROW FUNDS. Without limiting the effect of Paragraphs 4 and 5 hereof, Mortgagor shall, on the request of Mortgagee pay to Mortgagee monthly at the time when such monthly installment of principal and/or interest payable, in amount equal in one-twelfth (1/12) of the annual premiums for such fire and extended coverage insurance and such annual real estate taxes, ground rent, water rents, sewer rents, special assessments, and any other tax, assessment, claim, lien or encumbrance which may at any time be or become a lien upon the Premises prior to the lien of this Mortgage, and on demand from time to time shall pay to Mortgagee additional sums necessary to pay such premiums and other payments, all as estimated by Mortgagee, the amounts so paid to be security for such premiums and other payments and to be used in payment thereof. No amount so paid shall be deemed to be trust funds but may be commingled with general funds of Mortgagee, and no interest shall be payable thereon. If, pursuant to any provision of this Mortgage, the whole amount of said principal debt, or any installment of interest or principal and interest, remaining becomes due and payable, Mortgagee shall have the right at its election to apply any amounts so held against the entire indebtedness secured hereby.

7. FUTURE IMPOSITION. If at any time the United States Government or any department or bureau thereof shall require internal revenue stamps on the Note secured hereby, upon demand Mortgagor shall pay for the same; and on default of such payment within thirty (30) days after demand for same, the Mortgagee may pay for such stamps and add the amount so paid in the principal indebtedness evidenced by the Note and secured by this Mortgage, and said additional principal shall bear interest at the rate set forth in the Note.

8. LEASES. The Mortgagor will comply with and observe its obligations as Landlord under all leases affecting the Premises or any part or parts thereof. No existing or future lease for a term in excess of one (1) year, or at an annual rent in excess of Five Thousand Dollars (\$5,000.00), or which affects more than ten percent (10%) of the gross income of the Premises, and which covers the Premises or property or any part or parts thereof, or any facilities or business located or operated thereon or therefrom, shall be cancelled, surrendered, or modified without the written consent of Mortgagee. Mortgagor shall notify the Mortgagee immediately of any default asserted by any tenant under such a lease. If Mortgagor fails to cure such default on its part, as Landlord in any such lease, then Mortgagor expressly authorizes Mortgagee, at its option, to cure such default in order to prevent termination of any such lease by any such tenant, and the leases shall set forth the foregoing provisions. If, by reason of default of Mortgagor in the performance of any such lease, the tenant has the right to cancel such leases or to claim any diminution of or offset against further rents, then, at the option of Mortgagee, such default shall be a default under the Note and this Mortgage. Mortgagor agrees that it will not, without the written consent of the Mortgagee, receive or collect rents from any tenant, subtenant, undertenant, or other occupant of any part of the Premises for a period of more than one (1) month in advance, nor will Mortgagor grant any concessions to any of the foregoing persons or parties which will in any way reduce the monthly rentals as stated in any lease, and further that all leases on said Premises shall not be modified so as to in any way reduce the rental without the written consent of the Mortgagee. The Mortgagor upon request, from time to time, but not more often than annually unless a default shall have occurred under this Mortgage, will furnish to the Mortgagee in such reasonable detail as the Mortgagee may request, certified by the Mortgagor, copies of all leases relating to the Premises; and on demand, the Mortgagor will furnish to the Mortgagee executed counterparts of any and all such leases. Further, the Mortgagor, upon request, will furnish to the Mortgagee information relative to the occupancy and vacancy rates on the mortgaged property.

9. RIGHT TO REMEDY DEFECTS. If Mortgagor fails to pay any tax, claim, lien or encumbrance which shall be or become prior in lien to this Mortgage, or to pay any insurance premium as aforesaid, or to keep the Premises in repair, as aforesaid, or commits or permits waste, then Mortgagee, at its option, may pay said claim, lien, encumbrance, tax assessment or premium, with right of subrogation thereunder, may make such repairs and take such steps as it deems advisable to prevent or cure such waste, and may appear in any action or proceeding with respect to any of the foregoing and retain counsel therein, and take such action therein as Mortgagee deems advisable, and for any of said purposes Mortgagee may advance such sums of money as it deems necessary. Mortgagor will pay to Mortgagee, immediately and without demand, all sums of money advanced by Mortgagee pursuant to this paragraph, together with interest on each advance at the rate set forth in the Note, and all such sums and interest thereon shall be secured hereby.

10. CONDEMNATION. If any part of the Premises is condemned by any lawful authority for any public or quasi-public use or purpose, any award or payment arising therefrom shall be applied first to pay the indebtedness secured hereby. No settlement for the damages sustained thereby shall be made by Mortgagor without Mortgagee's prior written approval thereof. If the amount of an initial award of damages for the condemnation is insufficient to pay the amount of the indebtedness secured hereby in full with interest and costs, Mortgagee shall have the right to file an appeal or such other legal proceedings as legal counsel may advise to be appropriate under the circumstances in the name of Mortgagor or of Mortgagee (for which action Mortgagee or such counsel as it chooses is hereby irrevocably appointed attorney-in-fact for Mortgagor), and to prosecute same to final conclusion or otherwise dispose thereof, in which event the expenses of the appeal or other appropriate legal proceedings, including but not limited to counsel fees, shall be first paid out of the proceeds, and no credit shall be given on account of the mortgage debt other than a credit for the amount, if any, whereby the final proceeds exceed all such expenses. Nothing in this covenant or elsewhere in this Mortgage shall limit rights otherwise available at law to Mortgagee, including but not limited to rights to intervene as a party to any condemnation proceeding. Any and all compensation, awards, damages, claims, rights of action and proceeds hereunder are hereby assigned by the Mortgagor to the Mortgagee, to be applied as herein provided. The Mortgagor agrees to execute any assignment agreements that the Mortgagee may require in furtherance thereof.

11. DEFAULT AND REMEDIES. The following shall constitute Events of Default hereunder:
(a) The failure of Mortgagor to pay any installment of principal or interest or escrow deposit after the same becomes due and payable.
(b) The failure of Mortgagor to pay any other sum required to be paid in the Note or in this Mortgage after the same becomes due and payable.
(c) The failure of Mortgagor to perform or observe any covenant or agreement in the Note or in this Mortgage (other than the payment of money), and such failure is not cured within thirty (30) days after written notice from Mortgagee.
(d) Mortgagor's estate in the Premises is levied upon in execution or by other process of law and said execution or other process is not stayed or satisfied within twenty (20) days from the date of the issuance thereof.
(e) Any assignment for the benefit of Mortgagor's creditors, or other proceedings intended to liquidate or rehabilitate Mortgagor's estate, which proceedings are not discharged, vacated, dismissed or otherwise terminated and ended within ninety (90) days after the filing of the same or a valid appeal taken therefrom is pending; or Mortgagor's becoming insolvent within the meaning of the federal bankruptcy law.
(f) The occurrence of any event of default under the Note.

Upon the happening of any one or more Events of Default, the entire unpaid balance of the principal, the accrued interest and all other sums secured by this Mortgage shall, at the option of Mortgagee, become immediately due and payable without notice or demand, and in any such Event of Default Mortgagee may forthwith:

- (1) Foreclosure. Institute an action of mortgage foreclosure, or take such other action, as the law may allow in rem, at law or in equity, for the enforcement thereof and realization on the mortgage security or any other security which is herein or elsewhere provided for, and proceed thereon to final judgment and execution thereon for the entire unpaid balance of said principal sum with interest at the rate provided in the Note, together with all other sums secured by this Mortgage, all costs of suit, interest as provided in the Note on any judgment obtained by Mortgagee from and after the date of any Sheriff's Sale of the Premises (which may be sold in one parcel or in such parcels, manner or otherwise as Mortgagee shall elect) until actual payment is made by the Sheriff of the full amount due Mortgagee, and an attorney's commission for collection which shall be ten per cent (10%) of the total of the foregoing sums, but not less than Five Hundred Dollars (\$500.00), without further stay, any law, usage or custom to the contrary notwithstanding, or
- (2) Entry; Receivership. Enter into possession of the Premises, with or without legal action, and by force if necessary, lease the same, collect all rents and profits therefrom, and after deducting all costs of collection and administration expense, apply the net rents and profits to the payment of taxes, water and sewer rents, charges and claims, insurance premiums and all other carrying charges (including but not limited to agents' compensation and fees and costs of counsel and receivers) and to the maintenance, repair or restoration of the Premises, or on account and in reduction of the principal or interest, or principal and interest, hereby secured, in such order and amounts as Mortgagee in Mortgagee's sole discretion may elect, or have a receiver appointed to enter into possession of the Premises, collect the rents and profits therefrom, and apply the same as the court may direct. Mortgagee shall be liable to account only for rents and profits actually received by Mortgagee. For such purposes Mortgagor hereby authorizes any attorney of any court of record to appear for Mortgagor to sign an agreement for entering an amicable action of ejectment for possession of the Premises, and to confess judgment therein against Mortgagor in favor of Mortgagee, whereupon a writ may forthwith issue for the immediate possession of the Premises, without any prior writ or proceeding whatsoever; and for so doing this Mortgage or a copy hereof verified by affidavit shall be a sufficient warrant.

(3) Confession of Judgment. Enter judgment by confession pursuant to the terms and conditions of the Note and proceed with execution thereon.

12. **ASSIGNMENT OF LEASES AND RENTS AFTER DEFAULT.** As further security for payment of the indebtedness and performance of the obligations, covenants and agreements secured hereby, upon default hereof Mortgagor assigns to Mortgagee all leases applicable to the Land already in existence and to be created in the future, together with all rents to become due under existing or future leases. In any such case, Mortgagor hereby confers on Mortgagee the exclusive power, to be used or not in its sole discretion, to act as agent, or to appoint a third person to act as agent for Mortgagor, with power to take possession of, and collect all rents arising from, the Premises and apply such rents, at the option of Mortgagee, in the payment of the mortgage debt, taxes, costs of maintenance, repairs, expenses incident to managing and other expenses, in such order or priority as Mortgagee may in its sole discretion determine, and to turn any balance remaining over to Mortgagor; but such collection of rents shall not operate as an affirmation of the tenant or lease in the event Mortgagor's title to the Premises should be acquired by Mortgagee. Mortgagee shall be liable to account only for rents and profits actually received by Mortgagee. In exercising any of the powers in this paragraph contained, Mortgagee may also take possession of, and for these purposes use, any and all personal property contained in the Premises and used by Mortgagor in the rental or leasing thereof or any part thereof.

13. **COUNSEL FEES.** If Mortgagee becomes a party (by intervention or otherwise) to any action or proceeding affecting the Premises or the title thereto or Mortgagee's interest under this Mortgage, or employs an attorney to collect any of the indebtedness or to enforce performance of the obligations, covenants and agreements secured hereby, all reasonable costs, charges and counsel fees incurred by Mortgagee, in any such case, whether or not suit be commenced, shall be secured hereby as a further charge and lien upon the premises, and shall bear interest at the rate set forth in the Note.

14. **WAIVER OF DEFENSES AND CERTAIN NOTICES.** Mortgagor hereby waives and releases:

- (a) All errors, defects and imperfections in any proceedings instituted by Mortgagee under this Mortgage, except for lack of required notice.
- (b) All benefits that might accrue to Mortgagor by virtue of any present or future laws exempting the Premises, or any part of the proceeds arising from any sale thereof, from attachment, levy or sale under execution, or providing for any stay of execution, exemption from civil process, or extension of time for payment.
- (c) All notices not herein elsewhere specifically required, of Mortgagor's default or of Mortgagee's exercise, or election to exercise, any option under this Mortgage.

15. **TRANSFER OF TITLE.** Any transfer by sale, gift, devise, operation of law or otherwise of the fee title interest in all or any portion of the Premises (including the transfer of equitable title by execution of an agreement of sale) shall have the same consequences as an event of default respecting the indebtedness secured hereby, and upon such transfer, Mortgagee without prior notice or the elapse of any period of grace or the right to cure, shall have the right to declare all sums secured hereby immediately due and payable, and upon failure by Mortgagor to make such payment within thirty (30) days of written demand therefor, Mortgagee shall have the right to exercise all remedies provided in the Note, this Mortgage, or otherwise at law. Mortgagor understands and agrees that any transfer as herein described will materially impair Mortgagee's security and constitute a material breach of contract warranting exercise of any and all remedies as aforesaid.

16. **USE OF PREMISES AFTER DEFAULT.** On and after any event of default in the payment of any sum secured hereby, the Mortgagor or anyone claiming by, through or under him, shall, upon demand of the Mortgagee, become a month-to-month tenant of the Mortgagee and shall pay as monthly rental for the portion of the Premises occupied by the Mortgagor, the respective sums agreed to be paid as monthly payments in this Mortgage in advance on the dates and in the manner provided for such payment in said Note, and in default of so doing, the Mortgagor and anyone claiming by, through, or under him, may be dispossessed by proceeding under the Landlord Tenant Act or any other appropriate summary proceedings, and Mortgagee may exercise such other rights and remedies as it determines to collect rentals and otherwise deal with the tenants on the Premises, and this covenant shall be effective either with or without any action being brought to foreclose this Mortgage and without applying for a receiver to collect rents.

17. **ESTOPPEL AFFIDAVITS.** The Mortgagee and Mortgagor within ten (10) days after written request from the other party shall furnish a written statement, duly acknowledged, setting forth the unpaid principal of, and interest on, the Note and whether or not any offsets or defenses exist against such principal and interest, and/or whether or not there exists or has been any default under the terms of this Mortgage or under such other documents as are executed in connection with this Mortgage together with the details thereof.

18. **FURTHER ASSURANCES.** At any time, and from time to time, upon request by the Mortgagee, the Mortgagor will cooperate to execute and deliver or cause to be made, executed and delivered to the Mortgagee any and all other further instruments, certificates, and other documents as reasonably may, in the opinion of the Mortgagee be necessary, or desirable in order to effectuate, complete, perfect or to continue and preserve the obligation of the Mortgagor under the Note and the lien of this Mortgage and security interest.

19. **PAYMENT.** All payments of principal, interest and any and all other payments required or provided for herein shall be paid at the office of the Mortgagee or at such other place either within or without the Commonwealth of Pennsylvania as the holder of the Note may from time to time designate.

20. **LATE CHARGES.** In the event any installment of principal and interest or payments into the escrow account shall become overdue for a period in excess of fifteen (15) days, a "late charge" may be imposed at the rate of four cents (4¢) for each dollar so overdue.

21. **RECORDED INSTRUMENTS.** Mortgagor will promptly perform and observe, or cause to be performed or observed, all of the terms, covenants and conditions of all instruments of record affecting the Premises, noncompliance with which shall affect the security of this Mortgage, and the Mortgagor shall do or cause to be done all things necessary to preserve intact and unimpaired any and all easements, appurtenances and other interests and rights in favor of or constituting any portion of the Premises.

22. **NOTICE.** A notice which is mailed certified mail, return receipt requested, to Mortgagor at the Premises or at such other address as Mortgagor shall designate to Mortgagee in writing, and a notice to Mortgagee or such other person as shall be designated in writing by Mortgagee, at the address herein or in said notice, by certified mail, return receipt requested, shall be sufficient notice when required under this Mortgage.

23. **CUMULATIVE RIGHTS AND REMEDIES.** The rights and remedies of Mortgagee as provided herein, or in the Note, and the warrant therein contained, shall be cumulative and concurrent, and may be pursued singly, successively or together at the sole discretion of Mortgagee, and may be exercised as often as occasion therefor shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release of the same.

24. **INVALID PROVISIONS TO AFFECT NO OTHER.** In case of any one or more of the covenants, agreements, terms or provisions contained in this Mortgage or in the Note shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein and in the Note shall be in no way affected, prejudiced or disturbed thereby.

25. **SATISFACTION OF THIS MORTGAGE.** If Mortgagor complies with the provisions of this Mortgage and pays to Mortgagee said principal sum, and all other sums payable by Mortgagor to Mortgagee, as are hereby secured, in accordance with the provisions of the Note and in the manner and at the times therein set forth, without deduction, fraud or delay, then and from thenceforth this Mortgage, and the estate hereby granted, shall cease and become void, anything hereinbefore contained to the contrary notwithstanding.

26. **MORTGAGE ADVANCES.** If this mortgage is stated to be a construction mortgage, it is understood and agreed by the parties hereto that the consideration for the within mortgage is the present and future advancement of funds to the Mortgagor by the Mortgagee in accordance with a loan agreement executed concurrently herewith to provide for financing the acquisition and/or construction of improvements on the Premises herein described, and it is understood and agreed by the parties hereto that the within mortgage shall have the full force, effect and benefits of a mortgage to secure present and future advances since this Mortgage is intended to be and is a construction and purchase money mortgage under the provisions of the Lien Priority Law, as amended.

27. **CONSTRUCTION.** The words "Mortgagor" and "Mortgagee" include corporation, the respective successors and assigns of Mortgagor and Mortgagee, as the case may be. This Mortgage and the Note secured hereby are to be construed according to the laws of the State of Maryland.

28. Paragraph 28 appears on Exhibit A.

29. Paragraph 29 appears on Exhibit A.

LIBER 174 PAGE 443

LIBER 17 PAGE 307

28. Anything herein provided to the contrary, notwithstanding, it is expressly understood and agreed that the aforesaid obligation shall cover, as well, any future advancements that may be made by Mortgagee to Mortgagor at any time or times hereafter, provided at no time may the total balance due by Mortgagor to Mortgagee thereunder, whether the same represents, in whole or in part, the initial advance or any future advances or advance, exceed the sum of \$1,114,633.00.

29. Mortgagor, in accordance with the provisions of the Real Property Article of the Code of Public General Laws of the State of Maryland, of the Maryland Rules or of any other general or local laws of the State of Maryland relating to mortgages, including any amendments, supplements or additions thereof, does hereby (1) declare its assent to the passing of a decree for the sale of the herein described property at any time after a default has occurred in any of the conditions of this mortgage, as herein provided; and Mortgagor does (2) also authorize Mortgagee, its heirs, personal representatives, successors or assigns, or its attorney, after any such default shall have occurred as aforesaid, to sell the hereby mortgaged premises.

BEGINNING at a point in the centerline of the aforesaid public road, Maryland Route No. 313, and in the East line of land of Ethel P. Scofield, said point being North 41 degrees 16 minutes East of, and 38.96 feet from a concrete monument; thence running by and with the centerline of said public road and being the south line of land of the United Logging and Piling Company, formerly a part of the land herein described, North 8 degrees 32 minutes East, 1598.77 feet; thence by the same and being a chord of the curve in said road, North 80 degrees 40 minutes East, 307.4 feet to a point at the intersection of the centerlines of the said Maryland Route No. 313 and the public road leading therefrom to Highman's Mill; thence by and with the centerline of the said Highman's Mill Road South 51 degrees 3 minutes East, 171.38 feet to a point and being the Northwest corner of land of Elmer E. Glanding, said point being North 33 degrees 11 minutes East of, and 25.67 feet from a concrete monument; thence running by and with the Westerly line of land of the said Elmer E. Glanding and land of Earl L. Glanding, through and over the aforesaid concrete monument South 33 degrees 11 minutes West, 3696.65 feet to a point in the high water line of Unicorn Mill Pond, said point being South 33 degrees 11 minutes West of and 15.00 feet from a concrete monument; thence running by and with the high water line of said Mill Pond the following fourteen courses and distances:

- (1) North 17 degrees 36 minutes West 193.09 feet;
- (2) North 43 degrees 19 minutes West 246.36 feet;
- (3) North 01 degree 16 minutes East 96.58 feet;
- (4) North 15 degrees 20 minutes West 183.48 feet;
- (5) North 85 degrees 05 minutes West 155.22 feet;
- (6) North 38 degrees 10 minutes West 156.92 feet;
- (7) North 15 degrees 39 minutes East 72.82 feet;
- (8) North 39 degrees 26 minutes West 109.22 feet;
- (9) North 02 degrees 35 minutes West 80.0 feet;
- (10) North 52 degrees 01 minute East 90.82 feet;
- (11) North 21 degrees 06 minutes West 94.62 feet;
- (12) North 02 degrees 09 minutes East 306.7 feet;
- (13) North 15 degrees 46 minutes West 67.98 feet;
- (14) North 38 degrees 23 minutes West 217.37 feet

REC'D APR 22 PM 12:56
QUEEN ANNE'S COUNTY

concrete monument at the Northeast corner of the breast of said Unicorn Mill Pond which was conveyed unto the State of Maryland to the use of the Game and Inland Fish Commission by James Francis Panunto, by deed dated September 6, 1961 and recorded in Liber TSP No. 62, folio 492, etc.; thence running by and with land of the said State of Maryland, formerly of James Francis Panunto, the following four courses and distances:

- (1) North 18 degrees 21 minutes West 204.44 feet to an iron pipe;
- (2) North 33 degrees 58 minutes West 144.97 feet to an iron pipe;
- (3) North 22 degrees 21 minutes West 126.03 feet to a State of Maryland concrete monument;

(4) by and with land of the said State of Maryland and land of Ethel P. Scofield North 41 degrees 16 minutes East, 1311.24 feet to a point in the centerline of said Maryland Route No. 313, the place of beginning.

CONTAINING 107.015 acres, more or less.

SAVING AND EXCEPTING a certain tract of land granted and conveyed unto the State of Maryland by Leola Supply Company of Maryland by deed of conveyance bearing date of October 19, 1976 and recorded among the Land Records of Queen Anne's County in Liber CWC 117, page 293, etc.

BEING the property described in a Deed dated October 17, 1980 and recorded among the Land Records of Queen Anne's County in Liber WXX 162, folio 529 from Edward Turner and Patrick E. Thompson, Attorneys, to Millington Mills, Inc.

IN WITNESS WHEREOF, this Mortgage has been duly executed as of the day and year first above written.

ATTEST:

By [Signature] Secretary

(Corporate Seal)

MORTGAGOR: MILLINGTON MILLS, INC.

By [Signature] President



STATE OF PENNSYLVANIA:

COUNTY OF LANCASTER

SS:

On this, the 14th day of April, 1981, before me, John P. Myer, the undersigned officer, personally appeared / President who acknowledged himself to be the of Millington Mills, Inc., a corporation, and that he as such President, being authorized to do so, executed the foregoing Mortgage for the purposes therein contained by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission Expires: CATHRINE J. ERNST, Notary Public Lancaster, Lancaster Co., Pa. My Commission Expires Jan. 30, 1984

STATE OF PENNSYLVANIA) COUNTY OF LANCASTER) SS:

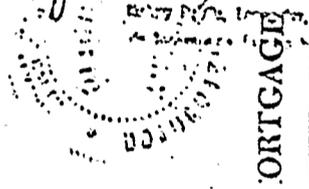
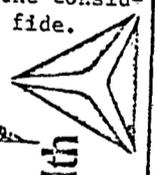
[Signature of Catherine J. Ernst]

JOHN J. BAKER, being duly sworn according to law, does depose and say that he is Vice President of The Commonwealth National Bank, that he is authorized to make this affidavit on its behalf, and that the consideration recited in the foregoing mortgage is true and bona fide.

Sworn and subscribed to before me this 14th day of April, 1981.

[Signature] Notary Public

[Signature] (John J. Baker)



MORTGAGE

MILLS, INC.

TO

Commonwealth Bank

April 14, 1981

1,114,633.00

17.00
903.80
1920.80

I hereby certify that the precise residence and complete post office address of the within-named Mortgagee

is: P.O. Box 253 Millington, MD 21651

[Signature]
Attorney for Mortgage

LIBER : 17 - AGE 310

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied
from Liber M.W.M. #174, folio 441, a Land Record Book
for Queen Anne's County.



IN TESTIMONY WHEREOF, I hereunto
subscribe my name and affix the
Seal of the Circuit Court for
Queen Anne's County, this 7th
day of June, 19 84.

Marguerite W. Mankin
Marguerite W. Mankin, Cler' of the
Circuit Court for Queen Anne's County

DOCUMENT NO. 111 321
Corporate Mortgage

MORTGAGE

This Mortgage, made the 28th day of January, 1983
BETWEEN MILLINGTON MILLS, INC.
a corporation organized and existing under the laws of the State of Maryland with offices at
P. O. Box 253, Millington, Maryland 21651, Mortgagor, and THE COMMON-
WEALTH NATIONAL BANK, a banking association duly organized and existing under the laws of the United
States of America, ~~Mortgagee~~ with offices at 28 Penn Square, Lancaster, Pennsylvania 17603
Mortgagee.

W I T N E S S E T H:

WHEREAS, the said Mortgagor, in and by its certain notes (hereinafter called "Note") under its corporate seal, duly executed, ~~is indebted to Mortgagee~~, is indebted to Mortgagee, its successors or assigns, in the principal sum of Three Hundred Fifty Thousand and 00/100

Dollars (\$ 350,000.00)

lawful money of the United States of America, payable, with interest thereon, all in accordance with the terms and conditions of the Note; and

WHEREAS, pursuant to the terms of Mortgagee's commitment letter dated January 14, 1983, Mortgagee may in the future make additional advancements to Mortgagor up to \$100,000.00;

NOW, THEREFORE, in consideration of said indebtedness and for better securing the payment of the same, and the interest thereon, and all other sums provided for in the Note or herein, to Mortgagee, and the performance of the covenants and agreements hereinafter expressed, Mortgagor does hereby grant, convey and mortgage unto Mortgagee the real property (hereinafter called "Land") described on Exhibit "A" appended hereto and made a part hereof;

TOGETHER WITH any and all buildings and existing improvements erected thereon.

TOGETHER WITH all fixtures, appliances, machinery, furnishings, heating and air conditioning plants, pipes, radiators, gas pipes, electric wiring and fixtures, ranges, boilers, bath tubs, lavatories, sinks, water closets, plumbing pipes, and all industrial equipment and machinery necessary for the operation of the premises as a complete going concern, now in the buildings erected on said premises, or which may hereafter be placed in said buildings, or in any buildings or additions which may hereafter be erected thereon, and which the Mortgagor, its successors or assigns, covenants, promises and agrees shall be taken and considered as part of the realty.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging to the land or any part thereof, hereby mortgaged or intended so to be, or in anywise appertaining thereto (including but not limited to all income, rents, and profits arising therefrom), all streets, alleys, passages, ways, water-courses, all other rights, liberties and privileges of whatsoever kind or character, the reversions and remainders, and all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well at law as in equity, of Mortgagor, in and to all of the foregoing or any or every part thereof (said land, buildings, improvements, fixtures, machinery, equipment, tenements, and other property interests being hereinafter collectively called "Premises").

THIS MORTGAGE shall be deemed to be a plant mortgage.

TO HAVE AND TO HOLD the Premises unto the Mortgagee to its own proper use and behoof forever.

THIS MORTGAGE ~~is~~(is not) a Construction Mortgage.

AND Mortgagor covenants and agrees with Mortgagee, as follows:

1. WAIBANTY OF TITLE. Mortgagor warrants and will warrant generally the property hereby conveyed.
2. PAYMENT OF SUMS SECURED. Mortgagor shall pay to Mortgagee the principal of and interest upon the Note according to the terms of the Note secured hereby, reasonable charges fixed by Mortgagee to satisfy and discharge this Mortgage of record, and all other sums hereby secured, and shall keep and perform every other covenant and agreement of such Note and this Mortgage.
3. WASTE, MAINTENANCE, COMPLIANCE AND INSPECTION. Mortgagor shall abstain from and not permit the commission of waste in or about the Premises; shall not remove or demolish, or alter the structural character of, any building at any time erected on the Premises without the prior written consent of Mortgagee; shall maintain the Premises in good condition and repair, reasonable wear and tear excepted, and shall comply with any municipal ordinance or regulation affecting the Premises within thirty (30) days after notice thereof, provided, however, that if Mortgagor shall in good faith, and by proper legal action, contest any such ordinance or regulation, or the validity thereof, then Mortgagor shall not be required to comply therewith so long as such contest operates to prevent enforcement, and is maintained and prosecuted with diligence, and shall not have been terminated or discontinued adversely to Mortgagor. Mortgagee shall have the right, but not the duty to enter upon the Premises at any reasonable hour to inspect the order, condition and repair thereof.
4. INSURANCE. Mortgagor shall keep the building and improvements on the Land continuously insured against loss by fire, with extended coverage, in such total amount as Mortgagee may from time to time require (but such amount shall in no event exceed the full fair insurable value of said buildings and improvements), and against other hazards as Mortgagee may reasonably require. The policy or policies for such insurance shall be maintained in full force and effect until such time as the indebtedness hereby secured is fully repaid. All policies, including but not limited to policies for any amounts carried in excess of the aforesaid minimum shall be with an insurance company or companies, and in form, satisfactory to Mortgagee, and shall be payable to Mortgagee. Mortgagee shall have the right to apply the proceeds of any such insurance, at its election, either to reduce the indebtedness secured hereby or to restore the Premises. All renewal policies shall be delivered, premiums paid, to Mortgagee at least ten (10) days before the expiration of the old policies. If Mortgagee becomes the owner of the Premises or any part thereof by foreclosure or otherwise, such policies shall become the absolute property of Mortgagee. Mortgagor shall give Mortgagee twenty (20) days' written notice before any termination or cancellation becomes effective to Mortgagee.
5. TAXES AND OTHER CHARGES. Mortgagor shall pay all real estate taxes, water and sewer rents and other similar claims and liens assessed or which may be assessed against the Premises or any part thereof, without any deduction, defalcation or abatement, not later than ten (10) days before the dates on which such taxes, water and sewer rents, claims and liens commence to bear interest or penalties, and not later than such dates shall produce to Mortgagee receipts for the payment thereof in full and shall pay every other tax, assessment, claim, lien or encumbrance which may at any time be or become a lien upon the Premises prior to the lien of this Mortgage, provided, however, that if Mortgagor shall in good faith, and by proper legal action, contest any such taxes, claims, liens, encumbrances or other charges, or the validity thereof, and shall have established on its books, or by deposit of cash with Mortgagee (as Mortgagee may elect), a reserve for the payment thereof in such amount as Mortgagee may require, then Mortgagor shall not be required to pay the same, or to produce such receipts during the maintenance of said reserve and as long as such contest operates to prevent collection, and is maintained and prosecuted with diligence, and shall not have been terminated or discontinued adversely to Mortgagor. Mortgagor shall also pay, when due, and will not be liable to renege, outstanding, any charges for utilities, whether public or private, with respect to the Premises.

LIBERTY 192 780 UNIT 17 312

6. ESCROW FUNDS. Without limiting the effect of Paragraphs 4 and 5 hereof, Mortgagor shall, upon the request of Mortgagee pay to Mortgagee monthly at the time when such monthly installment of principal and/or interest payable, an amount equal to one-twelfth (1/12) of the annual premiums for such fire and extended coverage insurance and such annual real estate taxes, ground rent, water rents, sewer rents, special assessments, and any other tax, assessment, claim, lien or encumbrance which may at any time be or become a lien upon the Premises prior to the lien of this Mortgage, and on demand from time to time shall pay to Mortgagee additional sums necessary to pay such premiums and other payments, all as estimated by Mortgagee, the amounts so paid to be security for such premiums and other payments and to be used in payment thereof. No amount so paid shall be deemed to be trust funds but may be commingled with general funds of Mortgagee, and no interest shall be payable thereon. If, pursuant to any provision of this Mortgage, the whole amount of said principal debt, or any installment of interest or principal and interest, remaining becomes due and payable, Mortgagee shall have the right at its election to apply any amounts so held against the entire indebtedness secured hereby.

7. FUTURE IMPOSITION. If at any time the United States Government or any department or bureau thereof shall require internal revenue stamps on the Note secured hereby, upon demand Mortgagee shall pay for the same; and on default of such payment within thirty (30) days after demand for same, the Mortgagee may pay for such stamps and add the amount so paid to the principal indebtedness evidenced by the Note and secured by this Mortgage, and said additional principal shall bear interest at the rate set forth in the Note.

8. LEASES. The Mortgagor will comply with and observe its obligations as Landlord under all leases affecting the Premises or any part or parts thereof. No existing or future lease for a term in excess of one (1) year, or at an annual rent in excess of Five Thousand Dollars (\$5,000.00), or which affects more than ten percent (10%) of the gross income of the Premises, and which covers the Premises or property or any part or parts thereof, or any facilities or business located or operated thereon or therefrom, shall be cancelled, surrendered, or modified without the written consent of Mortgagee. Mortgagor shall notify the Mortgagee immediately of any default asserted by any tenant under such a lease. If Mortgagor fails to cure such default on its part, as Landlord in any such lease, then Mortgagee expressly authorizes Mortgagee, at its option, to cure such default in order to prevent termination of any such lease by any such tenant, and the leases shall set forth the foregoing provisions. If, by reason of default of Mortgagor in the performance of any such lease, the tenant has the right to cancel such leases or to claim any diminution of or offset against further rents, then, at the option of Mortgagee, such default shall be a default under the Note and this Mortgage. Mortgagor agrees that it will not, without the written consent of the Mortgagee, receive or collect rents from any tenant, subtenant, undertenant, or other occupant of any part of the Premises for a period of more than one (1) month in advance, nor will Mortgagor grant any concessions to any of the foregoing persons or parties which will in any way reduce the monthly rentals as stated in any lease, and further that all leases on said Premises shall not be modified so as to in any way reduce the rental without the written consent of the Mortgagee. The Mortgagor upon request, from time to time, but not more often than annually unless a default shall have occurred under this Mortgage, will furnish to the Mortgagee in such reasonable detail as the Mortgagee may request, certified by the Mortgagor, copies of all leases relating to the Premises; and on demand, the Mortgagor will furnish to the Mortgagee executed counterparts of any and all such leases. Further, the Mortgagor, upon request, will furnish to the Mortgagee information relative to the occupancy and vacancy rates on the mortgaged property.

9. RIGHT TO REMEDY DEFECTS. If Mortgagor fails to pay any tax, claim, lien or encumbrance which shall be or become prior in lien to this Mortgage, or to pay any insurance premium as aforesaid, or to keep the Premises in repair, as aforesaid, or commits or permits waste, then Mortgagee, at its option, may pay said claim, lien, encumbrance, tax assessment or premium, with right of subrogation thereunder, may make such repairs and take such steps as it deems advisable to prevent or cure such waste, and may appear in any action or proceeding with respect to any of the foregoing and retain counsel therein, and take such action therein as Mortgagee deems advisable, and for any of said purposes Mortgagee may advance such sums of money as it deems necessary. Mortgagor will pay to Mortgagee, immediately and without demand, all sums of money advanced by Mortgagee pursuant to this paragraph, together with interest on each advance at the rate set forth in the Note, and all such sums and interest thereon shall be secured hereby.

10. CONDEMNATION. If any part of the Premises is condemned by any lawful authority for any public or quasi-public use or purpose, any award or payment arising therefrom shall be applied first to pay the indebtedness secured hereby. No settlement for the damages sustained thereby shall be made by Mortgagor without Mortgagee's prior written approval thereof. If the amount of an initial award of damages for the condemnation is insufficient to pay the amount of the indebtedness secured hereby in full with interest and costs, Mortgagee shall have the right to file an appeal or such other legal proceedings as legal counsel may advise to be appropriate under the circumstances in the name of Mortgagor or of Mortgagee (for which action Mortgagee or such counsel as it chooses is hereby irrevocably appointed attorney-in-fact for Mortgagor), and to prosecute same to final conclusion or otherwise dispose thereof, in which event the expenses of the appeal or other appropriate legal proceedings, including but not limited to counsel fees, shall be first paid out of the proceeds, and no credit shall be given on account of the mortgage debt other than a credit for the amount, if any, whereby the final proceeds exceed all such expenses. Nothing in this covenant or elsewhere in this Mortgage shall limit rights otherwise available at law to Mortgagee, including but not limited to rights to intervene as a party to any condemnation proceeding. Any and all compensation, awards, damages, claims, rights of action and proceeds hereunder are hereby assigned by the Mortgagor to the Mortgagee, to be applied as herein provided. The Mortgagor agrees to execute any assignment agreements that the Mortgagee may require in furtherance thereof.

11. DEFAULT AND REMEDIES. The following shall constitute Events of Default hereunder:

- (a) The failure of Mortgagor to pay any installment of principal or interest or escrow deposit after the same becomes due and payable.
- (b) The failure of Mortgagor to pay any other sum required to be paid in the Note or in this Mortgage after the same becomes due and payable.
- (c) The failure of Mortgagor to perform or observe any covenant or agreement in the Note or in this Mortgage (other than the payment of money), and such failure is not cured within thirty (30) days after written notice from Mortgagee.
- (d) Mortgagor's estate in the Premises is levied upon in execution or by other process of law and said execution or other process is not stayed or satisfied within twenty (20) days from the date of the issuance thereof.
- (e) Any assignment for the benefit of Mortgagor's creditors, or other proceedings intended to liquidate or rehabilitate Mortgagor's estate, which proceedings are not discharged, vacated, dismissed or otherwise terminated and ended within ninety (90) days after the filing of the same or a valid appeal taken therefrom is pending; or Mortgagor's becoming insolvent within the meaning of the federal bankruptcy law.
- (f) The occurrence of any event of default under the Note.

Upon the happening of any one or more Events of Default, the entire unpaid balance of the principal, the accrued interest and all other sums secured by this Mortgage shall, at the option of Mortgagee, become immediately due and payable without notice or demand, and in any such Event of Default Mortgagee may forthwith:

(1) Foreclosure. Institute an action of mortgage foreclosure, or take such other action, as the law may allow *in rem*, at law or in equity, for the enforcement thereof and realization on the mortgage security or any other security which is herein or elsewhere provided for, and proceed thereon to final judgment and execution thereon for the entire unpaid balance of said principal sum with interest at the rate provided in the Note, together with all other sums secured by this Mortgage, all costs of suit, interest as provided in the Note on any judgment obtained by Mortgagee from and after the date of any Sheriff's Sale of the Premises (which may be sold in one parcel or in such parcels, manner or otherwise as Mortgagee shall elect) until actual payment is made by the Sheriff of the full amount due Mortgagee, and an attorney's commission for collection which shall be ten per cent (10%) of the total of the foregoing sums, but not less than Five Hundred Dollars (\$500.00), without further stay, any law, usage or custom to the contrary notwithstanding, or

(2) Entry; Receivership. Enter into possession of the Premises, with or without legal action, and by force if necessary, lease the same, collect all rents and profits therefrom, and after deducting all costs of collection and administration expense, apply the net rents and profits to the payment of taxes, water and sewer rents, charges and claims, insurance premiums and all other carrying charges (including but not limited to agents' compensation and fees and costs of counsel and receivers) and to the maintenance, repair or restoration of the Premises, or on account and in reduction of the principal or interest, or principal and interest, hereby secured, in such order and amounts as Mortgagee in Mortgagee's sole discretion may elect, or have a receiver appointed to enter into possession of the Premises, collect the rents and profits therefrom, and apply the same as the court may direct. Mortgagee shall be liable in account only for rents and profits actually received by Mortgagee. For such purposes Mortgagor hereby authorizes any attorney of any court of record to appear for Mortgagor to sign an agreement for entering an amicable action of ejectment for possession of the Premises, and to confess judgment therein against Mortgagor in favor of Mortgagee, whereupon a writ may forthwith issue for the immediate possession of the Premises, without any prior writ or proceeding whatsoever; and for so doing this Mortgage or a copy hereof verified by affidavit shall be a sufficient warrant.

(3) Confession of Judgment. Enter judgment by confession pursuant to the terms and conditions of the Note and proceed with execution thereon.

12. ASSIGNMENT OF LEASES AND RENTS AFTER DEFAULT. As further security for payment of the indebtedness and performance of the obligations, covenants and agreements secured hereby, upon default hereof Mortgagor assigns to Mortgagee all leases applicable to the Land already in existence and to be created in the future, together with all rents to become due under existing or future leases. In any such case, Mortgagor hereby confers on Mortgagee the exclusive power, to be used or not in its sole discretion, to act as agent, or to appoint a third person to act as agent for Mortgagor, with power to take possession of, and collect all rents arising from, the Premises and apply such rents, at the option of Mortgagee, to the payment of the mortgage debt, taxes, costs of maintenance, repairs, expenses incident to managing and other expenses, in such order or priority as Mortgagee may in its sole discretion determine, and to turn any balance remaining over to Mortgagor; but such collection of rents shall not operate as an affirmation of the tenant or lease in the event Mortgagor's title to the Premises should be acquired by Mortgagee. Mortgagee shall be liable to account only for rents and profits actually received by Mortgagee. In exercising any of the powers in this paragraph contained, Mortgagee may also take possession of, and for these purposes use, any and all personal property contained in the Premises and used by Mortgagor in the rental or leasing thereof or any part thereof.

13. COUNSEL FEES. If Mortgagee becomes a party (by intervention or otherwise) in any action or proceeding affecting the Premises or the title thereto or Mortgagor's interest under this Mortgage, or employs an attorney to collect any of the indebtedness or to enforce performance of the obligations, covenants and agreements secured hereby, all reasonable costs, charges and counsel fees incurred by Mortgagee, in any such case, whether or not suit be commenced, shall be secured hereby as a further charge and lien upon the premises, and shall bear interest at the rate set forth in the Note.

14. WAIVER OF DEFENSES AND CERTAIN NOTICES. Mortgagor hereby waives and releases:
(a) All errors, defects and imperfections in any proceedings instituted by Mortgagee under this Mortgage, except for lack of required notice.
(b) All benefits that might accrue to Mortgagor by virtue of any present or future laws exempting the Premises, or any part of the proceeds arising from any sale thereof, from attachment, levy or sale under execution, or providing for any stay of execution, exemption from civil process, or extension of time for payment.
(c) All notices not herein elsewhere specifically required, of Mortgagor's default or of Mortgagee's exercise, or election to exercise, any option under this Mortgage.

15. TRANSFER OF TITLE. Any transfer by sale, gift, devise, operation of law or otherwise of the fee title interest in all or any portion of the Premises (including the transfer of equitable title by execution of an agreement of sale) shall have the same consequences as an event of default respecting the indebtedness secured hereby, and upon such transfer, Mortgagee without prior notice or the elapse of any period of grace or the right to cure, shall have the right to declare all sums secured hereby immediately due and payable, and upon failure by Mortgagor to make such payment within thirty (30) days of written demand therefor, Mortgagee shall have the right to exercise all remedies provided in the Note, this Mortgage, or otherwise at law. Mortgagor understands and agrees that any transfer as herein described will materially impair Mortgagee's security and constitute a material breach of contract warranting exercise of any and all remedies as aforesaid.

16. USE OF PREMISES AFTER DEFAULT. On and after any event of default in the payment of any sum secured hereby, the Mortgagor or anyone claiming by, through or under him, shall, upon demand of the Mortgagee, become a month-to-month tenant of the Premises and shall pay as monthly rental for the portion of the Premises occupied by the Mortgagor, the respective sums agreed to be paid as monthly payments in this Mortgage in advance on the dates and in the manner provided for such payment in said Note, and in default of so doing, the Mortgagor and anyone claiming by, through, or under him, may be dispossessed by proceeding under the Landlord Tenant Act or any other appropriate summary proceedings, and Mortgagee may exercise such other rights and remedies as it determines to collect rentals and otherwise deal with the tenants on the Premises, and this covenant shall be effective either with or without any action being brought to enforce this Mortgage and without applying for a receiver to collect rents.

17. ESTOPPEL AFFIDAVITS. The Mortgagee and Mortgagor within ten (10) days after written request from the other party shall furnish a written statement, duly acknowledged, setting forth the unpaid principal of, and interest on, the Note and whether or not any offsets or defenses exist against such principal and interest, and/or whether or not there exists or has been any default under the terms of this Mortgage or under such other documents as are executed in connection with this Mortgage together with the details thereof.

18. FURTHER ASSURANCES. At any time, and from time to time, upon request by the Mortgagee, the Mortgagor will cooperate to execute and deliver or cause to be made, executed and delivered to the Mortgagee any and all other further instruments, certificates, and other documents as reasonably may, in the opinion of the Mortgagee be necessary, or desirable in order to effectuate, complete, perfect or to continue and preserve the obligation of the Mortgagor under the Note and the lien of this Mortgage and security interest.

19. PAYMENT. All payments of principal, interest and any and all other payments required or provided for herein shall be paid at the office of the Mortgagee or at such other place either within or without the Commonwealth of Pennsylvania as the holder of the Note may from time to time designate.

20. LATE CHARGES. In the event any installment of principal and interest or payments into the escrow account shall become overdue for a period in excess of fifteen (15) days, a "late charge" may be imposed at the rate of four cents (4¢) for each dollar so overdue.

21. RECORDED INSTRUMENTS. Mortgagor will promptly perform and observe, or cause to be performed or observed, all of the terms, covenants and conditions of all instruments of record affecting the Premises, noncompliance with which shall affect the security of this Mortgage, and the Mortgagor shall do or cause to be done all things necessary to preserve intact and unimpaired any and all easements, appurtenances and other interests and rights in favor of or constituting any portion of the Premises.

22. NOTICE. A notice which is mailed certified mail, return receipt requested, to Mortgagor at the Premises or at such other address as Mortgagor shall designate to Mortgagee in writing, and a notice to Mortgagee or such other person as shall be designated in writing by Mortgagor, at the address herein or in said notice, by certified mail, return receipt requested, shall be sufficient notice when required under this Mortgage.

23. CUMULATIVE RIGHTS AND REMEDIES. The rights and remedies of Mortgagee as provided herein, or in the Note, and the warrant therein contained, shall be cumulative and concurrent, and may be pursued singly, successively or together at the sole discretion of Mortgagee, and may be exercised as often as occasion therefor shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release of the same.

24. INVALID PROVISIONS TO AFFECT NO OTHER. In case of any one or more of the covenants, agreements, terms or provisions contained in this Mortgage or in the Note shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein and in the Note shall be in no way affected, prejudiced or disturbed thereby.

25. SATISFACTION OF THIS MORTGAGE. If Mortgagor complies with the provisions of this Mortgage and pays to Mortgagee said principal sum, and all other sums payable by Mortgagor to Mortgagee as are hereby secured, in accordance with the provisions of the Note and in the manner and at the times therein set forth, without deduction, fraud or delay, then and from thenceforth this Mortgage, and the estate hereby granted, shall cease and become void, anything hereinbefore contained to the contrary notwithstanding.

26. MORTGAGE ADVANCES. If this mortgage is stated to be a construction mortgage, it is understood and agreed by the parties hereto that the consideration for the within mortgage is the present and future advancement of funds to the Mortgagor by the Mortgagee in accordance with a loan agreement executed concurrently herewith to provide for financing the acquisition and/or construction of improvements on the Premises herein described, and it is understood and agreed by the parties hereto that the within mortgage shall have the full force, effect and benefits of a mortgage to secure present and future advances since this Mortgage is intended to be and is a construction and purchase money mortgage under the provisions of the Lien Priority Law, as amended.

27. CONSTRUCTION. The words "Mortgagor" and "Mortgagee" include corporation, the respective successors and assigns of Mortgagor and Mortgagee, as the case may be. This Mortgage and the Note secured hereby are to be construed according to the laws of the State of Maryland.

28. Paragraph 28 appears on Exhibit A.

29. Paragraph 29 appears on Exhibit A.

IN WITNESS WHEREOF, this Mortgage has been duly executed as of the day and year first above written.

ATTEST:



[Signature]
Secretary

MORTGAGOR: MILLINGTON MILLS, INC.

By *[Signature]*
President

STATE OF PENNSYLVANIA:

COUNTY OF LANCASTER

SS:

On this, the 27 day of JAN., 1983 before me, A NOTARY PUBLIC,
the undersigned officer, personally appeared
who acknowledged himself to be the
of Millington Mills, a corporation,
and that he is such *[Signature]* President, being authorized to do so, executed the foregoing Mortgage
for the purposes therein contained by signing the name of the corporation by himself as
President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

STATE OF PENNSYLVANIA)
COUNTY OF LANCASTER) SS:

[Signature]
Peggy L. Therman
Notary Public, Lancaster County, PA
Member, Pennsylvania Association of Notaries

JOHN J. BAKER, being duly sworn according to law, depose and say that he is
Vice President of The Commonwealth National Bank, that he is authorized to make
this affidavit on its behalf, and that the consideration recited in the foregoing
Mortgage is true and bona fide.

Sworn and subscribed to)
before me this 27th day of *[Signature]*
January, 1983. *[Signature]*
[Signature] (John J. Baker)



ber

EXHIBIT A

28. Anything herein provided to the contrary notwithstanding, it is expressly understood and agreed that this mortgage shall provide security for (1) a series of notes which have been executed and delivered by Mortgagor to Mortgagee, the principal amounts of which, in the aggregate, total \$350,000.00 as follows:

Date	Amount
5/4/81	\$245,000.00
4/29/82	\$ 60,000.00
10/4/82	\$ 20,000.00
11/26/82	\$ 25,000.00

as well as for (ii) any additional advancements that may be made by Mortgagee to Mortgagor at any time or times hereafter, pursuant to the terms of Mortgagee's commitment letter, dated January 14, 1983, which additional advancements shall not exceed \$100,000.00.

29. Mortgagor, in accordance with the provisions of the Real Property Article of the Code of Public General Laws of the State of Maryland, of the Maryland Rules or of any other general or local laws of the State of Maryland relating to mortgages, including any amendments, supplements or additions thereof, does hereby (1) declare its assent to the passing of a decree for the sale of the herein described property at any time after default has occurred in any of the conditions of this mortgage, as herein provided; and (2) authorize Mortgagee, its heirs, personal representatives, successors or assigns, or its attorney, after any such default shall have occurred as aforesaid, to sell the hereby mortgaged premises.

BEGINNING at a point in the centerline of the aforesaid public road. Maryland Route 313, and in the East line of land of Ethel P. Scofield, said point being North forty-one (41) degrees sixteen (16) minutes East of, and thirty-eight and ninety-six hundredths (38.96) feet from a concrete monument; thence running by and with the centerline of said public road and being the south line of land of the United Logging and Piling Company, formerly a part of the land herein described, North eighty-eight (88) degrees thirty-two (32) minutes East, one thousand five hundred ninety-eight and seventy-seven hundredths (1598.77) feet; thence by the same and being a chord of the curve in said road, North eighty (80) degrees forty (40) minutes East, three hundred seven and four tenths (307.4) feet to a point at the intersection of the centerlines of the said Maryland Route No. 313 and the public road leading therefrom to Highman's Mill; thence by and with the centerline of the said Highman's Mill Road South fifty-one (51) degrees three (03) minutes East, one hundred seventy-one and thirty-eight hundredths (171.38) feet to a point and being the Northwest corner of land of Elmer E. Glanding, said point being North thirty-three (33) degrees eleven (11) minutes East of, and twenty-five and sixty-seven hundredths (25.67) feet from a concrete monument; thence running by and with the westerly line of land of the said Elmer E. Glanding and land of Earl L. Glanding, through and over the aforesaid concrete monument South thirty-three (33) degrees eleven (11) minutes West, three thousand six hundred ninety-six and sixty-five hundredths (3696.65) feet to a point in the high water line of Unicorn Mill Pond, said point being South thirty-three (33) degrees eleven (11) minutes West of and fifteen and zero hundredths (15.00) feet from a concrete monument; thence running by and with the high water line of said Mill Pond the following fourteen courses and distances:

- (1) North seventeen (17) degrees thirty-six (36) minutes West one hundred ninety-three and nine hundredths (193.09) feet;
- (2) North forty-three (43) degrees nineteen (19) minutes West two hundred forty-six and thirty-six hundredths (246.36) feet;
- (3) North one (01) degree sixteen (16) minutes East ninety-six and fifty-eight hundredths (96.58) feet;
- (4) North fifteen (15) degrees twenty (20) minutes West one hundred eighty-three and forty-eight hundredths (183.48) feet;
- (5) North eighty-five (85) degrees five (05) minutes West one hundred fifty-five and twenty-two hundredths (155.22) feet;
- (6) North thirty-eight (38) degrees ten (10) minutes West one hundred fifty-six and ninety-two hundredths (156.92) feet;
- (7) North fifteen (15) degrees thirty-nine (39) minutes East seventy-two and eighty-two hundredths (72.82) feet;
- (8) North thirty-nine (39) degrees twenty-six (26) minutes West one hundred nine and twenty-two hundredths (109.22) feet;

17-315

- (9) North two (02) degrees thirty-five (35) minutes West eighty (80.0) feet;
- (10) North fifty-two (52) degrees one (01) minute East ninety and eighty-two hundredths (90.82) feet;
- (11) North twenty-one (21) degrees six (06) minutes West ninety-four and sixty-two hundredths (94.62) feet;
- (12) North two (02) degrees nine (09) minutes East three hundred six and seven tenths (306.7) feet;
- (13) North fifteen (15) degrees forty-six (46) minutes West sixty-seven and ninety-eight hundredths (67.98) feet;
- (14) North thirty-eight (38) degrees twenty-three (23) minutes West two hundred seventeen and thirty-seven hundredths (217.37) feet to a State of Maryland concrete monument at the Northeast corner of the breast of said Unicorn Mill Pond which was conveyed unto the State of Maryland to the use of the Game and Inland Fish Commission by James Francis Panunto, by deed dated September 6, 1961, and recorded in Liber TSP No. 62, folio 492, etc.; thence running by and with land of the said State of Maryland, formerly of James Francis Panunto, the following four courses and distances:
 - (1) North eighteen (18) degrees twenty-one (21) minutes West two hundred four and forty-four hundredths (204.44) feet to an iron pipe;
 - (2) North thirty-three (33) degrees fifty-eight (58) minutes West one hundred forty-four and ninety-seven hundredths (144.97) feet to an iron pipe;
 - (3) North twenty-two (22) degrees twenty-one (21) minutes West one hundred twenty-six and three hundredths (126.03) feet to a State of Maryland concrete monument;
 - (4) by and with land of the said State of Maryland and land of Ethel P. Scofield North forty-one (41) degrees sixteen (16) minutes East, one thousand three hundred eleven and twenty-four hundredths (1311.24) feet to a point in the centerline of said Maryland Route No. 313, the place of beginning.

CONTAINING 107.015 acres, more or less.

SAVING AND EXCEPTING a certain tract of land granted and conveyed unto the State of Maryland by Leola Supply Company of Maryland by deed of conveyance bearing date of October 19, 1976, and recorded among the Land Records of Queen Anne's County in Liber CWC 117, page 393, etc.

BEING the property described in a Deed dated October 17, 1980, and recorded among the Land Records of Queen Anne's County in Liber MWM 168, folio 529, from Edward Turner and Patrick E. Thompson, Attorneys, to Millington Mills, Inc.

RECEIVED
CLERK, CIRCUIT COURT

1983 JAN 28 AM 11: 32

QUEEN ANNE'S COUNTY

JAN 28-83 A E24635 ***1,540 00
JAN 28-83 A E24634K*****50
JAN 28-83 A E24633 *****26 00

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber M.W.M. #192, folio 779, a Land Record Book for Queen Anne's County.



IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 7th day of June, 1984.

Marguerite W. Mankin
Marguerite W. Mankin, Clerk of the Circuit Court for Queen Anne's County

THE COMMONWEALTH NATIONAL BANK * IN THE CIRCUIT COURT
 vs. * FOR QUEEN ANNE'S COUNTY
 MILLINGTON MILLS, INC. * IN EQUITY
 * NO. 7564
 *
 * * *

AFFIDAVIT OF NOTICE

STATE OF MARYLAND
COUNTY OF BALTIMORE, to wit:

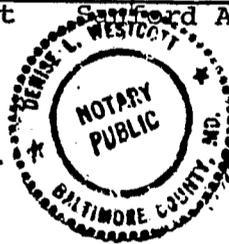
I HEREBY CERTIFY that before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Sanford A. Harris, Trustee, authorized by Order of the Circuit Court for Queen Anne's County, Sitting in Equity, on the 3rd day of April, 1984, to make sale of property herein and made oath in due form of law that he has given notice by certified mail to the Mortgagor, Millington Mills, Inc., Defendant, at its last known address of the time, place and terms of sale of the property reported herein, in compliance with Rule W74 a 2 (c) of the Maryland Rules of Procedure. Notice was also forwarded by certified mail, return receipt requested, to John Myer, President of the Millington Mills, Inc., at 616 Princess Lane, Birmingham, AL, 35210.

RECEIVED
 CLERK OF COURT
 1984 JUN -7 PM 12:52
 QUEEN ANNE'S COUNTY

Sanford A. Harris
 Affiant Sanford A. Harris

Subscribed and sworn to before me this 6th day of June, 1984.

Dana L. Westcott
 Notary Public



LAW OFFICES
WEINBERGER, WEINSTOCK, SAGNER, STEVAN & HARRIS, P. A.
345 N. CHARLES STREET
BALTIMORE, MARYLAND 21201-4355

(301) 727-6700

MITCHELL STEVAN
SANFORD A. HARRIS *
MELVYN J. WEINSTOCK
NEAL S. MELNICK *
SIONEY B. FRIEDMAN

ARNOLO O. OASHOFF
PAUL J. DONOVAN
RICHARD M. KING *
RONALD B. KATZ
(ADMITTED IN MARYLAND AND D. C.)

June 5, 1984

COUNSEL

WARREN J. WEINBERGER

LOUIS J. SAGNER
(800-1982)

DISTRICT OF COLUMBIA OFFICE
1140 CONNECTICUT AVE., N. W.
SUITE 703
WASHINGTON, D. C. 20036
(202) 737-5902

Millington Mills, Inc.
Attn: John Myer, President
P. O. Box 253
Millington, MD 21651

RE: THE COMMONWEALTH NATIONAL BANK
VS: MILLINGTON MILLS, INC.

Dear Mr. Myer:

In accordance with Maryland Rules of Procedure, Rule W74a2(c), this Notice of Sale is being forwarded to you. Attached please find a copy of the advertisement that is currently appearing in the Queen Anne's County Record Observer.

The purpose of this letter is to advise you, pursuant to the above-mentioned Rule, that our client, The Commonwealth National Bank, has filed a mortgage foreclosure action in the Circuit Court for Queen Anne's County, Maryland, Equity Case No. 7564.

The sale of the property will be conducted on the premises at 12:00 noon, Monday, June 18, 1984. The fee simple property will be offered in its entirety and a cash deposit, certified or bank check in the amount of \$30,000 on the real estate will be required at the time and place of sale. The balance is to be paid in cash 10 days following final ratification of the sale by the Circuit Court for Queen Anne's County, in Equity. Interest will be charged at the rate of 12% per annum on the unpaid purchase price from the day of sale to the date of settlement. All adjustments will be made as of the date of sale. The property will be sold in an "as is" condition without warranty as to the descriptive material pertaining to the improvements contained therein, and subject to any easements, agreements, restrictions or covenants of record affecting same, if any. Cost of all documentary stamps and transfer taxes are to be paid by the purchaser.

Millington Mills, Inc.
Attn: John Myer, President
June 5, 1984
Page Two

Our certified mail notice to you dated April 26, 1984 indicated to you that the loan was in default and further stated the amount of the claim comprising both principal and interest.

Because of the importance of this matter, this letter is being forwarded to you by certified mail, return receipt requested, and an additional copy is forwarded to you by regular mail, postage prepaid.

Very truly yours,

WEINBERGER, WEINSTOCK, SAGNER,
STEVAN & HARRIS, P.A.


Sanford A. Harris

SAH/mhc

Enclosure

cc: Millington Mills, Inc.

Wentworth, Solicitors, Beggs, Steven & Harris, Solicitors
Sanford A. Harris, Solicitor
345 N. Charles Street, Baltimore, Maryland 21201

Trustee's and Creditor's Sale Complete Fully Equipped Saw Mill & Pallet Manufacturing Plant

COMPRISING 3- MANUFACTURING BUILDINGS, 2- OFFICE
BUILDINGS, MAINTENANCE SHED & 2 TRAILER HOMES
LAND AREA: 106.53 ACRES, MORE OR LESS

AND
VERY MODERN SAW MILL MACHINERY
WOODWORKING EQUIPMENT, OFFICE FURNITURE
LUMBER INVENTORY & MATERIAL HANDLING EQUIPMENT
OF

MILLINGTON MILLS, INC.
SALE ON PREMISES
SOUTH SIDE MARYLAND ROUTE 313
Millington, Queen Anne's County, Md.

Monday, June 18, 1984

AT 12:00 O'CLOCK NOON

By Virtue of a Decree of the Circuit Court of Queen Anne's County, in Equity, passed in the matter of The Commonwealth National Bank V. Millington Mills, Inc., Case No. 7564, and Pursuant to a Financing Statement and Security Agreement by and between Millington Mills, Inc., Debtor, to Commonwealth National Bank, Creditor, recorded in the State Department of Assessments and Taxation in Film 2504, Folio 3-01717, Identification No. 160763, default having occurred thereunder, the undersigned Trustee and Creditor will sell at Public Auction the following:

REAL ESTATE

All that fee simple parcel of ground situate and lying in Queen Anne's County, Maryland and described as follows:

BEGINNING at a point in the centerline of the aforesaid public road, Maryland Route 313, and in the East line of land of Ethel P. Scofield, said point being North forty-one (41) degrees sixteen (16) minutes East of, and thirty-eight and ninety-six hundredths (38.96) feet from a concrete monument; thence running by and with the centerline of said public road and being the south line of land of the United Logging and Piling Company, formerly a part of the land herein described, North eighty-eight (88) degrees thirty-two (32) minutes East, one thousand five hundred ninety-eight and seventy-seven hundredths (1598.77) feet; thence by the same and being a chord of the curve in said road, North eighty (80) degrees forty (40) minutes East, three hundred seven and four tenths (307.4) feet to a point at the intersection of the centerlines of the said Maryland Route No. 313 and the public road leading therefrom to Highman's Mill; thence by and with the centerline of the said Highman's Mill Road South fifty-one (51) degrees three (03) minutes East, one hundred seventy-one and thirty-eight hundredths (171.38) feet to a point and being the Northwest corner of land of Elmer E. Glanding, said point being North thirty-three (33) degrees eleven (11) minutes East of, and twenty-five and sixty-seven hundredths (25.67) feet from a concrete monument; thence running by and with the westerly line of land of the said Elmer E. Glanding and land of Earl L. Glanding, through and over the aforesaid concrete monument South thirty-three (33) degrees eleven (11) minutes West, three thousand six hundred ninety-six and sixty-five hundredths (3696.65) feet to a point in the high water line of Unicorn Mill Pond, said point being South thirty-three (33) degrees eleven (11) minutes West of and fifteen and zero hundredths (15.00) feet from a concrete monument; thence running by and with the high water line of said Mill Pond the following fourteen courses and distances:

- (1) North seventeen (17) degrees thirty-six (36) minutes West one hundred ninety-three and nine hundredths (193.09) feet;
- (2) North forty-three (43) degrees nineteen (19) minutes West two hundred forty-six and thirty-six hundredths (246.36) feet;
- (3) North one (1) degree sixteen (16) minutes East ninety-six and fifty-eight hundredths (96.58) feet;
- (4) North fifteen (15) degrees twenty (20) minutes West one hundred eighty-three and forty-eight hundredths (183.48) feet;
- (5) North eighty-five (85) degrees five (05) minutes West one hundred fifty-five and twenty-two hundredths (155.22) feet;
- (6) North thirty-eight (38) degrees ten (10) minutes West one hundred fifty-six and ninety-two hundredths (156.92) feet;
- (7) North fifteen (15) degrees thirty-nine (39) minutes East seventy-two and eighty-two hundredths (72.82) feet;
- (8) North thirty-nine (39) degrees twenty-six (26) minutes West one hundred nine and twenty-two hundredths (109.22) feet;
- (9) North two (02) degrees thirty-five (35) minutes West eighty (80) feet;
- (10) North fifty-two (52) degrees one (01) minute East ninety and eighty-two hundredths (90.82) feet;
- (11) North twenty-one (21) degrees six (06) minutes West ninety-four and sixty-two hundredths (94.62) feet;
- (12) North two (02) degrees nine (09) minutes East three hundred six and seven tenths (306.7) feet;
- (13) North fifteen (15) degrees forty-six (46) minutes West sixty seven and ninety-eight hundredths (67.98) feet;
- (14) North thirty-eight (38) degrees twenty-three (23) minutes West two hundred seventeen and thirty-seven hundredths (217.37) feet to a State of Maryland concrete monument at the Northeast corner of the breast of said

the Game and Inland Fish Commission by James Francis Panunto, by deed dated September 6, 1961, and recorded in Liber TSP No. 62, folio 492, etc.; thence running by and with land of the said State of Maryland, formerly of James Francis Panunto, the following four courses and distances:

- (1) North eighteen (18) degrees twenty-one (21) minutes West two hundred four and forty-four hundredths (204.44) feet to an iron pipe;
- (2) North thirty-three (33) degrees fifty-eight (58) minutes West one hundred forty-four and ninety-seven hundredths (144.97) feet to an iron pipe;
- (3) North twenty-two (22) degrees twenty-one (21) minutes West one hundred twenty-six and three hundredths (126.03) feet to a State of Maryland concrete monument;
- (4) by and with land of the said State of Maryland and land of Ethel P. Scofield North forty-one (41) degrees sixteen (16) minutes East, one thousand three hundred eleven and twenty-four hundredths (1311.24) feet to a point in the centerline of said Maryland Route No. 313, the place of beginning.

CONTAINING 107.015 acres, more or less.

SAVING AND EXCEPTING a certain tract of land granted and conveyed unto the State of Maryland by Leola Supply Company of Maryland by deed of conveyance bearing date of October 19, 1976, and recorded among the Land Records of Queen Anne's County in Liber CWC 117, page 393, etc.

BEING the property described in a Deed dated October 17, 1980, and recorded among the Land Records of Queen Anne's County in Liber MWM 168, folio 529, from Edward Turner and Patrick E. Thompson, Attorneys, to Millington Mills, Inc.

The property is improved by the following: 1. Saw Mill Building--one story part steel and frame containing approximately 27,000 square feet with concrete floors and lighting with heavy power; 2. Pallet Building--one story frame with metal clad walls containing approximately 6,400 square feet with plumbing; 3. Wood Planing Building--one story steel frame with partial metal clad walls and concrete floors containing approximately 1,000 square feet; 4. Production Office--one story frame building with concrete floors with plumbing and heating containing approximately 680 square feet; 5. Office Building--two story frame building containing 3 offices, kitchen and powder room on the first floor, and 2 rooms and bathroom on the second floor; 6. Maintenance Shed--one story metal clad on wood with concrete floors and high ceilings containing approximately 2,100 square feet; 7. 2 Trailer Homes--aluminum sided, each containing approximately 790 square feet.

A portion of the property, approximately 70 acres were leased for farming. There is a gas pump, septic tanks, and underground fuel tanks and well.

PERSONAL PROPERTY

Saw Mill Machinery: 2 Pendu (2400) Cutoff Saws; 2 Pendu (8000) double saws; 4 Pendu (4400) Stackers; 2 Auxiliary hydraulic power units; Asst. chain conveyors; Hydraulic stops; 60' power feed table; Feed tables; 3 Log deck 6 strand with chain & supports; Log conveyors; Frick husk frame saw; Prescott Portland Edger Corley (8-48) edger; Henike pacemaker 15 H.P. air compressor; Gardner Dener 25 H.P. compressor; Delta radial saw; Hermance rip saw; American resaw; Newm. (55) feed table; Pallet stacker; Newman (KM16) trim saw; Corley (30) carriage system complete with log turner; decking; fans; Log deck rollcase; Yeates planer (191); Corley heavy duty 78' conveyor with log kicker; HH-LM chain saw model 27 with log lift assembly and cab; 2 Loader & stop assembly; Debarker 636H precision with drives and support system; 3 Hydraulic power units with 60 gallon tank; Fulghum 60" chipper; Fulghum F1-R-682 shaker; sawdust conveyor; Kellen air compressor; 2 Corley 3 saw trailer with unloader; Corley (24NM) trimmer; Metal detector; Screw conveyor saw dust loading; etc.

Pallet Shop Equipment: Porter 43-20J saw; Morgan 36-72 Nailer; Morgan (26-45) nailer; Morgan (26-72) nailer; Double 10" notcher with Newman 84" feed table; Hanke pacemaker 10 H.P. air compressor; work tables; benches; chairs; nail guns and tools; etc.

Other Equipment & Material Handling Equipment: Buestar welder; Sharpener; Log splitter; Sibley drill press; Curtis 5 H.P. air compressor; Lincoln welder; LeBlond sharpener; Acy. outfits; chargers; jacks; lube guns; chain saws; power hand tools; Ford Diesel A62 coader with forks & grapple; Massey Ferguson 6500 lift truck; Allis-Chalmers 6,000 lb. forklift; Pettibone 104A loader with fork and log grapple; loader; Hyster forklift; Pallet trucks, etc.

Office Furniture: Single and double pedestal desks; arm and side chairs; 3 and 4 drawer filing cabinets; Royal 550 typewriter; Marsh stencil cutter; calculators; sofas; etc.

INVENTORY: Large quantity of logs, asst. size lumber, work in progress, Grip-Rite nails, pallets, etc.

MANNER OF SALE: Manner of sale will be announced at time of sale.

TERMS OF SALE: A cash deposit, certified or bank check of \$30,000.00 on the real estate at the time and place of sale. Balance to be paid in cash 10 days following final ratification of sale by the Circuit Court of Queen Anne's County in Equity. Interest to be charged at the rate of 12% per annum on the unpaid purchase price from day of sale to date of settlement. All adjustments as of date of sale. The property will be sold in an "as is" condition without warranty as to descriptive material pertaining to the improvements contained herein, and subject to any easements, agreements, restrictions or covenants of record affecting same, if any. Cost of all documentary stamps and transfer taxes to be paid by the purchaser. Time is of the essence for the purchaser. Cash, certified check, or bank letter of credit for personal property at the time and place of sale. If the equipment should be sold as an entirety, a certified or bank check of \$50,000.00 at the time and place of sale.

Directions: Route 301 to Route 544. Turn east to Route 313. Turn north 1.5 miles to Millington Mills Property on the right.

Sanford A. Harris, Trustee

Commonwealth National Bank, Creditor

A.J. Billig & Co., Auctioneers

16 E. Fayette Street

Baltimore, Maryland 21202 (301) 752-8440

RB-5-23-41-034

LIBET

17 JUN 322

LAW OFFICES

WEINBERGER, WEINSTOCK, SAGNER, STEVAN & HARRIS, P. A.

345 N. CHARLES STREET

BALTIMORE, MARYLAND 21201-4355

(301) 727-6700

MITCHELL STEVAN
SANFORD A. HARRIS*
MELVYN J. WEINSTOCK
NEAL S. MELNICK*
SIONEY S. FRIEDMAN

ARNOLO D. DASHOFF
PAUL J. OONOVAN
RICHARD M. KINO*
RONALO B. KATZ

*ADMITTED IN MARYLAND AND D. C.

June 5, 1984

COUNSEL

WARREN J. WEINBERGER

LOUIS J. SAGNER
(1900-1982)

DISTRICT OF COLUMBIA OFFICE
1140 CONNECTICUT AVE., N. W.

SUITE 703
WASHINGTON, D. C. 20036
(202) 737-5902

Mr. John Myer
616 Princess Lane
Birmingham, AL 35210

RE: THE COMMONWEALTH NATIONAL BANK
VS: MILLINGTON MILLS, INC.

Dear Mr. Myer:

In accordance with Maryland Rules of Procedure, Rule W74a2(c), this Notice of Sale is being forwarded to you. Attached please find a copy of the advertisement that is currently appearing in the Queen Anne's County Record Observer.

The purpose of this letter is to advise you, pursuant to the above-mentioned Rule, that our client, The Commonwealth National Bank, has filed a mortgage foreclosure action in the Circuit Court for Queen Anne's County, Maryland, Equity Case No. 7564.

The sale of the property will be conducted on the premises at 12:00 noon, Monday, June 18, 1984. The fee simple property will be offered in its entirety and a cash deposit, certified or bank check in the amount of \$30,000 on the real estate will be required at the time and place of sale. The balance is to be paid in cash 10 days following final ratification of the sale by the Circuit Court for Queen Anne's County, in Equity. Interest will be charged at the rate of 12% per annum on the unpaid purchase price from the day of sale to the date of settlement. All adjustments will be made as of the date of sale. The property will be sold in an "as is" condition without warranty as to the descriptive material pertaining to the improvements contained therein, and subject to any easements, agreements, restrictions or covenants of record affecting same, if any. Cost of all documentary stamps and transfer taxes are to be paid by the purchaser.

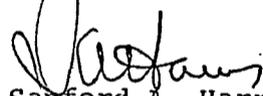
Mr. John Myer
June 5, 1984
Page Two

Our certified mail notice to you dated April 26, 1984 indicated to you that the loan was in default and further stated the amount of the claim comprising both principal and interest.

Because of the importance of this matter, this letter is being forwarded to you by certified mail, return receipt requested, and an additional copy is forwarded to you by regular mail, postage prepaid.

Very truly yours,

WEINBERGER, WEINSTOCK, SAGNER,
STEVAN & HARRIS, P.A.


Sanford A. Harris

SAH/mhc

Enclosure

cc: Mr. John Myer

Weinberger, Weinstock, Sagner, Stevan & Harris, Solicitors
Sanford A. Harris, Solicitor
345 N. Charles Street, Baltimore, Maryland 21201

Trustee's and Creditor's Sale Complete Fully Equipped Saw Mill & Pallet Manufacturing Plant

COMPRISING 3- MANUFACTURING BUILDINGS, 2- OFFICE
BUILDINGS, MAINTENANCE SHED & 2 TRAILER HOMES
LAND AREA: 106.53 ACRES, MORE OR LESS

AND
VERY MODERN SAW MILL MACHINERY
WOODWORKING EQUIPMENT, OFFICE FURNITURE
LUMBER INVENTORY & MATERIAL HANDLING EQUIPMENT

OF
MILLINGTON MILLS, INC.
SALE ON PREMISES
SOUTH SIDE MARYLAND ROUTE 313
Millington, Queen Anne's County, Md.

Monday, June 18, 1984

AT 12:00 O'CLOCK NOON

By Virtue of a Decree of the Circuit Court of Queen Anne's County, in Equity, passed in the matter of The Commonwealth National Bank v. Millington Mills, Inc., Case No. 7564, and Pursuant to a Financing Statement and Security Agreement by and between Millington Mills, Inc., Debtor, to Commonwealth National Bank, Creditor, recorded in the State Department of Assessments and Taxation in Film 2504, Folio 3-01717, Identification No. 160763, default having occurred thereunder, the undersigned Trustee and Creditor will sell at Public Auction the following:

REAL ESTATE

All that fee simple parcel of ground situate and lying in Queen Anne's County, Maryland and described as follows:

BEGINNING at a point in the centerline of the aforesaid public road, Maryland Route 313, and in the East line of land of Ethel P. Scofield, said point being North forty-one (41) degrees sixteen (16) minutes East of, and thirty-eight and ninety-six hundredths (38.96) feet from a concrete monument; thence running by and with the centerline of said public road and being the south line of land of the United Logging and Piling Company, formerly a part of the land herein described, North eighty-eight (88) degrees thirty-two (32) minutes East, one thousand five hundred ninety-eight and seventy-seven hundredths (1598.77) feet; thence by the same and being a chord of the curve in said road, North eighty (80) degrees forty (40) minutes East, three hundred seven and four tenth (307.4) feet to a point at the intersection of the centerlines of the said Maryland Route No. 313 and the public road leading therefrom to Highman's Mill; thence by and with the centerline of the said Highman's Mill Road South fifty-one (51) degrees three (3) minutes East, one hundred seventy-one and thirty-eight hundredths (171.38) feet to a point and being the Northwest corner of land of Elmer E. Glanding, said point being North thirty-three (33) degrees eleven (11) minutes East of, and twenty-five and sixty-seven hundredths (25.67) feet from a concrete monument; thence running by and with the westerly line of land of the said Elmer E. Glanding and land of Earl L. Glanding, through and over the aforesaid concrete monument South thirty-three (33) degrees eleven (11) minutes West, three thousand six hundred ninety-six and sixty-five hundredths (3696.65) feet to a point in the high water line of Unicorn Mill Pond, said point being South thirty-three (33) degrees eleven (11) minutes West of and fifteen and zero hundredths (15.00) feet from a concrete monument; thence running by and with the high water line of said Mill Pond the following fourteen courses and distances:

- (1) North seventeen (17) degrees thirty-six (36) minutes West one hundred ninety-three and nine hundredths (193.09) feet;
- (2) North forty-three (43) degrees nineteen (19) minutes West two hundred forty-six and thirty-six hundredths (246.36) feet;
- (3) North one (1) degree sixteen (16) minutes East ninety-six and fifty-eight hundredths (96.58) feet;
- (4) North fifteen (15) degrees twenty (20) minutes West one hundred eighty-three and forty-eight hundredths (183.48) feet;
- (5) North eighty-five (85) degrees five (5) minutes West one hundred fifty-five and twenty-two hundredths (155.22) feet;
- (6) North thirty-eight (38) degrees ten (10) minutes West one hundred fifty-six and ninety-two hundredths (156.92) feet;
- (7) North fifteen (15) degrees thirty-nine (39) minutes East seventy-two and eighty-two hundredths (72.82) feet;
- (8) North thirty-nine (39) degrees twenty-six (26) minutes West one hundred nine and twenty-two hundredths (109.22) feet;
- (9) North two (2) degrees thirty-five (35) minutes West eighty (80.0) feet;
- (10) North fifty-two (52) degrees one (1) minute East ninety and eighty-two hundredths (90.82) feet;
- (11) North twenty-one (21) degrees six (6) minutes West ninety-four and sixty-two hundredths (94.62) feet;
- (12) North two (2) degrees nine (9) minutes East three hundred six and seven tenths (396.7) feet;
- (13) North fifteen (15) degrees forty-six (46) minutes West sixty-seven and ninety-eight hundredths (67.98) feet;
- (14) North thirty-eight (38) degrees twenty-three (23) minutes West two hundred seventeen and thirty-seven hundredths (217.37) feet to a State of Maryland concrete monument at the Northeast corner of the breast of said

Unicorn Mill Pond which was conveyed unto the State of Maryland to the use of the Game and Inland Fish Commission by James Francis Panunto, by deed dated September 6, 1961, and recorded in Liber TSP No. 62, folio 492, etc.; thence running by and with the said State of Maryland, formerly of James Francis Panunto, the following four courses and distances:

- (1) North eighteen (18) degrees twenty-one (21) minutes West two hundred four and forty-four hundredths (204.44) feet to an iron pipe;
- (2) North thirty-three (33) degrees fifty-eight (58) minutes West one hundred forty-four and ninety-seven hundredths (144.97) feet to an iron pipe;
- (3) North twenty-two (22) degrees twenty-one (21) minutes West one hundred twenty-six and three hundredths (126.03) feet to a State of Maryland concrete monument;
- (4) by and with land of the said State of Maryland and land of Ethel P. Scofield North forty-one (41) degrees sixteen (16) minutes East, one thousand three hundred eleven and twenty-four hundredths (1311.24) feet to a point in the centerline of said Maryland Route No. 313, the place of beginning.

CONTAINING 107.015 acres, more or less.

SAVING AND EXCEPTING a certain tract of land granted and conveyed unto the State of Maryland by Leola Supply Company of Maryland by deed of conveyance bearing date of October 19, 1976, and recorded among the Land Records of Queen Anne's County in Liber CWC 117, page 393, etc.

BEING the property described in a Deed dated October 17, 1980, and recorded among the Land Records of Queen Anne's County in Liber MWM 168, folio 529, from Edward Turner and Patrick E. Thompson, Attorneys, to Millington Mills, Inc.

The property is improved by the following: 1. Saw Mill Building--one story part steel and frame containing approximately 27,000 square feet with concrete floors and lighting with heavy power; 2. Pallet Building--one story frame with metal clad walls containing approximately 6,400 square feet with plumbing; 3. Wood Planing Building--one story steel frame with partial metal clad walls and concrete floors containing approximately 1,000 square feet; 4. Production Office--one story frame building with concrete floors with plumbing and heating containing approximately 680 square feet; 5. Office Building--two story frame building containing 3 offices, kitchen and powder room on the first floor, and 2 rooms and bathroom on the second floor; 6. Maintenance Shed--one story metal clad on wood with concrete floors and high ceilings containing approximately 2,100 square feet; 7. 2 Trailer Homes--aluminum sided, each containing approximately 790 square feet.

A portion of the property, approximately 70 acres were leased for farming. There is a gas pump, septic tanks, and underground fuel tanks and well.

PERSONAL PROPERTY

Saw Mill Machinery: 2 Pendu (2400) Cutoff Saws; 2 Pendu (8000) double saws, 4 Pendu (4400) Stackers; 2 Auxiliary hydraulic power units; Asst. chain conveyors; 8 Hydraulic stops; 60' power feed table; Feed tables; 3 Log deck 6 strand with chain & supports; Log conveyors; Frick husk frame saw; Prescott Portland Edger, Corley (8-48) edger; Henike pacemaker 15 H.P. air compressor; Gardner Dener 25 H.P. compressor; Delta radial saw; Hermance rip saw; American resaw; Newman (55) feed table; Pallet stacker; Newman (KM16) trim saw; Corley (30) carriage system complete with log turner; decking; fans; Log deck rollcase; Yeates planer (91); Corley heavy duty 78' conveyor with log kicker; HH-LM chain saw model 200 with log lift assembly and cab; 2 Loader & stop assembly; Debarker 636H precision with drives and support system; 3 Hydraulic power units with 60 gallon tank; Fulghum 60" chipper; Fulghum F1-R-682 shaker; sawdust conveyor; Kellon air compressor; 2 Corley 3 saw trailer with unloader; Corley (24NM) trimmer; Metal detector; Screw conveyor saw dust loading; etc.

Pallet Shop Equipment: Porter 43-20J saw; Morgan 36-72 Nailer; Morgan (26-48) nailer; Morgan (26-72) nailer; Double 10' notcher with Newman 84" feed table. Hanke pacemaker 10 H.P. air compressor; work tables; benches; chairs; nail guns, and tools; etc.

Other Equipment & Material Handling Equipment: Buestar welder; Sharpener; Log splitter; Sibley drill press; Curtis 5 H.P. air compressor; Lincoln welder; LeBlond sharpener; Acy. outfits; chargers; jacks; lube guns; chain saws; power hand tools Ford Diesel A62 coader with forks & grapple; Massey Ferguson 6500 lift truck; Allis-Chalmers 6,000 lb. forklift; Pettibone 104A loader with fork and log grapple loader; Hyster forklift; Pallet trucks, etc.

Office Furniture: Single and double pedestal desks; arm and side chairs; 3 and 4 drawer filing cabinets; Royal 550 typewriter; Marsh stencil cutter; calculators; sofas; etc.

(INVENTORY: Large quantity of logs, asst. size lumber, work in progress, Grip-Rite nails, pallets, etc.

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Directions: Route 301 to Route 544. Turn east to Route 313. Turn north 1.5 miles to Millington Mills Property on the right.

Sanford A. Harris, Trustee
Commonwealth National Bank, Creditor

A.J. Billig & Co., Auctioneers

16 E. Fayette Street
Baltimore, Maryland 21202 (301) 752-8440.

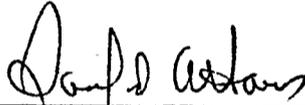
RE-5-23-41-034

3. That an appraisal was prepared by Marshall & Stevens Incorporated stating the values of the property as of November 1, 1983. Said appraisal indicated that an orderly liquidation value for the real estate would be Four Hundred Forty Three Thousand Dollars and that a forced liquidation value would be Three Hundred Fifteen Thousand Dollars. A copy of the first page of said appraisal is attached hereto and made a part hereof.

4. Movant requests that the bond required to be filed be set in the amount of Four Hundred Thousand Dollars (\$400,000), subject to further Order of Court.

WHEREFORE, Movant prays for an Order of Court setting the bond to be filed in this action in the amount of Four Hundred Thousand Dollars (\$400,000), subject, at all times, to further Order of Court.

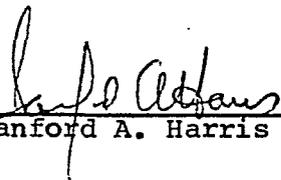
THE COMMONWEALTH NATIONAL BANK

BY: 

Sanford A. Harris
Weinberger, Weinstock, Sagner,
Stevan & Harris, P.A.
345 N. Charles Street
Baltimore, Maryland 21201
301/727-6700

CERTIFICATE OF MAILING

I HEREBY CERTIFY that a copy of the foregoing Motion of Mortgagee to Set Amount of Bond has been forwarded this 6th day of June, 1984, by regular mail, to John Myer, President, Millington Mills, Inc., P. O. Box 253, Millington, MD 21651 and to John Myer, 616 Princess Lane, Birmingham, AL 35210.


Sanford A. Harris

Appraisals by
MARSHALL
AND SILVER
INCORPORATED

February 16, 1984

Commonwealth National Bank
10 South Market Square
Harrisburg, Pennsylvania 17108

Attention: Mr. Robert Talalai
Vice President

File Reference No.: 31-4142

Gentlemen:

In accordance with your request, we have prepared an appraisal of the orderly liquidation value and the forced liquidation value for the real estate and machinery and equipment located at Millington Mills, Inc., State Route 313, Millington, Maryland.

Based upon the data and conclusions presented in the attached report, it is our opinion that the values of the subject property, as of November 1, 1983, are as follows:

	<u>Orderly Liquidation</u>	<u>Forced Liquidation</u>
Real Estate	\$ 443,000	\$ 315,000
Machinery and Equipment	<u>1,013,000</u>	<u>441,000</u>
Total (Rounded)	\$1,456,000	\$ 756,000

The opinions of value expressed in this appraisal are contingent upon the assumptions and limiting conditions in the Introduction.

The field data from which this report was prepared is retained in our files and is available for inspection upon request.

Very truly yours,

Joseph J. Rava
Vice President

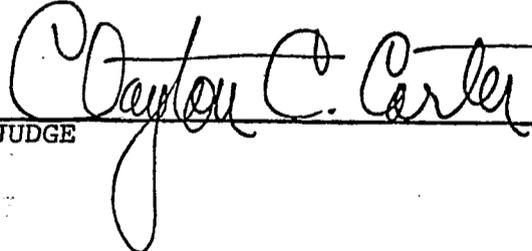
JJR/kc

THE COMMONWEALTH NATIONAL BANK * IN THE CIRCUIT COURT
vs. * FOR QUEEN ANNE'S COUNTY
MILLINGTON MILLS, INC. * SITTING IN EQUITY NO. 7564
* * *

ORDER OF COURT SETTING AMOUNT OF BOND

The Motion of The Commonwealth National Bank, Certificate of Mailing and Exhibit having been received and examined and it appearing that said Motion has been filed in accordance with Maryland Rules of Procedure, Rule H2b2, it is this ^{11th} day of June, 1984, by the Circuit Court for Queen Anne's County, Sitting in Equity

ORDERED that the ^{PENALTY} amount of bond to be filed in this action by Sanford A. Harris be and the same hereby is set in the amount of Four Hundred Thousand Dollars (\$400,000), subject to further Order of this Court.


JUDGE

cc: Sanford A. Harris

CLERK

1984 JUN 11 PM 3:01

QUEEN ANNE'S COUNTY

LIBR

17 -AG- 329

IN THE CIRCUIT COURT OF Queen Anne's County STATE OF MARYLAND

Commonwealth National Bank of Harrisburg, Pa.

Millington Mills, Inc. ^{versus}

EQUITY 7564

BOND OF TRUSTEE TO SELL

KNOW ALL MEN BY THESE PRESENTS: That we, Sanford A. Harris 345 N. Charles Street, Baltimore, Maryland 21201

Firemen's Insurance Company of Newark, New Jersey as Principal and New Jersey as Surety, are held and firmly bound unto the State of Maryland, in the full and just sum of Four Hundred Thousand and 00/100 Dollars (\$ 400,000.00) to be paid to the said State or its certain Attorney, to which payment, well and truly to be made, we bind ourselves and each of us, our and each of our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

SEALED WITH OUR SEALS and dated this 13th day of June in the year of our Lord one thousand, nine hundred and eighty four

WHEREAS THE ABOVE BOUNDEN Sanford A. Harris

by virtue of a decree of the Honorable the Judge of the Circuit Court of Queen Anne's County has been appointed trustee to sell 106.53 Acres, more or less, and Improvements Thereon- S/S MD Rt. 313, Millington, Queen Anne's County, MD mentioned in the proceedings in the case of

Commonwealth National Bank of Harrisburg, Pa.

CERTIFIED COPY OF POWER OF ATTORNEY ATTACHED

versus Millington Mills, Inc.

now pending in said Court.

NOW THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT, if the above bounden Sanford A. Harris

do and shall well and faithfully perform the trust reposed in him by said decree, or that may be reposed in him by any future decree or order in the premises, then the above obligation to be void; otherwise to be and remain in full force and virtue in law.

Marly Clark Marly Clark

Sanford A. Harris (SEAL)

Barbara M. DeVaughn, as to surety

Firemen's Insurance Co. of Newark, New Jersey (SEAL)

Trusty appeared and Bond filed 6/11/84

By Robert S. Zetzer, Attorney

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was gruly taken and copied from Liber
MM No. 3, folio 530 a Bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto
subscribe my name and affix the
Seal of the Circuit Court for
Queen Anne's County, this 20th
day of June, 1984.



Marguerite W. Mankin
Marguerite W. Mankin, Clerk of the
Circuit Court for Queen Anne's County

LIBER 17 PAGE 331

THE COMMONWEALTH NATIONAL
BANK

vs.

MILLINGTON MILLS, INC.

* IN THE
* CIRCUIT COURT
* FOR QUEEN ANNE'S COUNTY
* SITTING IN EQUITY #7564

* * *

REPORT OF SALE

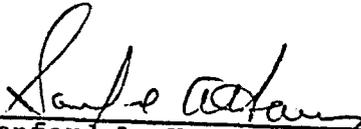
TO THE HONORABLE JUDGE OF THE CIRCUIT COURT FOR QUEEN ANNE'S
COUNTY:

The Report of Sale of Sanford A. Harris, Trustee, appointed by the Decree in the above-entitled cause, to make sale of the mortgaged property of Millington Mills, Inc. in the proceedings in said cause mentioned, respectfully shows:

That after giving bond with security for the faithful discharge of his trust as prescribed by said Decree and subsequent Order of Court dated June 11, 1984, which bond was duly approved, and having given notice of the time, place, manner and terms of sale, by advertisements inserted in The Queen Anne Record, a newspaper published in Queen Anne's County for more than three successive weeks preceding the day of sale, said Trustee did pursuant to said notice on Monday, the 18th day of June, 1984, at 10:00 a.m. attend on the premises and then and there sold the parcel of land comprising 106.53 acres, more or less, and the improvements thereon, situated on Maryland Route 313, Millington, Queen Anne's County, Maryland, to Earl F. Carrick,

LIBR
1984 JUN 25 AM 9:43
QUEEN ANNE'S COUNTY

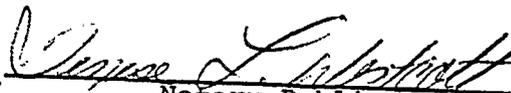
Purchaser, P. O. Box 1463, Mitchelville, Maryland, 20716 at and for the gross amount of Three Hundred Thousand Dollars (\$300,000). The sale was conducted by A. J. Billig & Company, Auctioneers, and the purchaser placed a deposit in accordance with the advertisement, in the amount of Thirty Thousand Dollars (\$30,000) with the Auctioneer. The expenses incident to the said sale are set forth in the annexed statement received from the Auctioneer and are in the amount of Five Thousand Two Hundred Forty Two Dollars and Thirty Cents (\$5,242.30). The Trustee has received a check from the Auctioneer in the net amount of Twenty Four Thousand Seven Hundred Fifty Seven Dollars and Seventy Cents (\$24,757.70).

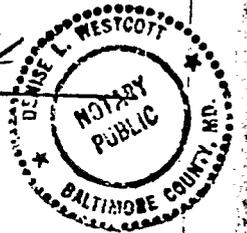

Sanford A. Harris, Trustee
345 N. Charles Street
Baltimore, Maryland 21201
301/727-6700

STATE OF MARYLAND, COUNTY OF BALTIMORE, SCT:

I HEREBY CERTIFY that on this 2nd day of June, 1984, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County of Baltimore aforesaid, personally appeared Sanford A. Harris, Trustee, and made oath that the facts stated in the foregoing Report of Sale are true, as therein set forth, and the sale thereby reported was fairly made.

As witness my hand and Notarial Seal.


Notary Public



My Commission Expires
7-1-86

-2-

LIBER

17 PAGE 333

Sanford A. Harris, Trustee

345 N. Charles Street

Baltimore, Maryland 21201

Real Estate,
Machine Plants,
Household Effects,
Automobiles,
General Merchandise,
Appraisers

A. J. BILLIG & COMPANY
General Auctioneers

OFFICE: 16 EAST FAYETTE STREET
BALTIMORE, MD. 21202

Sale Price - Parcel of Land Comprising 106.53-Acres, More or Less, Situated on Md. Route 313, Millington, Queen Anne's Co.		\$300,000 00
Purchaser: Earl F. Carrick P.O. Box 1463, Mitchelville, MD 20716 Telephone: 301-249-7401		
Deposit		\$ 30,000 00
Queen Anne Record Advertising	\$ 574.56	
Forest Industries Advertising	545.78	
Logger and Lumber Advertising	698.25	
Sunpapers Advertising	2,062.84	
Philadelphia Inquirer Advertising	476.30	
Harrisburg Advertising	135.55	
Lancaster Advertising	89.27	
Wilmington Advertising	461.02	
Salisbury Times Advertising	176.48	
Direct Mail Advertising	21.25	
Notary Fee - Affidavits	1.00	
	TOTAL EXPENSES	5,242 30
	BALANCE	\$ 24,757 70
Enclosed find check for \$24,757.70		

ORDER NISI ON SALE

THE COMMONWEALTH NATIONAL BANK

vs.

HILLINGTON MILLS, INC.

In the Circuit Court
for Queen Anne's County
In Equity

Cause No. 7564

ORDERED, this 25th day of June, 1984, that the sale of the real property, made and reported in this cause by Sanford A. Harris, Trustee, be ratified and confirmed, on or after the 26th day of July, 1984, unless cause to the contrary thereof be previously shown; provided a copy of this order be inserted in some newspaper published in Queen Anne's County, Maryland, once in each of three successive weeks before the 19th day of July, 1984.

The report states the amount of sales to be \$ 300,000.00.

Marguerite H. Mankin Clerk

Filed June 25, 1984

THE COMMONWEALTH NATIONAL BANK

vs.

MILLINGTON MILLS, INC.

* IN THE CIRCUIT COURT
* FOR QUEEN ANNE'S COUNTY
* SITTING IN EQUITY NO. 7564

* * *

CLERK:

The Order Nisi on Report of Sale was filed in this matter on June 25, 1984.

In accordance with Maryland Rules of Procedure, Rule BR6, I am attaching hereto the following papers as exhibits to be filed in the case:

1. The Affidavit of Earl F. Carrick, Purchaser, indicating that he is the Purchaser and not an agent for anyone, that he purchased same as principal and not as agent for anyone and that he has not directly or indirectly discouraged anyone from bidding for the said property.

2. The Affidavit of the Auctioneer, A. J. Billig & Company, certifying that he has not paid and will not pay, directly or indirectly, anything for employment as auctioneer and that no payments have been made or will be made in connection with such sale, except those set forth in detail in the statement which has previously been filed herein.

CLERK
1984 JUN - 3 11 01
QUEEN ANNE'S COUNTY

3. A copy of the contract of sale.

Respectfully submitted,

Sanford A. Harris

Sanford A. Harris, Trustee
345 N. Charles Street
Baltimore, Maryland 21201
301/727-6700

LIBRY 17 JUN 1984 338

STATE OF MARYLAND QUEEN ANNE'S COUNTY, Sect.:

I HEREBY CERTIFY, That on this 18th day of June,
1984, before me, the subscriber, a Notary Public of the State of
Maryland, in and for BALTIMORE COUNTY AFORESAID,
personally appeared EARL F. CARRECK,
Purchaser at the foreclosure sale in this cause, and made oath in due form
of law that he is the purchaser and purchased same as principal and not
as an agent for anyone, and that he has not directly or indirectly dis-
couraged anyone from bidding for the said Millington Mills Property
mentioned in the said Report of Sale. Comprising 106.53-Acres, M/L

Earl F. Carreck
Purchaser

John F. Billig
NOTARY PUBLIC
BALTIMORE MARYLAND
JUN 19 1984

OFFICE PHONE: PLAZA 2-8440

A. J. BILLIG, PRESIDENT

Stocks, Bonds,
Real Estate
Household Effects,
Automobiles,
Appraisers, Etc.

A. J. BILLIG & COMPANY General Auctioneers

16 EAST FAYETTE STREET

BALTIMORE, MD. 21202.

June 19, 19 84

We, A. J. BILLIG & CO., duly licensed Auctioneers, do hereby certify to the effect that we have not paid and will not pay, directly or indirectly, anything for employing us to make said sale and that no payments have been made or will be made in connection with such sale, except those set forth in detail in said statement.

SUBSCRIBED TO AND SWORN TO.

A. J. BILLIG & CO.

BY

Jack T. Billig



NOTARY
PUBLIC

Cindy L. Bowman

Notary Public

LIBER

17 PAGE 339

CONTRACT OF SALE

Queen Anne's Co., Maryland, June 18, 19 84.

1 EARL F. CARRICK have this day

purchased at Public Auction for the price of \$ 300,000.00
the property known as That Fee Simple Parcel of Ground Comprising 106.53-Acres,
More or Less, and being more fully described in the attached advertisement, Known
As the Millington Mills Property "AS IS"

From Sanford A. Harris, Trustees
of which a deposit of Thirty Thousand (\$30,000.00) Dollars has been paid.
Balance of purchase money to be paid in cash 10 days/ following final ratification of sale by the Circuit

Court In Equity of Queen Anne's County All rents, taxes and expenses to be adjusted to date of sale LIBER 17 -A- 340
Subject to any and all agreements, restrictions, covenants and easements of record affecting same, if any. Interest on unpaid purchase money at rate of 12% from date of sale to date of settlement. All documentary stamps and transfer taxes to be borne by purchaser.

If this property is subject to a ground rent, and this ground rent is not timely paid, the effect may be that the reversionary owner of the ground rent may bring an action of ejectment against the ground rent tenant under Section 8-402 (c); and, as a result of the ejectment action, the reversionary owner of the ground rent may own the property in fee, discharged from the lease.

The Record Observer July 13, 1984 is hereby incorporated herein.

WITNESS: as to signatures and receipt of deposit.
A. J. BILIC & Company, Auctioneers
16 E. FAYETTE ST. (301) 752-8440
BALTIMORE, MARYLAND 21202
Signed: EARL F. CARRICK Purchaser (Seal)
Sanford A. Harris Trustees (Seal)

Centreville, Md. 6/13 19 84

We Hereby Certify

That the annexed advertisement of
Millington Mills, Inc.

was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 4 successive weeks before
the 18th day of June 19 84.

And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER was on the 23rd day of
May 19 84, and the last
insertion on the 13th day of
June 19 84.

Publishers, Record Observer

Per *M. M. M. M. M.*

1984 JUN -2 PM 12: 31

Weinberger, Weinstock, Sagner, Stevan & Harris, Solicitors
Senford A. Harris, Solicitor
5 N. Charles Street, Baltimore, Maryland 21201

Trustee's and Creditor's Sale Complete Fully Equipped Saw Mill & Pallet Manufacturing Plant

COMPRISING 3- MANUFACTURING BUILDINGS, 2- OFFICE
BUILDINGS, MAINTENANCE SHED & 2 TRAILER HOMES
LAND AREA: 108.53 ACRES, MORE OR LESS

AND
VERY MODERN SAW MILL MACHINERY
WOODWORKING EQUIPMENT, OFFICE FURNITURE
LUMBER INVENTORY & MATERIAL HANDLING EQUIPMENT
OF

MILLINGTON MILLS, INC.

SALE ON PREMISES

SOUTH SIDE MARYLAND ROUTE 313
Millington, Queen Anne's County, Md.

Monday, June 18, 1984

AT 12:00 O'CLOCK NOON

By Virtue of a Decree of the Circuit Court of Queen Anne's County, in Equity, passed in the matter of The Commonwealth National Bank V. Millington Mills, Inc., Case No. 7564, and Pursuant to a Financing Statement and Security Agreement by and between Millington Mills, Inc., Debtor, to Commonwealth National Bank, Creditor, recorded in the State Department of Assessments and Taxation in Film 2504, Folio 3-01717, Identification No. 160763, default having occurred thereunder, the undersigned Trustee and Creditor will sell at Public Auction the following:

REAL ESTATE

All that fee simple parcel of ground situate and lying in Queen Anne's County, Maryland and described as follows:

BEGINNING at a point in the centerline of the eforesaid public road, Maryland Route 313, and in the East line of land of Ethel P. Scofield, said point being North forty-one (41) degrees sixteen (16) minutes East of, and thirty-eight and ninety-six hundredths (38.96) feet from a concrete monument; thence running by and with the centerline of said public road and being the south line of land of the United Logging and Piling Company, formerly a part of the land herein described, North eighty-eight (88) degrees thirty-two (32) minutes East, one thousand five hundred ninety-eight and seventy-seven hundredths (1598.77) feet; thence by the same and being a chord of the curve in said road, North eighty (80) degrees forty (40) minutes East, three hundred seven and four tenths (307.4) feet to a point at the intersection of the centerlines of the said Maryland Route No. 313 and the public road leading therefrom to Highman's Mill; thence by and with the centerline of the said Highman's Mill Road South fifty-one (51) degrees three (03) minutes East, one hundred seventy-one and thirty-eight hundredths (171.38) feet to a point and being the Northwest corner of land of Elmer E. Glending, said point being North thirty-three (33) degrees eleven (11) minutes East of, and twenty-five and sixty-seven hundredths (25.67) feet from a concrete monument; thence running by and with the westerly line of land of the said Elmer E. Glending and land of Earl L. Glending, through and over the aforesaid concrete monument South thirty-three (33) degrees eleven (11) minutes West, three thousand six hundred ninety-six and sixty-five hundredths (3696.65) feet to a point in the high water line of Unicorn Mill Pond, said point being South thirty-three (33) degrees eleven (11) minutes West of and fifteen and zero hundredths (15.00) feet from a concrete monument; thence running by and with the high water line of said Mill Pond the following fourteen courses and distances:

- (1) North seventeen (17) degrees thirty-six (36) minutes West one hundred ninety-three and nine hundredths (193.09) feet;
- (2) North forty-three (43) degrees nineteen (19) minutes West two hundred forty-six and thirty-six hundredths (246.36) feet;
- (3) North one (1) degree sixteen (16) minutes East ninety-six and fifty-eight hundredths (96.58) feet;
- (4) North fifteen (15) degrees twenty (20) minutes West one hundred eighty-three and forty-eight hundredths (183.48) feet;
- (5) North eighty-five (85) degrees five (05) minutes West one hundred fifty-five and twenty-two hundredths (155.22) feet;
- (6) North thirty-eight (38) degrees ten (10) minutes West one hundred fifty-six and ninety-two hundredths (156.92) feet;
- (7) North fifteen (15) degrees thirty-nine (39) minutes East seventy-two and eighty-two hundredths (72.82) feet;
- (8) North thirty-nine (39) degrees twenty-six (26) minutes West one hundred nine and twenty-two hundredths (109.22) feet;
- (9) North two (02) degrees thirty-five (35) minutes West eighty (80.0) feet;
- (10) North fifty-two (52) degrees one (01) minute East ninety and eighty-two hundredths (90.82) feet;
- (11) North twenty-one (21) degrees six (06) minutes West ninety-four and sixty-two hundredths (94.62) feet;
- (12) North two (02) degrees nine (09) minutes East three hundred six and seven tenths (306.7) feet;
- (13) North fifteen (15) degrees forty-six (46) minutes West sixty-seven and ninety-eight hundredths (67.98) feet;
- (14) North thirty-eight (38) degrees twenty-three (23) minutes West two hundred seventeen and thirty-seven hundredths (217.37) feet to a State of Maryland concrete monument at the Northeast corner of the breast of said

Unicorn Mill Pond which was conveyed unto the State of Maryland to the use of the Game and Inland Fish Commission by James Francis Panunto, by deed dated September 6, 1961, and recorded in Liber T. P. No. 62, folio 492, etc.; thence running by and with land of the said State of Maryland, formerly of James Francis Panunto, the following four courses and distances:

(1) North eighteen (18) degrees twenty-one (21) minutes West two hundred four and forty-four hundredths (204.44) feet to an iron pipe;

(2) North thirty-three (33) degrees fifty-eight (58) minutes West one hundred forty-four and ninety-seven hundredths (144.97) feet to an iron pipe;

(3) North twenty-two (22) degrees twenty-one (21) minutes West one hundred twenty-six and three hundredths (126.03) feet to a State of Maryland concrete monument;

(4) by and with land of the said State of Maryland and land of Ethel P. Scofield North forty-one (41) degrees sixteen (16) minutes East, one thousand three hundred eleven and twenty-four hundredths (1311.24) feet to a point in the centerline of said Maryland Route No. 313, the place of beginning.

CONTAINING 107.015 acres, more or less.

SAVING AND EXCEPTING a certain tract of land granted and conveyed unto the State of Maryland by Leola Supply Company of Maryland by deed of conveyance bearing date of October 19, 1976, and recorded among the Land Records of Queen Anne's County in Liber CWC 117, page 393, etc.

BEING the property described in a Deed dated October 17, 1980, and recorded among the Land Records of Queen Anne's County in Liber MWM 168, folio 529, from Edward Turner and Patrick E. Thompson, Attorneys, to Millington Mills, Inc.

The property is improved by the following: 1. Saw Mill Building--one story part steel end frame containing approximately 27,000 square feet with concrete floors and lighting with heavy power; 2. Pallet Building--one story frame with metal clad walls containing approximately 6,400 square feet with plumbing; 3. Wood Planing Building--one story steel frame with partial metal clad walls end concrete floors containing approximately 1,000 square feet; 4. Production Office--one story frame building with concrete floors with plumbing end heating containing approximately 680 square feet; 5. Office Building--two story frame building containing 3 offices, kitchen and powder room on the first floor, and 2 rooms and bathroom on the second floor; 6. Maintenance Shed--one story metal clad on wood with concrete floors and high ceilings containing approximately 2,100 square feet; 7. 2 Trailer Homes--aluminum sided, each containing approximately 790 square feet.

A portion of the property, approximately 70 acres were leased for farming. There is a gas pump, septic tanks, and underground fuel tanks and well.

PERSONAL PROPERTY

Saw Mill Machinery: 2 Pendu (2400) Cutoff Saws; 2 Pendu (8000) double saws; 4 Pendu (4400) Steekers; 2 Auxiliary hydraulic power units; Asst. chain conveyors; 8 Hydraulic stops; 60' power feed table; Feed tables; 3 Log deck 6 strand with chain & supports; Log conveyors; Frick husk frame saw; Prescott Portland Edger; Corley (8-48) edger; Henike pecemaker 15 H.P. air compressor; Gerdner Daner 25 H.P. compressor; Delta radial saw; Hermence rip saw; American resaw; Newman (55) feed table; Pallet stacker; Newman (KM16) trim saw; Corley (30) carriage system complete with log turner; decking; fans; Log deck rollcase; Yeates plener (91); Corley heavy duty 78' conveyor with log kicker; HH-LM chain saw model 200 with log lift assembly end cab; 2 Loader & stop assembly; Debarker 636H precision with drives end support system; 3 Hydraulic power units with 60 gallon tank; Fulghum 60" chipper; Fulghum FI-R-682 shaker; sawdust conveyor; Kellog air compressor; 2 Corley 3 saw trailer with unloader; Corley (24NM) trimmer; Metal detector; Screw conveyor saw dust loading; etc.

Pallet Shop Equipment: Porter 43-20J saw; Morgan 36-72 Nailer; Morgan (26-40) nailer; Morgan (26-72) nailer; Double 10" notcher with Newman 84" feed table; Hanke pecemaker 10 H.P. air compressor; work tables; benches; chairs; nail guns; and tools; etc.

Other Equipment & Material Handling Equipment: Buester welder; Sherpener; Log splitter; Sibley drill press; Curtis 5 H.P. air compressor; Lincoln welder; LeBlond sharpener; Acy. outfits; chergers; jacks; lube guns; chain saws; power hand tools; Ford Diesel A62 coader with forks & grapple; Massey Ferguson 6500 lift truck; Allis-Chalmers 6,000 lb. forklift; Pettibone 104A loader with fork and log grapple loader; Hyster forklift; Pallet trucks, etc.

Office Furniture: Single and double pedestal desks; arm end side chairs; 3 and 4 drawer filing cabinets; Royal 550 typewriter; Marsh stencil cutter; calculators; sofas; etc.

INVENTORY: Large quantity of logs, asst. size lumber, work in progress, Grip-Rite nails, pallets, etc.

MANNER OF SALE: Manner of sale will be announced at time of sale.

TERMS OF SALE: A cash deposit, certified or bank check of \$30,000.00 on the real estate at the time and place of sale. Balance to be paid in cash 10 days following final ratification of sale by the Circuit Court of Queen Anne's County, in Equity. Interest to be charged at the rate of 12% per annum on the unpaid purchase price from day of sale to date of settlement. All adjustments as of date of sale. The property will be sold in an "as is" condition without warranty as to the descriptive material pertaining to the improvements contained herein, and subject to any easements, agreements, restrictions or covenants of record affecting same, if any. Cost of all documentary stamps and transfer taxes to be paid by the purchaser. Time is of the essence for the purchaser. Cash, certified check, or bank letter of credit for personal property at the time and place of sale. If the equipment should be sold as an entirety, a certified or bank check of \$50,000.00 at the time and place of sale.

Directions: Route 301 to Route 544. Turn east to Route 313. Turn north 1.5 miles to Millington Mills Property on the right.

Sanford A. Harris, Trustee
Commonwealth National Bank, Creditor

A.J. Billig & Co., Auctioneers

16 E. Fayette Street
Baltimore, Maryland 21202 (301) 752-8440

RB-5-23-41-034

Centreville, Md. 7/18 19 84

We Hereby Certify

That the annexed advertisement of

Order Nisi #7564

was published in the RECORD OBSERVER, a newspaper published in Queen Anne's County, Maryland, once in each of 3 successive weeks before the 19th day of July 19 84.

And that the first insertion of said advertisement in the said RECORD OBSERVER/BAY TIMES was on the

4th day of July

19 84, and the last insertion on the

18th day of July

19 84

Publishers, Record Observer

Per

Marguerite W. Mankin

1984 AUG -2 PM 1:54

ORDER NISI
ON SALE
THE COMMONWEALTH
NATIONAL BANK

vs.
MILLINGTON MILLS, INC.
In the Circuit Court
for
Queen Anne's County
In Equity
Cause No. 7564

ORDERED, this 25th day of June, 1984, that the sale of the real property, made and reported in this cause by Sanford A. Harris, Trustee, be ratified and confirmed, on or after the 26th day of July, 1984, unless cause to the contrary thereof be previously shown; provided a copy of this order be inserted in some newspaper published in Queen Anne's County, Maryland, once in each of three successive weeks before the 19th day of July, 1984.

The report states the amount of sales to be \$300,000.00

Marguerite W. Mankin
Clerk

True Copy, Test:
Marguerite W. Mankin
Clerk

By: Betty M. Comegys
Deputy Clerk

Filed June 25, 1984

RB-7-4-31-02

THE COMMONWEALTH NATIONAL BANK

vs.

MILLINGTON MILLS, INC.

IN THE
CIRCUIT COURT
FOR QUEEN ANNE'S COUNTY
SITTING IN EQUITY #7564

* * *

FINAL ORDER OF RATIFICATION ON TRUSTEE'S REPORT OF SALE

ORDERED BY THE COURT this ^{3rd} day of August, 1984, that the public auction sale made and reported by Sanford A. Harris, Trustee, of the mortgaged property mentioned in these proceedings aforesaid, be and the same is hereby finally ratified and confirmed, no cause to the contrary having been shown, although due notice appears to have been given as required by the Order Nisi passed in said cause; and the Trustee is allowed the usual commissions and such proper expenses as he shall produce vouchers for to the Auditor.

Cayton C. Carter

JUDGE

1984 AUG -3 PM 4:06

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

THE COMMONWEALTH NATIONAL BANK;
Plaintiff :

v. : Chancery #7564

MILLINGTON MILLS, INC. :
Defendant :

: : : : :

REQUEST FOR ADDITIONAL COMPENSATION

The above-entitled cause having been referred to the Auditor in accordance with Rules W74 and 2-543, the Auditor respectfully requests the allowance of extra compensation for the services performed by him for the reasons that he has been required, in addition to his customary and usual duties:

1. To correspond with the Fiduciary to obtain required information.

2. To examine a large number of notes and statements in an attempt to ascertain the amount due on the indebtedness secured by the subject mortgages. As more fully stated in Note C of the Account, because of subsequent requests and agreements by the Fiduciary and an officer of the Mortgagee, such verification was not undertaken; but a substantial amount of time had been spent prior to that time in reviewing the large amount of material submitted with respect to such indebtedness.

3. A chronological summary of the above facts is attached hereto.



John W. Sause, Jr.
Auditor

RECEIVED
CLERK, CIRCUIT COURT
1985 MAR 21 PM 4:17
QUEEN ANNE'S COUNTY

RE: CHANCERY #7564

- 08/24/84 Review of Fiduciary's letter of 08/23/84 and enclosures; letter to Fiduciary requesting Suggested Account and Affidavit and evidence of deed to purchaser
- 09/12/84 Review of Fiduciary's letters of 09/06 and 09/10, Suggested Account and supporting data
- 09/25/84 Verifying tax bill in Treasurer's office; preparing portions of Account relating to sale and expenses; letter to Fiduciary regarding information regarding indebtedness
- 12/01/84 Telephone conference with Fiduciary regarding proof of indebtedness
- 12/06/84 Review of notes supplied by Fiduciary; letter to Fiduciary requesting additional explanation
- 01/17/85 Letter to Fiduciary requesting information
- 01/20-
03/14/85 Review of extensive documentation received with letter-affidavit of Mortgagee (attached to Account); letter to Fiduciary requesting meeting for purposes of review and explanation of information
- 03/19/85 Telephone conference with Fiduciary and Bank officer regarding scope of Account, as detailed in Note C thereof.

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

THE COMMONWEALTH NATIONAL BANK:
Plaintiff :

v. :

Chancery #7564

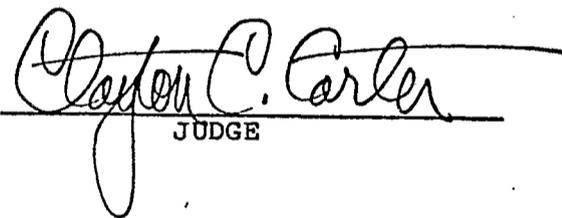
MILLINGTON MILLS, INC. :
Defendant :

: : : : :

ORDER

The Auditor's Request for Additional Compensation having been read and considered, and it appearing that the Auditor has performed duties other than the customary and usual duties performed in an audit, it is this 20th day of March, 1985, by the Circuit Court for Queen Anne's County,

ORDERED, that the Auditor is allowed a total fee of \$ 350.00, together with out of pocket traveling and other expenses allowed by Second Circuit Rule 12 b, such fee and expenses to be paid from funds of the estate, subject to the right of any interested person to file exceptions to this allowance in the manner provided by Maryland Rule 2-543 (f).


JUDGE

RECEIVED
CLERK OF COURT
1985 MAR 21 PM 4:19
QUEEN ANNE'S COUNTY

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

THE COMMONWEALTH NATIONAL BANK:
Plaintiff :

v. :

Chancery #7564

MILLINGTON MILLS, INC. :
Defendant :

: : : : :

AUDITOR'S ACCOUNT

PROCEEDS OF FORECLOSURE SALE

Sale Price, as reported \$ 300,000.00

Interest on \$ 270,000.00 @ 12%
from 06/18/84 to 08/21/84
64 days @ \$88.77 per day 5,681.28Real property taxes \$ 3,359.20
from 06/19 to 06/30/84
12 days @ \$9.20 110.40

GROSS AMOUNT AVAILABLE FOR DISTRIBUTION \$ 305,791.68

ATTORNEY COMMISSION (Note A) \$ 15,150.00-

EXPENSES OF SALE

Court costs \$ 306.50-

Advertising

Notices of sale (Note B)

Record-Observer 574.56-

Forest Industries 545.78-

Logger and Lumberman 698.25-

Sunpapers 2,062.84-

Philadelphia Inquirer 476.30-

Harrisburg Patriot 135.55-

Lancaster New Era News 89.27-

Wilmington News

Journal 461.02-

Salisbury Times 176.48-

Direct Mail 21.25-

Report of sale 55.14-

Bond premium 550.00-

Auctioneer's fee (maximum) 200.00-

Certified mail 5.40- 6,358.34-

AUDITOR'S FEE AND COSTS

Fee for audit (per Order) \$ 350.00

Postage & copies 1.24 351.24-21,859.58-AMOUNT TO BE DISTRIBUTED TO MORTGAGEE (Total deficiency, if any, NOT established. Note C) CLERK, CIRCUIT COURT

\$ 283,932.10

1985 MAR 21 PM 4:18

QUEEN ANNE'S COUNTY

NOTE A: The Mortgages do not provide for fiduciary commissions eo nomine, but do allow "an attorney's commission for collection which shall be ten per cent (10%) of the total of [certain specified amounts]." As the amount sought as commissions in the Fiduciary's Suggested Account is within that limit (and is consistent with Circuit Rule BR8), it has been allowed.

NOTE B: The advertisement of sale refers to the mortgaged real estate and certain personal property to be sold pursuant to a Financing Statement and Security Agreement. The Fiduciary indicates that 57% of the advertising costs for real and personal property were allocated to the real property. The amounts set forth in the Account are that proportion of the total advertising costs as shown in bills submitted.

NOTE C: The Statement of Debt indicates a balance due as of March 27, 1984, of \$1,317,320.99 on the two Mortgages filed in this Cause. From subsequent correspondence with the Fiduciary and representatives of the Mortgagee, it developed that the indebtedness was evidenced by a number of separate notes. An affidavit received from an officer of the Mortgagee indicates that on December 31, 1984, the indebtedness was something in excess of \$1,300,000.00. A copy of the affidavit is attached to this Account. It is apparent that a good deal of work would be involved in verification of these amounts.

In response to a suggestion that a meeting be arranged for purposes of such verification, the Fiduciary and a representative of the Bank requested in a conference telephone call on March 19, 1985, that such verification be waived, as the Mortgagee did not intend to seek a deficiency decree.

Therefore, verification of the exact amount owed the Mortgagee seemed to be an unnecessarily expensive and time-consuming exercise. As a practical matter, aside from the already-completed verification of the proceeds and expenses of sale, the only question which remains is whether the net proceeds of sale are within the amount shown to be due the Mortgagee; and there can be no doubt of that fact from the proofs filed in the proceedings.

The Account therefore does not show the extent to which the proceeds distributable to the Mortgagee affect its debt. As such, the Fiduciary and the Bank's officer have agreed that the Account does not establish the amount of principal and/or interest remaining after application of those proceeds and will not be used for purposes of seeking a deficiency decree in this Cause.

NOTICE

The attached Account was filed on March 21, 1985. Exceptions to the Account must be filed within ten (10) days of that date. If timely exceptions are not filed, the Account may thereupon be ratified.

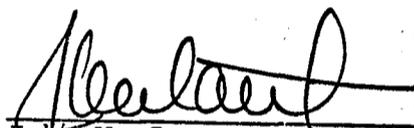
CERTIFICATE OF AUDITOR

I hereby certify that I have examined the Suggested Account, together with the receipts, vouchers, statements, suggested distribution and affidavit submitted by the Fiduciary in Chancery Cause #7564. On the basis of the facts which appear upon the face of the proceedings and proofs submitted to me, it is my opinion that the claims set forth in the foregoing Auditor's Account have been established and are properly allowable by law in the amounts there set forth.

I further certify that on March 21, 1985, copies of the Auditor's Account and Notice conforming to the requirements of Maryland Rule 2-543 and Second Circuit Rule 12 d, together with a copy of the affidavit referred to in Note C of the Account, were mailed to the following:

Sanford A. Harris, Esquire
345 North Charles Street
Baltimore, Maryland 21201

Millington Mills, Inc.
c/o Corporation Trust, Inc.
32 South Street
Baltimore, Maryland 21202



John W. Sause, Jr.
Auditor

Commonwealth
National Bank



January 18, 1985

Mr. John Sause
The Second Judicial Circuit of Maryland
Circuit Court for Queen Ann's County
Centerville, Maryland 21617

Re: Millington Mills, Inc./Chancery #7564

Dear Mr. Sause:

I have been requested by Sanford Harris to clear up any misunderstandings in regards to Commonwealth National Bank's recording of two mortgages for Millington Mills, Inc. Copies of all notes, and corresponding loan interest and principal statements have been enclosed, which pertain to the mortgages dated April 14, 1981 for \$1,114,663 and January 28, 1983 for \$350,000.

The larger, April 1981, mortgage was originally taken to secure note #83 in the amount of \$1,114,633. As of June 18, 1984, the principal outstanding was \$1,090,592.68 and interest due was \$257,174.02. As of December 31, 1984, the principal outstanding was \$923,092.68 and interest due was \$321,489.83. Notes #125, 141, 158, 166, 182, 190 refer to this mortgage as collateral, in addition to accounts receivable, inventory, machinery and equipment, however they had nothing to do with the original amount on the mortgage. As of June 18, 1984, only \$2,824.13 in principal was due on these loans, however, \$11,216.06 was due in interest. As of December 31, 1984, the principal outstanding was 0 and interest due was \$11,310.52.

The smaller mortgage of \$350,000 was taken in January 1983 to secure notes #91, 109, 117 and 125 which had total original note balances of \$350,000 and had not changed up to January 28, 1983. As of June 18, 1984, these notes had a total principal balance of \$302,377 and interest due of \$36,957.29. As of December 31, 1984, the principal outstanding was \$26,938.82 and interest due \$48,471.54.

For your reference, I have placed interest and principal due for the above notes on each interest and principal statement for the dates of December 31, 1982, December 31, 1983, June 13, 1984 and December 31, 1984. If I can be of any other assistance, please inform me of such.

Sincerely,

Thomas F. Worthington
Thomas F. Worthington
Assistant C/L Recovery Officer

TFW/sd
cc: Sanford Harris

STATE OF PENNSYLVANIA)
COUNTY OF Dauphin.)

Personally appeared before me, the undersigned, Thomas F. Worthington known to me to be the Asst. C/L Rec. Officer of The Commonwealth National Bank, and who, being duly sworn according to law did depose and say that the facts set forth in the foregoing complaint are true and correct to the best of his knowledge, or information and belief.

Thomas F. Worthington
Thomas F. Worthington

Sworn to and subscribed
before me this 21st
day of January 19 85.

Agnes C. LaFollette

By Court Clerk

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

THE COMMONWEALTH NATIONAL BANK:
Plaintiff :

v. :

Chancery #7564

MILLINGTON MILLS, INC. :
Defendant :

: : : : :

ORDER RATIFYING AUDIT

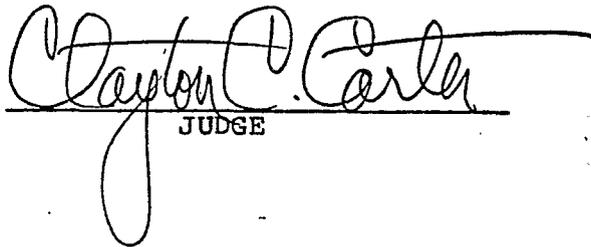
The matter coming before the Court on the Account heretofore filed by the Auditor and it appearing from the Auditor's Certification that the requirements of Rule 2-543 (e) have been met, and no exceptions having been filed within 10 days of the date when the Account was filed, it is this 3rd day of April, 1985, by the Circuit Court for Queen Anne's County,

ORDERED that the Account of the Auditor is hereby ratified and confirmed, and the Fiduciary shall apply the proceeds accordingly with a due proportion of interest after same has been or may be received.

FILED

APR 3 1985

CIRCUIT COURT
QUEEN ANNE'S CO.


JUDGE

LIBERTY 17 354

ROBERT R. PRICE, JR.
103 Lawyers Row
Centreville, Maryland
21617

IN THE CIRCUIT COURT FOR

ASSIGNEE

VS.

QUEEN ANNE'S COUNTY ***60 00
FEB -3-84 A 92 364 *****60 00

CATHERINE M. STUCK
Church Hill, Maryland
21623

MORTGAGOR

EQUITY NO. 7532

* * * * *

ORDER TO DOCKET SUIT

MADAM CLERK:

You will please docket suit as per the above titling for foreclosure of the mortgage from Catherine M. Stuck to Minnie S. Cronshaw, dated August 27, 1982 and recorded among the Land Records of Queen Anne's County in Liber MWM No. 188, folio 181; said Mortgage being duly assigned to Robert R. Price, Jr. for collection by foreclosure or otherwise, default having occurred in the terms thereof by reason of the non-payment when due of principal and interest of said mortgage indebtedness.

You will file herein a certified copy of the afore-said mortgage (MWM No. 188, folio 181) and Assignment to Robert R. Price, Jr., as well as the accompanying military affidavit and statement of indebtedness.

Robert R Price Jr

Robert R. Price, Jr., Assignee

RECORDED
CLEARANCE
1984 FEB -3 PM 3:45
QUEEN ANNE'S COUNTY

LAW OFFICES
ROBERT R. PRICE, JR.
ATTORNEY AT LAW
CENTREVILLE, MARYLAND
758-1680

ROBERT R. PRICE, JR.
103 Lawyers Row
Centreville, Maryland
21617

* IN THE CIRCUIT COURT FOR
*
*

ASSIGNEE

VS.

* QUEEN ANNE'S COUNTY

CATHERINE M. STUCK
Church Hill, Maryland
21623

*
*
*

MORTGAGOR

EQUITY NO. 7532

* * * * *

STATEMENT OF MORTGAGE INDEBTNESS

Balance due on original mortgage ----- \$ 40,000.00

Principal paid to date of last
payment 4/12/83 ----- 153.58

PRINCIPAL BALANCE DUE ----- \$ 39,846.42

Interest from 4/12/83 to
2/1/84 @ \$13.10 per day ----- 3,799.00

Principal and Interest
due as of 2/1/84 ----- \$ 43,645.42

Per Diem interest - \$ 13.10

STATE OF MARYLAND)
QUEEN ANNE'S COUNTY) TO WIT:

This is to certify that on this 3rd day of February, 1984, before me, the Subscriber, a Notary Public of the State and County aforesaid, personally appeared Robert R. Price, Jr., Assignee, and made oath in due form of law that the foregoing statement of mortgage indebtedness is true to the best of his knowledge, and belief, and there is no credit due thereon, except as shown, nor any security therefor except the said mortgage.

WITNESS my hand and Notarial Seal.

Marcy J. C... ..

Notary Public

My commission expires: 02/17/86



LAW OFFICES
ROBERT R. PRICE, JR.
ATTORNEY AT LAW
CENTREVILLE, MARYLAND

758-1660

MILITARY AFFIDAVIT

STATE OF MARYLAND)
) TO WIT:
QUEEN ANNE'S COUNTY)

I HEREBY CERTIFY, that on this 3 day of February, 1984, before me, the Subscriber, a Notary Public of the State and County aforesaid, personally appeared Minnie S. Cronshaw, mortgagee, and made oath in due form of law that Catherine M. Stuck, mortgagor, is not now, nor has she been within six (6) months prior hereto, in the military service of the United States of America as defined by the Soldier's and Sailor's Relief Act, and amendments thereto.

WITNESS my hand and Notarial Seal.

Marcy J. Cooper
NOTARY PUBLIC

MY COMMISSION EXPIRES 7/1/86



THIS MORTGAGE, Made this 27th day of August

in the year nineteen hundred and eighty-two by and between CATHERINE M. STUCK

Mortgagor of the Anne Arundel County,----- in the State of Maryland, of the first part, and

MINNIE S. CRONSHAW-----, Mortgagee, of the second part:

Whereas, the said Mortgagor is justly indebted unto said Mortgagee in the full sum of Forty Thousand (\$40,000.00) Dollars, (being money loaned by said Mortgagee to said Mortgagor) for which said sum and the interest thereon said Mortgagor has passed to said Mortgagee her promissory note bearing even date herewith for said principal sum of Forty Thousand (\$40,000.00) Dollars, payable in manner and form as follows:

In fifty-nine (59) consecutive monthly installments of Four Hundred Twenty-one Dollars and Twenty-nine (\$421.29) cents each, including interest, payable on the 27th day of each and every month, commencing with the 27th day of September, 1982, and a final sixtieth (60th) balloon payment of the balance due on the 27th day of August, 1987; provided, however, that notwithstanding any provision hereof to the contrary, the Mortgagor may pay the debt in part or in full at any time, without penalty.

AND WHEREAS this Mortgage is made to secure the payment of said debt, and the interest thereon, in the manner and at the times limited in aforesaid promissory note or any renewal or renewals thereof and the performance of all the covenants hereinafter mentioned - the execution hereof being a condition precedent to the making of said loan.

Now this Mortgage Witnesseth, that in consideration of the premises and of the sum of One Dollar, the said Catherine M. Stuck,-----

----- do --- grant and convey unto Minnie S. Cronshaw-----

----- her heirs and assigns, in fee simple, all

~~that certain parcel of ground situate and lying in the~~
~~aforesaid and described as follows, to wit: Beginning for~~

ALL that lot or parcel of land situate, lying and being in Upper Church Hill in the Second Election District of Queen Anne's County in the State of Maryland on the east side of the State Road which runs from Centreville in said county through the town of Church Hill to Chestertown and on the south side of the road which branches from that road in what is known as "Upper Church Hill" to lead to the town of Sudlersville, and in the south angle formed by the union of said road, bounded on one side by the first mentioned road, on another side by the other road mentioned and on its remaining sides by other land of the said "Joseph C. Roberts Farm" and contained within the following metes and bounds, courses and distances according to a survey of the same made on June 4th, 1938, by G. B. Taylor, surveyor, to wit:

BEGINNING for the same at the southeast corner thereof at an iron bar driven in the ground on west side of a fourteen foot lane or private road of the said Joseph C. Roberts and running thence with other land of the said Joseph C. Roberts North 79 degrees 20 minutes West, 118.5 feet to an iron bar driven in the ground on the east side of the first mentioned road; thence with the road North 33 degrees 35 minutes East, 81 feet to an iron bar driven in the ground on the south side of that road mentioned above in the second place; thence with the last named road South 86 degrees East, 109.9 feet to an iron bar driven in the ground on the west side of the private road or land mentioned above; thence South 25 degrees 40 minutes West, 90 feet to the

LIBER

17

358

LIBER

188

182

place of beginning. Containing 8,940 square feet of land, more or less.

BEING the same parcel of land conveyed to the said Catherine M. Stuck from Minnie S. Cronshaw, by deed bearing even date herewith, and recorded, or intended to be recorded among the Land Records for Queen Anne's County, Maryland, immediately prior hereto.

SUBJECT to a Grant to the State of Maryland to the use of the State Road Commission of Maryland from Wm. H. Cronshaw dated September 21, 1951, and recorded among the Land Records for Queen Anne's County, Maryland, in Liber T.S.P. No. 3, Folio 18, etc.

SHOULD TITLE to the hereby mortgaged property be acquired by any persons or corporations, other than the Mortgagor, by voluntary or involuntary grant or assignment, or in any other manner, without the Mortgagee's written consent, then the whole debt intended to be secured, and all moneys owing hereunder or secured hereby shall, at the option of the Mortgagee, be due and demandable.

RECEIVED
CLERK OF COURT

1982 AUG 31 AM 10:46

QUEEN ANNE'S COUNTY

AUG 31-82 * 28034 *****14.50
AUG 31-82 A #28034K***** 50
AUG 31-82 A #28033 *****14.00

Together with the buildings and improvements thereupon, and the rights, alleys, ways, waters, privileges, appurtenances and advantages thereto belonging or in anywise appertaining.

To Have and To Hold the aforesaid parcel of ground and premises unto and to the proper use and benefit of Minnie S. Cronshaw, her-----
heirs and assigns, forever.

Provided, that if the said Catherine M. Stuck, her heirs, -----

executors, administrators or assigns, shall well and truly pay, or cause to be paid, the aforesaid principal sum of Forty Thousand (\$40,000.00)-----dollars, and all the installments of interest thereon, when and as each of them shall respectively be due and payable as aforesaid, and shall perform each and all of the covenants herein on her part to be performed, then this Mortgage shall be void.

And the said Mortgagor hereby assents to the passage of a Decree for the sale of the property hereby mortgaged; and said Mortgagor hereby also authorizes the said Mortgagee, her heirs, personal representatives or assigns, or the duly authorized Attorney or Agent of the said Mortgagee, to sell the hereby mortgaged property; such sale in either instance to take place only after a default shall have occurred in any of the covenants or conditions of this Mortgage as herein provided. Any such sale, whether under the above assent to a Decree or under the above power of sale, shall be conducted in accordance with the provisions of Article 66 of the Annotated Code of Maryland and Rules W70 to W80, inclusive, of the Maryland Rules of Procedure and under any other general or local laws or rules of procedure of the State of Maryland relating to mortgages, or any supplement, amendment or addition thereto. And upon any such sale of said property, the proceeds shall be applied as follows: (1) to repayment of all expenses incident to said sale, including a fee of One Hundred (\$100.00)---- Dollars and a commission to the party making the sale of said property equal to the commission allowed Trustees for making sale of property by virtue of a decree of a Court having equity jurisdiction in the State of Maryland; (2) to the payment of all claims of the said Mortgagee, her / heirs, executors, administrators or assigns hereunder whether the same shall have matured or not; (3) and the surplus (if any there be), to the said Mortgagor, her heirs, personal representatives or assigns, or to whoever may be entitled to the same.

And the said Mortgagor for herself, her heirs, personal representatives and assigns, do es hereby covenant and agree that immediately upon the first insertion of the advertisement or notice of sales as aforesaid under the powers hereby granted, there shall be and become due by them to the party inserting said advertisement or notice, all expenses incident to said advertisement or notice, all Court costs and all expenses incident to the foreclosure proceedings under this Mortgage and a commission on the total amount of the Mortgage indebtedness, principal and interest, equal to one-half the percentage allowed as commissions to trustees making sale under orders or decrees of a Court having equity jurisdiction in the State of Maryland, which said expenses, costs and commissions the said Mortgagor for herself, her heirs, personal representatives and assigns, does hereby ----- covenant to pay, and the said Mortgagee, her heirs, personal representatives or assigns, or their said Attorney, shall not be required to receive the principal and interest only, of said Mortgage debt in satisfaction thereof, unless the same be accompanied by a tender of the said expenses, costs and commission, but said sale may be proceeded with unless, prior to the day appointed therefor, legal tender be made of said principal, costs, expenses and commission.

And it is agreed that, until default be made in the premises, the said party of the first part, her heirs, personal representatives or assigns, shall possess the aforesaid property, but upon any such default, the entire indebtedness shall become due and payable. Mortgagor shall pay in the meantime, all taxes and assessments, public dues and charges levied or assessed, or to be levied or assessed, on said hereby mortgaged property, which mortgage debt and interest, taxes and assessments, public dues and charges, the said party of the first part covenants to pay when legally payable.

And the said party of the first part further covenants to insure, and pending the existence of this Mortgage to keep insured, the improvements on the hereby mortgaged property to the amount of at least its full insurable value ----- dollars, and to cause the policy to be effected thereon to be so framed or endorsed as, in case of fire, to inure to the benefit of the said Mortgagee her heirs, executors, administrators or assigns, to the extent of her lien or claim hereunder.

Witness the ----- hand and seal of said Mortgagor.

TEST:

[Signature] _____ [SEAL]
 Catherine M. Stuck
 _____ [SEAL]
 _____ [SEAL]

STATE OF MARYLAND, County of Howard, to wit: ,~~ss~~ August , 19 82 , before me, I HEREBY CERTIFY, That on this 27th day of August , 19 82 , before me, the subscriber, a Notary Public of the State of Maryland aforesaid, personally appeared Catherine M. Stuck

the Mortgagor named in the foregoing Mortgage, known to me (or satisfactorily proven) to be the person whose name is/~~are~~ subscribed to the within instrument, and acknowledged that she executed the same for the purposes therein contained, and in my presence signed and sealed the same. At the same time also appeared Minnie S. Cronshaw-----

and made oath in due form of law that she is one of the Mortgagees ~~xxx the Agent of the Mortgagees xxx~~ and that the consideration set forth in said Mortgage is true and bona fide as therein set forth, and further, that the actual sum of money advanced at the closing by the secured party was paid over and disbursed by the party secured hereby unto the within named Mortgagor or unto the person responsible for disbursement of funds in the closing transaction or their respective agent at a time no later than the final and complete execution and delivery of this Mortgage by the Borrower.

IN WITNESS WHEREOF, I hereunto set my hand and Notarial Seal.

My Commission expires:

July 1, 1986

[Signature]
 Notary Public
 THIS IS TO CERTIFY that the within instrument was prepared by or under the supervision of the undersigned, an Attorney duly admitted to practice before the Court of Appeals of Maryland.
[Signature]
 Ernest B. Cooker, Attorney

110
DOCUMENT NO. 116,073

No. _____
Re. CLERK RECEIVED FOR RECORD

1984 FEB -3 PM 3:45

FEB -3-84 * 2 363 *****12.50
FEB -3-84 A #2 363 *****12.50

QUEEN ANNE'S COUNTY

Assignment

OF MORTGAGE FROM Catherine M. Stuck

TO Minnie S. Cronshaw

AS RECORDED IN

LIBER. MWM NO. 188 FOLIO 181

MAIL TO Place in Equity 7532

Recorded in Reg. M 208
Folio 431

FOR VALUE RECEIVED I hereby transfer and assign the within and foregoing mortgage and note thereby secured unto Robert R. Price, Jr. Attorney at Law for the purpose of collection by foreclosure or otherwise.

WITNESS my hand and seal this 17th day of January, 1984.

E. Thomas McGinnis

Minnie S. Cronshaw (SEAL)

STATE OF MARYLAND)
COUNTY OF QUEEN ANNE'S) TO WIT:

KNOW ALL MEN BY THESE PRESENTS, That we Robert R. Price, Jr. of Queen Anne's County, State of Maryland, and the Aetna Casualty and Surety Company, a body corporate, duly authorized by its charter to become sole surety on bonds, are held and firmly bound unto _____, the State of Maryland, in the full and just sum of Forty Four Thousand ----- Dollars (\$ 44,000.00), current money, to be paid to the State of Maryland, or its certain attorney; to which payment well and truly to be made and done, we bind ourselves and each of us, our and each of our heirs, executors, administrators, successors, and assigns, in the whole and for the whole, jointly and severally, firmly by these presents. Sealed without seals and dated this _____ day of _____, 1984.

Under and by virtue of a power of sale contained in a mortgage from Catherine M. Stuck to Minnie S. Cronshaw, dated August 27, 1982, recorded in Liber MM No. 188, folio 181 of the Land Records of Queen Anne's County, said mortgage being assigned to Robert R. Price, Jr., Assignee for collection, default having occurred in the terms of said mortgage, the undersigned will offer at public auction on the premises at the hour of 11:00 A. M., D.S.T. on February 24, 1984.

NOW THE CONDITION of the above obligation is such that if the above bonded Robert R. Price, Jr., Assignee, Equity No. 7532, does and shall well, truly and faithfully perform the trusts reposed in him under the mortgage aforesaid, and shall abide by and fulfill any order or decree which shall be made by any Court of Equity in the premises, then the above obligation shall be void, otherwise to be and remain in full force and effect.

IN TESTIMONY WHEREOF, the said principal has hereunto set his hand and seal and the said surety has caused this instrument of writing to be executed on the day and year first above written.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF:

Cathy Kinble

Robert R. Price, Jr. (SEAL)
Robert R. Price, Jr., Assignee of the mortgage.

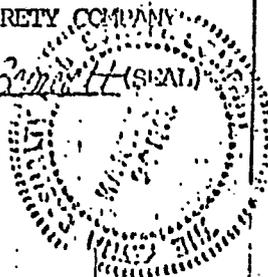
WITNESSES:

Jeanne F. Bandy

BY: Judith C. Bennett (SEAL)
Attorney in Fact

Surety approved and paid first Feb. 22, 1984

FEB 22 1984
AETNA CASUALTY AND SURETY COMPANY



CERTIFIED COPY OF POWER OF ATTORNEY ATTACHED

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber MWM No. 3, folio 388 a Bond Record Book for Queen Anne's County.



IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 24th day of February, 1984.

Marguerite W. Mankin
Marguerite W. Mankin, Clerk of the
Circuit Court for Queen Anne's County

ROBERT R. PRICE, JR.
103 Lawyers Row
Centreville, Maryland
21617

ASSIGNEE

VS.

CATHERINE M. STUCK
Church Hill, Maryland
21623

MORTGAGOR

* IN THE CIRCUIT COURT FOR

* QUEEN ANNE'S COUNTY

* EQUITY NO. 7532

* * * * *

AFFIDAVIT OF SERVICE

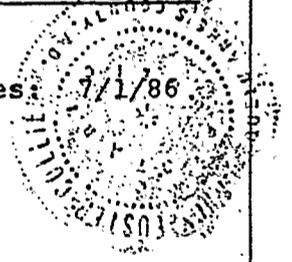
I HEREBY CERTIFY, that on this 28th day of February, 1984, before me, the Subscriber, a Notary Public of the State of Maryland in and for Queen Anne's County, personally appeared Robert R. Price, Jr., Assignee of the above mortgage and made oath in due form of law

(1) That notice of the time, place and terms of sale were personally delivered to the mortgagor and record owner in accordance with the requirements of MRP W 74, a, (2).

(2) That there are no recorded requests for notice of sale on the mortgaged property as described in MRP, W 74, a,

Mary J. Collier
Notary Public

My commission expires: 7/1/86



LAW OFFICES
ROBERT R. PRICE, JR.
ATTORNEY AT LAW
CENTREVILLE, MARYLAND
758-1860

RECEIVED
CLERK OF CIRCUIT COURT
1984 FEB 28 AM 10:45
QUEEN ANNE'S COUNTY

LIRET 17-364

ROBERT R. PRICE, JR.
103 Lawyers Row
Centreville, Maryland
21617

IN THE CIRCUIT COURT FOR

ASSIGNEE

QUEEN ANNE'S COUNTY

VS.

CATHERINE M. STUCK
Church Hill, Maryland
21623

MORTGAGOR

EQUITY NO. 7532

* * * * *

REPORT OF SALE

TO THE HONORABLE, THE JUDGES OF SAID COURT:

The report of Robert R. Price, Jr., Assignee of the mortgage from Catherine M. Stuck, Mortgagor to Minnie S. Cronshaw, Mortgagee, dated August 27, 1982, recorded among the Land Records of Queen Anne's County in Liber MWM No. 188, folio 181, said mortgage duly assigned to Robert R. Price, Jr., for collection by foreclosure or otherwise, default having occurred in the terms thereof by reason of non-payment when due of principal and interest of said mortgage indebtedness.

Robert R. Price, Jr., as Assignee aforesaid, filed in this Honorable Court his order to docket suit to foreclose said mortgage, accompanied by a certified copy of the original mortgage, a sworn statement as to the mortgage indebtedness, a military affidavit, his bond executed by himself and the Aetna Casualty and Surety Company, a body corporate, duly authorized by its charter to become a sole surety on bonds of this character, as surety in the full and just sum of \$44,000., containing the conditions required by law relative to the foreclosure of mortgages under a power of sale set forth therein.

That after having advertised said mortgaged premises for sale in the Queen Anne's Record Observer, a newspaper published in said County at least once each week for three (3) successive weeks, the first of said publication being not less than 15 days prior to sale, and the last such publication being not more than (1) week prior to sale and having sent not earlier than twenty (20) days and not later than five (5) days before the date of sale the notices required by Maryland Rule W 74, 2, (c), the said Robert R. Price, Jr. at 11:00 A. M. Eastern Standard Time on February 24, 1984, on the premises described in the advertisement, did read the legal advertisement and request any questions, there being no questions regarding the property to be sold or the terms and conditions he did have the auctioneer cry the sale for a considerable time and did sell the lands and improvements described in the notice of sale unto Minnie S. Cronshaw, she being then and there the highest bidder therefore, at and for the sum of \$44,000.

LAW OFFICES
ROBERT R. PRICE, JR.
ATTORNEY AT LAW
CENTREVILLE, MARYLAND
755-1660

FILED
FEB 28 1984
QUEEN ANNE'S COUNTY

The Purchaser has deposited with the Assignee the required cash down payment in the amount of \$4,000.00, in accordance with the Advertisement of Sale.

The Purchasers' affidavit required by Maryland Rule BR 6b3 and the Certificate as to Advertisement, are attached hereto.

THIS REPORT OF SALE states the amount of the sale to be \$44,000.00.

RESPECTFULLY SUBMITTED,

Robert R Price Jr

Robert R. Price, Jr.,
Assignee as aforesaid.

STATE OF MARYLAND)

QUEEN ANNE'S COUNTY)

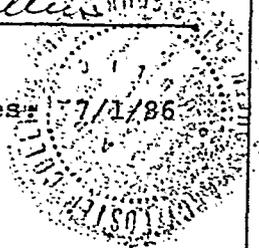
TO WIT:

I HEREBY CERTIFY, that on this 27th day of Jul., 1984, before me, the Subscriber, a Notary Public of the State and County aforesaid, personally appeared Robert R. Price, Jr., assignee of the mortgage in the aforementioned proceedings and made oath in due form of law that the matters and facts set forth in the foregoing Report of Sale are true to the best of my knowledge, information and belief and that said sale was fairly made.

And further made oath as aforesaid that there has been no change in the matters and facts set forth in the affidavit as to military service previously filed in this cause.

Mary J Collins
Notary Public

My commission expires: 7/1/86



LAW OFFICES
ROBERT R. PRICE, JR.
ATTORNEY AT LAW
CENTREVILLE, MARYLAND

758-1860

17-365

Centreville, Md. 2/22 19 84

We Hereby Certify

That the annexed advertisement of
Assignee's sale
Catherine M. Stuck
was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 24th day of Feb. 19 84.

And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER/BAY TIMES was on the
8th day of Feb.
19 84, and the last insertion on the
22nd day of Feb.
19 84.

Publishers, Record Observer

Per

Robert R. Price

Assignee's Sale

OF VALUABLE IMPROVED REAL ESTATE SERVICE STATION - ROUTE 300 TOWN OF CHURCH HILL, MARYLAND

Understand by virtue of a power of sale contained in a mortgage from Catherine M. Stuck to Minnie S. Cronshaw, dated August 27, 1982, recorded in Liber MWM No. 188, folio 181 of the Land Records of Queen Anne's County, said mortgage being assigned to Robert R. Price, Jr., Assignee for collection, default having occurred in the terms of said mortgage, the undersigned will offer at public auction on th premises at the hour of 11:00 A.M. D.S.T. on Friday, February 24, 1984, the following described real estate, to wit:

ALL that lot or parcel of land situate, lying and being in Upper Church Hill, Second Election District of Queen Anne's County, State of Maryland on the east side of the state road which runs from Centreville through Church Hill to Chestertown and on the south side of Route 300 (Church Hill to Sudlersville) and bounded on its other sides by the "Joseph C. Roberts Farm", containing 8,940 square feet of land, more or less, as described by a survey of G. B. Taylor, surveyor, dated June 4, 1938.

Improved by a service station structure with appropriate accessories for said use.

TERMS OF SALE: The Purchaser shall be required to pay ten per cent (10%) of the price in cash or certified check on the date of sale. The balance to be paid within ten (10) days of the ratification of sale by the Circuit Court for Queen Anne's County, and to bear interest at ten per cent (10%) from the day of sale to day of settlement, or all cash on the day of sale, as the Purchaser may elect.

FULL POSSESSION will be given to the Purchaser upon ratification of the sale and payment of the purchase price.

TAXES AND OTHER ASSESSMENTS AND CHARGES will be adjusted to date of final settlement. All transfer expenses, including deed, title examination, documentary stamps, transfer tax, and recording costs shall be paid by the Purchaser.

At the time and place of sale the Purchaser will be required to make an affidavit as required by Rule BR6b3 of the Maryland Rules of Procedure.

ROBERT R. PRICE, Assignee
103 Lawyers Row
Centreville, Maryland 21617
Telephone: 301-758-1660
RB-2-8-31-024

17-307

LIBFF

17 MAR 308

ORDER NISI ON SALE

ROBERT R. PRICE, JR., Assignee

vs.

CATHERINE M. STUCK, Mortgagor

In the Circuit Court
for Queen Anne's County
In Equity

Cause No. 7532

ORDERED, this 28th day of February, 19 84, that the sale of the real property, made and reported in this cause by Robert R. Price, Jr., Assignee, be ratified and confirmed, on or after the 30th day of March, 19 84, unless cause to the contrary thereof be previously shown; provided a copy of this order be inserted in some newspaper published in Queen Anne's County, Maryland, once in each of three successive weeks before the 23rd day of March, 19 84.

The report states the amount of sales to be \$ 44,000.00.

Marguerite H. Mankin Clerk

Filed February 28, 1984

Centreville, Md. 3/21 19 84

We Hereby Certify

That the annexed advertisement of
Order Nisi Catherine m. Stuck
was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 23rd day of March 1984.
And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER/BAY TIMES was on the
7th day of March
1984, and the last insertion on the
21st day of March
1984.

Publishers, Record Observer

Per *Marguerite W. Mankin*

1984 MAR 22 PM 2:41

QUEEN ANNE'S COUNTY

ORDER NISI
ON SALE
ROBERT R. PRICE, JR.
Assignee
vs.
CATHERINE M. STUCK,
Mortgagor
In the Circuit Court
for
Queen Anne's County
In Equity
Cause No. 7532
ORDERED, this 28th day
of February, 1984, that the
sale of the real property,
made and reported in this
cause by Robert R. Price,
Jr., Assignee, be ratified
and confirmed, on or after
the 30th day of March,
1984, unless cause to the
contrary thereof be pre-
viously shown; provided a
copy of this order be
inserted in some newspa-
per published in Queen
Anne's County, Maryland,
once in each of three
successive weeks before
the 23rd day of March,
1984.
The report states the
amount of sales to be
\$44,000.00
Marguerite W. Mankin
Clerk
True Copy, Test:
Marguerite W. Mankin
Clerk
By: Betty M. Comegys
Deputy Clerk
Filed February 28, 1984
RB-3-7-31-02

ROBERT R. PRICE, JR.
103 Lawyers Row
Centreville, Maryland
21617

IN THE CIRCUIT COURT FOR

ASSIGNEE

QUEEN ANNE'S COUNTY

VS.

CATHERINE M. STUCK
Church Hill, Maryland
21623

EQUITY NO. 7532

MORTGAGOR

* * * * *

FINAL ORDER OF RATIFICATION OF SALE

IT IS ORDERED, by the Circuit Court for Queen Anne's County, this 3rd day of April, 1984, that the sale of real estate made and reported in this cause by Robert R. Price, Jr., Assignee, be and the same is hereby ratified and confirmed, no cause to the contrary thereof having been shown although due notice thereof appears to have been given as required by the preceding Order Nisi and the said Assignee of the mortgage is to be allowed the usual commission and such proper expenses as he shall produce vouchers therefor to the Auditor.

1984 APR -3 11 13 00
QUEEN ANNE'S COUNTY

Cayton Carter
JUDGE

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

ROBERT R. PRICE, JR.,	:	
Assignee	:	
	:	
v.	:	Chancery #7532
	:	
CATHERINE M. STUCK	:	
Mortgagor	:	
	:	
	:	
	:	

AUDITOR'S ACCOUNT

PROCEEDS OF FORECLOSURE SALE			
Sale Price, as reported		\$ 44,000.00	
Interest (See Note A)			
Real property taxes			
from 05/24/84 to 06/30/85			
allowed at settlement		<u>21.61</u>	
GROSS AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 44,021.61
COMMISSIONS, to Fiduciary		\$ 500.00-	
ATTORNEY FEE, per MORTGAGE		100.00-	
EXPENSES OF SALE			
Court costs	\$ 141.50-		
Advertising			
Notices of sale	157.50-		
Report of sale	57.75-		
Bond premium	176.00-		
Auctioneer's fee	110.00-		
Town taxes (to 5/24/84)	48.95-		
Sewer (1/1/83-5/24/84)	<u>206.60-</u>	898.30-	
AUDITOR'S FEE AND COSTS			
Fee for audit	\$ 45.00-		
Postage & copies	<u>1.00-</u>	<u>46.00-</u>	<u>1544.30-</u>
NET AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 42,477.31

AUDITOR'S ACCOUNT

CHANCERY #7532

Page 2

INDEBTEDNESS DUE UNDER MORTGAGE

Per Statement of Debt		
Principal	\$ 39,846.67-	
Interest to 02/01/84	3,799.00-	
Interest on principal @ 12%		
02/01/84 to 02/24/84		
23 days @ \$13.10	<u>301.30-</u>	\$ 43,946.97-
NET CREDIT FROM CREDITOR/PURCHASER		<u>42,477.61</u>
on 02/24/84 (See Note A)		
BALANCE OWED BY DEBTORS after credit		\$ 1,469.36-
INTEREST 02/24/84 to 04/22/84		
60 days @ \$ 0.48		<u>28.80-</u>
DEFICIT		\$ 1,498.16-

Note A: Net amount used by Creditor to discharge responsibilities as sale purchaser for deposit and pre-settlement interest credited as of date of sale in accordance with Weismiller v. Bush, 56 Md.App. 593, and the Report filed in Chancery #7107, which is incorporated by reference in this Audit.

NOTICE

The attached Account was filed on January 17, 1985. Exceptions to the Account must be filed within ten (10) days of that date. If timely exceptions are not filed, the Account may thereupon be ratified. The amount allowed to each claimant is stated in the attached Account.

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1985 JAN 17 AM 11:52
QUEEN ANNE'S COUNTY

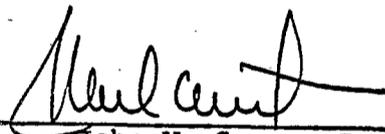
CERTIFICATE OF AUDITOR

I hereby certify that I have examined the Suggested Account, together with the receipts, vouchers, statements, suggested distribution and affidavit submitted by the Fiduciary in Chancery Cause #7532. On the basis of the facts which appear upon the face of the proceedings and proofs submitted to me, it is my opinion that the claims set forth in the foregoing Auditor's Account have been established and are properly allowable by law in the amounts there set forth.

I further certify that copies of the Auditor's Account and Notice conforming to the requirements of Maryland Rule 2-543 and Second Circuit Rule 12 d were mailed to the following persons on January 17, 1985:

Robert R. Price, Jr., Esquire
103 Lawyers Row
Centreville, Maryland 21617

Catherine M. Stuck
Church Hill, Maryland 21623



John W. Sause, Jr.
Auditor

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

ROBERT R. PRICE, JR.,	:	
	:	
v.	:	Chancery #7532
	:	
CATHERINE M. STUCK	:	
	:	
	:	
	:	

ORDER RATIFYING AUDIT

The matter coming before the Court on the Account heretofore filed by the Auditor, it appearing from the Auditor's Certificate that the requirements of Rule 2-543 (e) have been met, and no exceptions having been filed within 10 days of the date when the Account was filed, it is this 29th day of January, 1985,

ORDERED that the Account of the Auditor is hereby ratified and confirmed, and the Fiduciary shall apply the proceeds accordingly with a due proportion of interest after same has been or may be received.

RECEIVED
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 QUEEN ANNE'S COUNTY

Clayton C. Carls
 JUDGE

VACHEL A. DOWNES, JR., : IN THE CIRCUIT COURT
 SUBSTITUTE TRUSTEE :
 115 Lawyers Row : FOR QUEEN ANNE'S COUNTY
 Centreville, Maryland 21617 :
 : SITTING IN EQUITY
 v. :
 : NO. 7293
 ELIZABETH REYNOLDS :
 Route 1, Box 768 :
 Stevensville, Maryland 21666 :
 :

JAN 17-83 * 24095 *****000
 JAN 17-83 A 224095 *****600

ORDER TO DOCKET SUIT

TO: MARGUERITE W. MANKIN, CLERK:

Madam Clerk: You will please docket suit as per the above titling for foreclosure of a deed of trust from Elizabeth Reynolds to Lawrence B. Goldstein and Diane C. White, Trustees for Gibraltar Building and Loan Association, Inc., dated the 23rd day of June, 1981, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 176 folio 758; thereafter Vachel A. Downes, Jr., was appointed Substitute Trustee by deed of appointment of substitute trustee, dated the 21st day of September, 1982, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 191 folio 486, default having occurred in the terms thereof by reason of non-payment of principal and interest payable under the terms of said deed of trust after demand therefor was made; and you will file herewith a certified copy of said deed of trust as well as the deed of appointment of substitute trustee and the accompanying affidavit.

Vachel A. Downes, Jr.
 Vachel A. Downes, Jr.
 Substitute Trustee
 115 Lawyers Row
 Centreville, Maryland 21617
 Telephone: 301-758-0680

AFFIDAVIT

STATE OF MARYLAND, COUNTY OF Queen Anne's, to wit:

I HEREBY CERTIFY, that on this 17th day of January, 1983, before me, the subscriber, a Notary Public as aforesaid, personally appeared Vachel A. Downes, Jr., Substitute Trustee, and made oath in due form of law to the best of his knowledge, information and belief that Elizabeth Reynolds, resides at Route 1, Box 768, Stevensville, Maryland, 21666, and that she is not now in the military service of the United States of America as defined by the Soldier's and Sailor's Civil Relief Act of 1940, with amendments thereto, of Chapter 710 of the Laws of Maryland of 1941, nor has she been in such military service within three months

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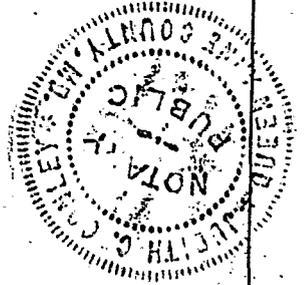
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prior hereto, nor is she in the military service of any nation allied with the United States, nor has said defendant been ordered to report for induction under the Selective Training and Service Act of 1940 as amended, nor is said defendant a member of the Enlisted Reserve Corps who has been ordered to report for military service.

WITNESS my hand and Notarial Seal.

Judith C. Corley
NOTARY PUBLIC

My Commission Expires: July 1, 1986



7108181 Registered Instrument to Bernstein & Feldman, P.A.
126 West St.
Annapolis, MD 21401

DOCUMENT NO. 106,278

LIBER 176 PAGE 758

DEED OF TRUST

THIS DEED OF TRUST is made this 23 day of June, 1981, among the Grantor, ELIZABETH REYNOLDS, (herein "Borrower"), LAWRENCE B. GOLDSTEIN and DIANE C. WHITE, TRUSTEES, (herein "Trustee"), and the Beneficiary, GIBRALTAR BUILDING AND LOAN ASSOCIATION, INC., a corporation organized and existing under the laws of the State of Maryland, whose address is 1090 Cape St., Claire Road, Annapolis, Maryland 21401 (herein "Lender").

BORROWER, in consideration of the indebtedness herein recited and the trust herein created, irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the County of Queen Anne's, Third Election District, State of Maryland:

BEGINNING for the same at a point on the South side of Kidwell Avenue at the division line between 106 and 108 Kidwell Avenue, thence binding on said South side of Kidwell Avenue.
Easterly 23.0 feet to a point at the division line between 108 and 110 Kidwell Avenue, said 110 Kidwell Avenue now or previously owned by Estella R. Hill, thence binding on said line between 108 and 110 Kidwell Avenue
Southerly 200.0 feet to a point at the property now or formerly owned by Robert J. Sinagra, thence binding on said Sinagra lands
Westerly 23.0 feet to a point at the division line firstly described between 106 and 108 Kidwell Avenue, thence binding on said line between 106 and 108 Kidwell Avenue and passing through a party wall.
Northerly 200.0 feet to the place of beginning.
Containing 4600 square feet of land, more or less.
Known as Number 108 Kidwell Avenue.

BEING the same property conveyed unto Elizabeth Reynolds by Jerome I. Feldman and Charles Jay Feldman by deed of even date herewith and intended to be recorded among the Land Records of Queen Anne's County immediately prior hereto.

1981 JUL 10 PM 1:52
QUEEN ANNE'S COUNTY

JUL 10 21 * 21435 *****
JUL 10 31 A #24936 *****

which has the address of 108 Kidwell Avenue (Street), Centreville (City), Maryland, 21617 (State and Zip Code) (herein "Property Address");

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents (subject however to the rights and authorities given herein to Lender to collect and apply such rents), royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Deed of Trust; and all of the foregoing, together with said property (or the leasehold estate if this Deed of Trust is on a leasehold) are herein referred to as the "Property";

To SECURE to Lender (a) the repayment of the indebtedness evidenced by Borrower's note dated June 23, 1981 (herein "Note"), in the principal sum of TWENTY THOUSAND SEVEN HUNDRED and 00/100 (\$20,700.00) Dollars, with interest thereon, providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on July 1st, 1986; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Deed of Trust; and the performance of the covenants and agreements of Borrower herein contained; and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 21 hereof (herein "Future Advances").

Borrower covenants that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property, that the Property is unencumbered, and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Deed of Trust.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments which may attain priority over this Deed of Trust, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Deed of Trust that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Deed of Trust.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within 30 days from the date notice is mailed by Lender to Borrower requesting payment thereof.

Upon payment in full of all sums secured by this Deed of Trust, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 18 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Deed of Trust.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, then to the principal of the Note, and then to interest and principal on any Future Advances.

4. Charges; Liens. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Deed of Trust, and leasehold payments or ground rents, if any, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Deed of Trust; provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Deed of Trust.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Deed of Trust is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Deed of Trust would be impaired, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments. If under paragraph 18 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Deed of Trust immediately prior to such sale or acquisition.

6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Deed of Trust is on a leasehold. If this Deed of Trust is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Deed of Trust, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Deed of Trust as if the rider were a part hereof.

7. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the loan secured by this Deed of Trust, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law. Borrower shall pay the amount of all mortgage insurance premiums in the manner provided under paragraph 2 hereof.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Deed of Trust. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

8. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Deed of Trust such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Deed of Trust immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments.

10. Borrower Not Released. Extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Borrower and Borrower's successors in interest.

11. Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Deed of Trust.

12. Remedies Cumulative. All remedies provided in this Deed of Trust are distinct and cumulative to any other right or remedy under this Deed of Trust or afforded by law or equity, and may be exercised concurrently, independently or successively.

13. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof.

14. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Deed of Trust shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Deed of Trust shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

15. Uniform Deed of Trust; Governing Law; Severability. This form of deed of trust combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. This Deed of Trust shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Deed of Trust or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision, and to the end the provisions of the Deed of Trust and the Note are declared to be severable.

16. Borrower's Copy. Borrower shall be furnished a conformed copy of the Note and of this Deed of Trust at the time of execution or after recordation hereof.

17. Transfer of the Property; Assumption. If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Deed of Trust, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Lender may, at Lender's option, declare all the sums secured by this Deed of Trust to be immediately due and payable. Lender shall have waived such option to accelerate if, prior to the sale or transfer, Lender and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sums secured by this Deed of Trust shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph 17, and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Borrower from all obligations under this Deed of Trust and the Note.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 14 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 18 hereof.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

18. Acceleration; Remedies. Except as provided in paragraph 17 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, including the covenants to pay when due any sums secured by this Deed of Trust, Lender prior to acceleration shall mail notice to Borrower as provided in paragraph 14 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 30 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and sale. If the breach is not cured on or before the date specified in the notice, Lender at Lender's option may declare all of the sums secured by this Deed of Trust to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable attorney's fees.

If Lender invokes the power of sale, Lender shall mail or cause Trustee to mail written notice of sale to Borrower in the manner prescribed by applicable law. Trustee shall give notice of sale by public advertisement for the time and in the manner prescribed by applicable law. Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in such order as Trustee may determine. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender, or Lender's designee, may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all costs and expenses of the sale, including, but not limited to, Trustee's fees of .5...% of the gross sale price, reasonable attorney's fees and costs of title evidence; (b) to all sums secured by this Deed of Trust; and (c) the excess, if any, to the person or persons legally entitled thereto.

19. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Deed of Trust, Borrower shall have the right to have any proceedings begun by Lender to enforce this Deed of Trust discontinued at any time prior to the earlier to occur of (i) the fifth day before sale of the Property pursuant to the power of sale contained in this Deed of Trust or (ii) entry of a judgment enforcing this Deed of Trust if: (a) Borrower pays Lender all sums which would be then due under this Deed of Trust, the Note and notes securing Future Advances, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Deed of Trust; (c) Borrower pays all reasonable expenses incurred by Lender and Trustee in enforcing the covenants and agreements of Borrower contained in this Deed of Trust and in enforcing Lender's and Trustee's remedies as provided in paragraph 18 hereof, including, but not limited to, reasonable attorney's fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Deed of Trust, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Deed of Trust shall continue unimpaired. Upon such payment and cure by Borrower, this Deed of Trust and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

THIS DEED OF APPOINTMENT OF SUBSTITUTE TRUSTEE, made this 21st day of SEPTEMBER, 1982, by and between GIBRALTAR BUILDING AND LOAN ASSOCIATION, INC., of the first part, and VACHEL A. DOWNES, JR., Substitute Trustee, of the second part;

WHEREAS, a Deed of Trust, dated June 23, 1981 from Elizabeth Reynolds to Lawrence B. Goldstein and Diane C. White, Trustees, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 176 folio 758 was given to secure a loan evidenced by a note in the amount of \$20,700.00, dated June 23, 1981, payable to Gibraltar Building and Loan Association, Inc.; and

WHEREAS, the Deed of Trust gives the irrevocable power to appoint a substitute trustee to the holder of said note which power may be exercised at any time after the recording of said deed of trust by filing for record among the Land Records of Queen Anne's County a deed of appointment of substitute trustee, and pursuant to said power Gibraltar Building and Loan Association, Inc. desires to substitute Vachel A. Downes, Jr., Substitute Trustee, in the place and stead of Lawrence B. Goldstein and Diane C. White.

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other good and valuable considerations, the said Gibraltar Building and Loan Association, does appoint Vachel A. Downes, Jr., as Substitute Trustee in the deed of trust aforesaid with the same title and estate in and to the land, premises and property conveyed by said deed of trust and with all rights, powers, trusts and duties of Lawrence B. Goldstein and Diane C. White, predecessors in trust, with like effect as if originally named as trustee under said deed of trust.

WITNESS the hand of LAWRENCE B. GOLDSTEIN
President of Gibraltar Building and Loan Association, Inc., its corporate seal hereto affixed.

ATTEST:

Howard L. Rosov
HOWARD L. ROSOV, SECRETARY

GIBRALTAR BUILDING AND LOAN ASSOCIATION, INC.

BY: Lawrence B. Goldstein
President

(Place corporate seal here)



LIBER 17 MAR 382

STATE OF MARYLAND

COUNTY OF ANNE ARUNDEL TO WIT:

I HEREBY CERTIFY, that on this 21st day of SEPTEMBER, 1982, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared LAURENCE B. GOLDSTEIN, who did acknowledge himself to be the _____ President of Gibraltar Building and Loan Association, Inc., and that he as such _____ President, being authorized so to do, did execute the foregoing instrument for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

[Signature]
NOTARY PUBLIC
My Commission Expires: 9-1-86



RECEIVED
CLERK, CIRCUIT COURT
1982 DEC 27 AM 11:20
QUEEN ANNE'S COUNTY

DEC 27-82 * 23111 ***** 12 50
DEC 27-82 A #23111K ***** 50
DEC 27-82 A #23110 ***** 12 00

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber MWM 191, folio 486, a Land Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 27th day of December 19 82.

Marguerite W. Mankin
Marguerite W. Mankin, Clerk of Circuit Court for Queen Anne's County

LIBER 191 MAR 487

VACHEL A. DOWNES, JR.,
Substitute Trustee

v.

ELIZABETH REYNOLDS

IN THE CIRCUIT COURT
FOR QUEEN ANNE'S COUNTY
SITTING IN EQUITY
NO. 7893

AFFIDAVIT

STATE OF MARYLAND

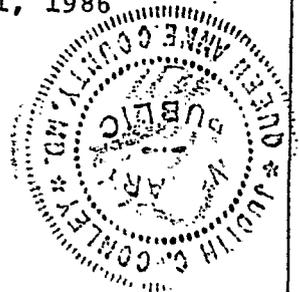
COUNTY OF QUEEN ANNE'S

to wit:

I HEREBY CERTIFY, that on this 17th day of January, 1983, before me, the subscriber, a Notary Public as aforesaid, personally appeared Vachel A. Downes, Jr., Substitute Trustee, and made oath in due form of law to the best of his knowledge, information and belief that due notice of the intent of the lender to accelerate all monies due under said deed of trust was heretofore duly given said Borrower per the terms of the deed of trust recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 176 folio 758.

Judith C Conley
NOTARY PUBLIC

My Commission Expires: July 1, 1986



RECEIVED
CLERK, CIRCUIT COURT
1983 JAN 17 PM 1:40
QUEEN ANNE'S COUNTY

LIBER 17-383

17-384

VACHEL A. DOWNES, JR., : IN THE CIRCUIT COURT
 Substitute Trustee :
 : FOR QUEEN ANNE'S COUNTY
 : SITTING IN EQUITY
 ELIZABETH REYNOLDS : NO. 7293
 :

STATEMENT OF INDEBTEDNESS

Principal balance of indebtedness	\$20,658.08
Late charges assessed	137.40
Escrow payments (taxes and insurance) advanced by lender	507.63
Interest from September 1, 1982 to January 10, 1983	3,655.81
TOTAL DUE AS OF JANUARY 10, 1983	<u>\$24,958.92</u>

Per diem rate of interest: \$7.44

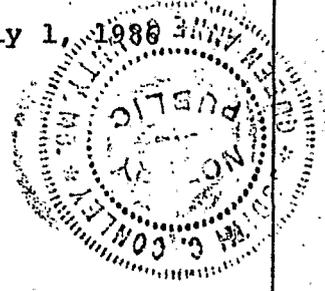
STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S COUNTY, to wit:

I HEREBY CERTIFY, that on this 17th day of January, 1983, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Vachel A. Downes, Jr., Substitute Trustee, and made oath in due form of law under the penalties of perjury, that the matters and facts set forth in the foregoing Statement of Indebtedness are true and correct to the best of his knowledge, information and belief.

AS WITNESS my hand and Notarial Seal.

Judith C. Conley
 NOTARY PUBLIC

My Commission Expires: July 1, 1986



RECEIVED
 CLERK, CIRCUIT COURT
 1983 JAN 17 PM 1:40
 QUEEN ANNE'S COUNTY

1293

BOND

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S, to wit:

KNOW ALL MEN BY THESE PRESENTS: that we, Vachel A. Downes, Jr., of Queen Anne's County, State of Maryland, as Principal, and the Hartford Accident and Indemnity Company, a body corporate, duly authorized by its charter to become sole Surety on bonds, are held and firmly bound unto the State of Maryland in the full and just sum of TWENTY FIVE THOUSAND DOLLARS (\$25,000.00) current money of the United States of America, to be paid unto the State of Maryland, or its certain attorney, to which payment will and truly to be made and done, we bind ourselves and each of our heirs, executors and administrators, successors and assigns, in the whole and for the whole, jointly and severally, firmly by these presents, sealed with our seals and dated this ____ day of _____, 1983.

WHEREAS, by a certain deed of trust from Elizabeth Reynolds to Lawrence B. Goldstein, et. al., Trustees, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 176 folio 758, the Borrower became indebted unto the Lender therein; and

WHEREAS, Vachel A. Downes, Jr., is the Substitute Trustee of said deed of trust for purposes of collection and foreclosure;

WHEREAS, the above bounden, Vachel A. Downes, Jr., Substitute Trustee of the deed of trust, is about to execute the power of sale contained in the above described deed of trust by making sale of the property described in, granted and conveyed by the said deed of trust, default having occurred in the terms, conditions and covenants of the said deed of trust by the reason of the non-payment of the principal mortgage debt named in said deed of trust and by reason of the non-payment of the interest covenanted to be paid upon the said principal indebtedness by the terms of said deed of trust at the times therein provided for the payment.

Now the condition of the above obligation is such, that if the above bounded, Vachel A. Downes, Jr., Substitute Trustee does and shall, will and faithfully abide by and fulfill any Order or Decree which shall be made by any Court of Equity in relation to the sale of the said encumbered property, or the proceeds thereof, then the above obligation to be void; otherwise, to be and remain in full force and virtue in law.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF:

Edith C Conley

Vachel A Downes Jr (SEAL)
Vachel A. Downes, Jr.
Substitute Trustee

ATTEST:

HARTFORD ACCIDENT AND INDEMNITY COMPANY

J. Paul Bennett

By: William Freestate
William Freestate
Its Attorney in Fact

RECEIVED BY
CLERK OF THE COURT
1503 JAN 17 PM 11:40
QUEEN ANNE'S COUNTY

*Surety approved and
Bond filed.*

CERTIFICATE OF RECORDING

LIBER

17-286-386

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber MWM no. 3, Folio 286, a Bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County this 26. th day of January, 1983.

Marguerite W. Mankin
MARGUERITE W. MANKIN, CLERK OF
THE CIRCUIT COURT FOR QUEEN
ANNE'S COUNTY

VACHEL A. DOWNES, JR.,
Substitute Trustee

v.

ELIZABETH REYNOLDS

IN THE CIRCUIT COURT
FOR QUEEN ANNE'S COUNTY
SITTING IN EQUITY
NO. 7293

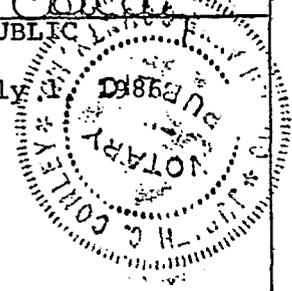
AFFIDAVIT

I HEREBY CERTIFY, that on this 15th day of February, 1983, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Vachel A. Downes, Jr., Substitute Trustee, and made oath in due form of law that registered mail notice of the time, place and terms of sale in this cause were duly served or attempted to be served by registered mail on Elizabeth Reynolds, at her last known residence being Route 1, Box 768, Stevensville, Maryland, 21666, as prescribed by Rule W 74 (2)(c)(i) and (ii) of the Maryland Rules of Procedure.

SUBSCRIBED and sworn to before me this 15th day of February, 1983.

Judith C. Conley
NOTARY PUBLIC

My Commission Expires: July 1988



POSTMARK OF



REGISTERED NO. R050977072

Reg. Fee \$ 3.30 Special Delivery \$ 1.00
Handling Charge \$ 0.00 Return Receipt \$ 0.60
Postage \$ 0.37 Restricted Delivery \$ 0.00

RECEIVED BY TOW AIRMAIL MAILING OFFICE

FULL VALUE \$ 100.00
FROM Downes & Gregory
PO Box 87
Centerville Md ZIP CODE 21617
TO Mrs. Elizabeth Reynolds
Route 1, Box 768
Stevensville Md ZIP CODE 21666

PS FORM Sept. 1979 3806

RECEIPT FOR REGISTERED MAIL (Customer Copy)

RECEIVED
CLERK, CIRCUIT COURT
1983 FEB 15 PM 1:43
QUEEN ANNE'S COUNTY

17 387

LAW OFFICES
DOWNES AND GREGORY

QUEEN ANNE'S BUILDING

115 LAWYERS ROW

CENTREVILLE, MARYLAND 21617

January 27, 1983

VACHEL A. DOWNES, JR.
DAVID WESTON GREGORY

(301) 758-0680
(301) 758-0737

C

Mrs. Elizabeth Reynolds
Route 1, Box 768
Stevensville, Maryland 21666

Re: Foreclosure
108 Kidwell Avenue
Centreville, Maryland

Dear Mrs. Reynolds:

A suit to foreclose 108 Kidwell Avenue, Centreville, Maryland, has been filed against you by reason of your default of the Gibraltar Building and Loan Association mortgage, dated June 23, 1981, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 176 folio 758.

The foreclosure sale is scheduled for Tuesday, February 8th, 1983, at 11:00 o'clock, a.m., in front of the Courthouse Door in the Town of Centreville, Maryland.

I am enclosing copies of the proceedings filed to date, including the Statement of Indebtedness and the advertisement of sale.

Very truly yours,

Vachel A. Downes, Jr.

Y

VADjr/jcc
Enclosures

O

P

VACHEL A. DOWNES, JR.,
Substitute Trustee

v.

ELIZABETH REYNOLDS

: IN THE CIRCUIT COURT
:
: FOR QUEEN ANNE'S COUNTY
:
: SITTING IN EQUITY
:
: NO. 1293

AFFIDAVIT

I HEREBY CERTIFY, that on this 8th day of February, 1983, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County of Queen Anne's, personally appeared Vachel A. Downes, Jr., Substitute Trustee, and made oath in due form of law that a title examination of the property in these proceedings disclosed junior encumbrances upon said lands, and/or judgment or similar lien holders, but no such holder of any such subordinate interest is entitled to notice by the Laws of Maryland or the Maryland Rules of Procedure by and under Rule W 74 (2) (c) (iii).

8th SUBSCRIBED and sworn to before me, the undersigned, this day of February, 1983.

Judith C. Couley
NOTARY PUBLIC

My Commission Expires: July 1, 1986



RECEIVED
CLERK, CIRCUIT COURT
1983 FEB 15 PM 1:43
QUEEN ANNE'S COUNTY

17 389

LIBERT 17 MAR 1983

VACHEL A. DOWNES, JR., : IN THE CIRCUIT COURT
 Substitute Trustee :
 : FOR QUEEN ANNE'S COUNTY
 v. :
 : SITTING IN EQUITY
 ELIZABETH REYNOLDS : NO. 7293
 :

REPORT OF SALE

TO THE HONORABLE, THE JUDGES OF SAID COURT:

The Report of Sale of Vachel A. Downes, Jr., Substitute Trustee, in the proceedings in said cause above mentioned, respectfully shows that after giving bond with approved security for the faithful discharge of his duties, as prescribed by law, and having given notice of the time, place, manner and terms of sale by advertisement inserted in the Queen Anne Record-Observer, a newspaper printed and published in Queen Anne's County, State of Maryland, for more than three (3) consecutive weeks preceding the day of sale; the said Substitute Trustee, Vachel A. Downes, Jr., did, pursuant to said notice, on Tuesday, February 8, 1983, at 11:00 o'clock, a.m., in front of the Courthouse Door, in the Town of Centreville, Queen Anne's County, Maryland, then and there sell at the public auction to the highest bidder the fee simple property mentioned and described in the advertisement of sale; said property so offered being thereby sold unto Lawrence B. Goldstein, Agent for Gibraltar Services Corporation, a Maryland corporation, at and for the sum of \$16,000.00, which price was the highest amount bid for said property.

The Report of Sale states that the amount of sale is \$16,000.00.

Respectfully submitted,

Vachel A. Downes Jr.
 Vachel A. Downes, Jr.
 Substitute Trustee

STATE OF MARYLAND

to wit:

COUNTY OF QUEEN ANNE'S

I HEREBY CERTIFY, that on this 8th day of February, 1983, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Vachel A. Downes, Jr., Substitute Trustee, and he did make oath in due form of law, under the penalties of perjury, that the matters and facts set forth in the foregoing Report of Sale are true and correct to the best of his knowledge, information and belief, and that such sale was fairly made.

AS WITNESS my hand and Notarial Seal.

Judith C. Collier
 NOTARY PUBLIC

RECEIVED
 CLERK, CIRCUIT COURT
 1983 FEB 15 PM 1:44
 COUNTY

My Commission Expires: July 1, 1986

VACHEL A. DOWNES, JR.
Substitute Trustee

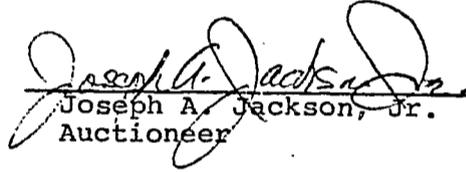
v.

ELIZABETH REYNOLDS

: IN THE CIRCUIT COURT
:
: FOR QUEEN ANNE'S COUNTY
:
: SITTING IN EQUITY
:
: NO. 7293
:

AFFIDAVIT BY AUCTIONEER

I HEREBY CERTIFY, that on this 8th day of February, 1983, that the undersigned, did on February 8, 1983, sell at public sale the lands of Elizabeth Reynolds, in Centreville, Queen Anne's County, Maryland, unto Gibraltar Services Corporation at and for the sum of \$16,000.00, and I do further certify that this sale was fairly made.

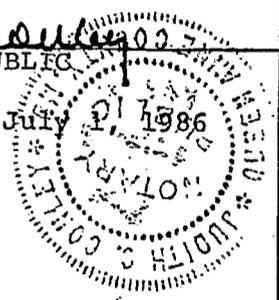

Joseph A. Jackson, Jr.
Auctioneer

Subscribed and sworn to before me, the undersigned, a Notary Public of the State of Maryland, in and for the County of Queen Anne's, this 8th day of February, 1983.

AS WITNESS my hand and Notarial Seal.


NOTARY PUBLIC

My Commission Expires: July 31, 1986



RECEIVED
CLERK, CIRCUIT COURT
1983 FEB 15 PM 1:44
QUEEN ANNE'S COUNTY

VACHEL A. DOWNES, JR. : IN THE CIRCUIT COURT
 Substitute Trustee :
 : FOR QUEEN ANNE'S COUNTY
 v. : SITTING IN EQUITY
 ELIZABETH REYNOLDS : NO. 7293
 :

AFFIDAVIT

The undersigned, purchaser of the property described in these proceedings, of or formerly of Elizabeth Reynolds, sold at public auction on the 8th day of February, 1983, in front of the Courthouse Door, in Centreville, Queen Anne's County, Maryland, does hereby make oath in due form of law, (a) that the property was purchased by _____ as Principal, or (b) by Lawrence B. Goldstein, Agent for Gibraltar Services Corporation, a body corporate of the State of Maryland, and (c) that the undersigned did not directly or indirectly discourage anyone from bidding for said property.

AS WITNESS my hand this 9th day of February, 1983.

GIBRALTAR SERVICES CORPORATION

By: Lawrence B. Goldstein
President

Subscribed and Sworn to before me, the undersigned, a Notary Public of the County for Anne Arundel, State of Maryland, this 9th day of February, 1983.

AS WITNESS my hand and Notarial Seal.

Judith D. Lambrett
NOTARY PUBLIC

My Commission Expires: July 1, 1986



RECEIVED
 CLERK, CIRCUIT COURT
 1983 FEB 15 PM 1:44
 QUEEN ANNE'S COUNTY

ORDER NISI ON SALE

VACHEL A. DOWNES, JR., Sub. Tr.

vs.

ELIZABETH REYNOLDS

In the Circuit Court
for Queen Anne's County
In Equity

Cause No. 7293

ORDERED, this 15th day of February, 1983, that the sale of the Real property, made and reported in this cause by Vachel A. Downes, Jr., Substitute Trustee, be ratified and confirmed, on or after the 18th day of March, 1983, unless cause to the contrary thereof be previously shown; provided a copy of this order be inserted in some newspaper published in Queen Anne's County, Maryland, once in each of three successive weeks before the 11th day of March, 1983.

The report states the amount of sales to be \$ 16,000.00.

Marguerite H. Mackis Clerk

Filed February 15, 1983

Centreville, Md. 2/2 19 83**We Hereby Certify**

That the annexed advertisement of Reynolds foreclosure was published in the RECORD OBSERVER, a newspaper published in Queen Anne's County, Maryland, once in each of 3 successive weeks before the 8th day of Feb. 19 83. And that the first insertion of said advertisement in the said RECORD OBSERVER was on the 19th day of Jan. 19 83, and the last insertion on the 2nd day of Feb. 19 83.

Publishers, Record Observer

Per *W. M. Morse*RECEIVED
CLERK, CIRCUIT COURT

1983 MAR 11 PM 2:16

QUEEN ANNE'S COUNTY

DOWNES AND GREGORY
115 Lawyers Row
Centreville, Maryland 21617
Telephone: 301-758-0680

Substitute Trustee's Sale
OF
DESIRABLE RESIDENTIAL PROPERTY
IN

QUEEN ANNE'S COUNTY
CENTREVILLE, MARYLAND

Under and by virtue of the power of sale contained in a deed of trust from Elizabeth Reynolds to Lawrence B. Goldstein and Diane C. White, Trustees, dated June 23, 1981, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 176 folio 758, (Vachel A. Downes, Jr., being the Substitute Trustee of said deed of trust for purpose of collection by foreclosure or otherwise), default having occurred in the terms of said deed of trust to the undersigned Substitute Trustee will offer at the public auction to the highest bidder on

Tues., Feb. 8, 1983

at 11:00 o'clock, a.m., in front of the Courthouse Door in the Town of Centreville, Queen Anne's County, Maryland, all of the following described real estate, to wit:

ALL that parcel of land situate in the Town of Centreville, in the Third Election District of Queen Anne's County, State of Maryland, described as follows, to wit:

BEGINNING for the same at a point on the south side of Kidwell Avenue at the division line between 106 and 108 Kidwell Avenue, thence binding on said south side of Kidwell Avenue, easterly 23.0 feet to a point at the division line between 108 and 110 Kidwell Avenue, said 110 Kidwell Avenue now or previously owned by Estella R. Hill, thence binding on said line between 108 and 110 Kidwell Avenue, southerly 200.0 feet to a point at the property now or formerly owned by Robert J. Sinagre, thence binding on said lands, westerly 23.0 feet to a point at the division line firstly described between 106 and 108 Kidwell Avenue, thence binding on said line between 106 and 108 Kidwell Avenue and passing through a party well, northerly 200.0 feet to the place of beginning, containing 4600 square feet of land, more or less, and KNOWN AS NUMBER 108 KIDWELL AVENUE.

BEING the same lands conveyed by deed from Charles I. Feldman, et. al., to Elizabeth Reynolds, dated June 23, 1981, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 176 folio 758.

IMPROVED by a two story frame dwelling containing 3 bedrooms and one bath.

Information relating to potential financing may be obtained from Diane White, whose telephone number is 301-269-5911.

The property is sold in "as in" condition without warranty as to the nature and condition of the property, fixtures and improvements, and subject to easements, agreements, restrictions or covenants of record effecting the same, if any. Risk of loss by fire or other casualty passes to the purchaser(s) at day of sale.

TERMS OF SALE: A deposit of not less than \$2,000.00 of the purchase money will be required in cash or by certified check or cashier's check on day of sale or the full purchase price in cash or by certified or cashier's check on day of sale at the option of the Purchaser(s). Any unpaid balance of the purchase money is to be secured by a note of the purchaser(s) bearing interest from day of sale at 12%, which balance of the purchase price and interest to accrue thereon, and any other monies due by Purchaser shall be paid within 20 days after final ratification of the sale by the Circuit Court for Queen Anne's County.

Taxes and other public charges to be adjusted to the date of final settlement aforesaid, being the date of payment of all monies due by Purchaser(s) to Assignee. All expenses of transfer, including recording costs, recordation or revenue stamps, transfer taxes, preparation of deed, notary fees, etc., to be at purchaser(s) expense. At the time and place of sale, the Purchaser(s) will be required to make affidavit as required by Rule BR (6) (b) (3) of the Maryland Rules of Procedure.

Vachel A. Downes, Jr.
Substitute Trustee

Joseph A. Jackson, Jr.
Auctioneer
Telephone: 301-364-5463
R O - t - 19 - 31 - 019

Centreville, Md. 3/9 19 83

We Hereby Certify

That the annexed advertisement of
Order Nisi Cause #7293
Elizabeth Reynolds
was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 11th day of March 19 83

And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER was on the 23rd day of
Feb. 19 83, and the last
insertion on the 9th day of
March 19 83.

Publishers, Record Observer

Per

Margaret M. Mankin

**ORDER NISI
ON SALE
Vachel A. Downes, Jr.
Sub. Tr.**

**vs.
Elizabeth Reynolds
In the Circuit Court
for
Queen Anne's County
In Equity
Cause No. 7293**

ORDERED, this 15th day
of February, 1983, that the
sale of the Real property,
made and reported in this
cause by Vachel A.
Downes, Jr., Substitute
Trustee, be ratified and
confirmed, on or after the
18th day of March, 1983,
unless cause to the con-
trary thereof be previously
shown; provided a copy of
this order be inserted in
some newspaper published
in Queen Anne's County,
Maryland, once in each of
three successive weeks
before the 11th day of
March, 1983.

The report states the
amount of sales to be
\$16,000.00

Marguerite W. Mankin
Clerk

True Copy, Test:
Marguerite W. Mankin
Clerk

By: Betty M. Comegys
Deputy Clerk

Filed February 15, 1983
RO-2-23-31-047

RECEIVED
CLERK, CIRCUIT COURT
1983 MAR 31 PM 11:40

RECEIVED
CLERK, CIRCUIT COURT
1983 MAR 31 PM 1:40
QUEEN ANNE'S COUNTY

17 APR 1983

VACHEL A. DOWNES, JR.
Substitute Trustee

vs.

ELIZABETH REYNOLDS

: IN THE CIRCUIT COURT
:
: FOR
:
: QUEEN ANNE'S COUNTY
:
: SITTING IN EQUITY
:
: NO. 7293

FINAL DECREE OF RATIFICATION OF SALE

ORDERED this 11th day of April, 1983, by the Circuit Court for Queen Anne's County, In Equity, and by the authority of said Court, that the sale of the real estate made by Vachel A. Downes, Jr., Substitute Trustee, and reported in this cause, is hereby finally ratified and confirmed, no cause to the contrary therefor having been shown although notice appears to have been given as required by the Order Nisi heretofore passed in this cause, and said Substitute Trustee is allowed usual commissions upon the sale of said real estate and all expenses, not personal, upon producing vouchers therefore to the Auditor.

Caylor C. Carter
JUDGE

RECEIVED
CLERK, CIRCUIT COURT
1983 APR 12 AM 9:58
QUEEN ANNE'S COUNTY

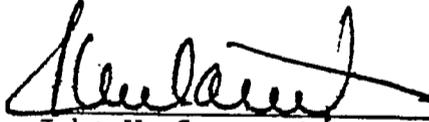
IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

VACHEL A DOWNES, JR. :
Substitute Trustee :
v. : Chancery #7293
ELIZABETH REYNOLDS :
: : : : :

REQUEST FOR ADDITIONAL COMPENSATION

The above-entitled cause having been referred to the Auditor in accordance with Maryland Rule 2-543, the Auditor respectfully requests the allowance of extra compensation for the services performed by him for the reasons that he has been required, in addition to his customary and usual duties:

1. To engage in extended correspondence with the fiduciary and an attorney for the beneficiary in order to obtain required information.
2. To review various items in the Suggested Account, conduct research with respect to the propriety of such items and prepare a Special Report regarding the treatment of such items.

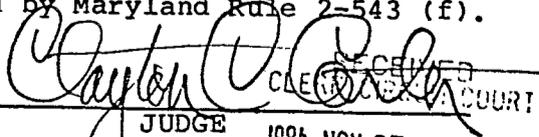


John W. Sause, Jr.
Auditor

ORDER

The foregoing Application having been read and considered, and it appearing that the Auditor had to perform duties other than the customary and usual duties performed in an audit, it is this 26th day of November, 1984, by the Circuit Court for Queen Anne's County,

ORDERED, that the Auditor is allowed an additional fee of \$ 250.00, together with out-of-pocket traveling and other expenses allowed by Second Circuit Rule 12 b, such fee and expenses to be paid from the commissions allowed to the fiduciary making sale, which are hereby reduced pursuant to Second Circuit Rule BR8 c by reason of the default on the part of the fiduciary to promptly supply the information sought by the Auditor, subject to the right of any interested person to file exceptions to this allowance in the manner provided by Maryland Rule 2-543 (f).



CLAYTON D. KELLY
JUDGE

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QUEEN ANNE'S COUNTY

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LIRET 17 APR 1984

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

VACHEL A DOWNES, JR.
Substitute Trustee

v.

ELIZABETH REYNOLDS

Chancery #7293

AUDITOR'S ACCOUNT

PROCEEDS OF FORECLOSURE SALE			
Sale Price, as reported		\$ 16,000.00	
Interest on \$ 16,000.00 @ 12%			
from 02/08/83 to 01/12/84			
338 days @ \$ 5.333 per day		<u>1,802.55</u>	
GROSS AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 17,802.55
COMMISSIONS, payable to Fiduciary			
per Deed of Trust	\$ 800.00-		
Deducted, per Order	<u>250.00</u>	\$ 550.00-	
EXPENSES OF SALE			
Court costs	\$ 156.50-		
Advertising			
Notices of sale	163.45-		
Report of sale	50.82-		
Bond premium	100.00-		
Auctioneer's fee	40.00-		
Certified mail	<u>1.00-</u>		
		511.77-	
AUDITOR'S FEE AND COSTS			
Fee for audit	\$ 45.00-		
Additional fee, per Order	250.00-		
Postage & copies	<u>3.21-</u>	298.21-	<u>1,359.98-</u>
NET AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 16,442.57

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AUDITOR'S ACCOUNT

CHANCERY #7293

Page 2

INDEBTEDNESS DUE UNDER DEED OF TRUST

Per Statement of Debt		
Principal	\$ 20,658.08-	
Interest to 01/10/83	3,655.81-	
Late charges	137.40-	
Escrow balance	507.63-	
Interest on principal @ 13%		
01/11/83 to 04/09/83		
89 days @ \$7.36	<u>655.04-</u>	\$ 25,613.96-
AVAILABLE FOR DISTRIBUTION, as above		<u>16,442.57</u>
DEFICIT		\$ 9,171.39-

NOTICE

The attached Account was filed on November 27, 1984. Exceptions to the Account must be filed within ten (10) days of that date. If timely exceptions are not filed, the Account may thereupon be ratified.

SPECIAL REPORT OF AUDITOR

This case was filed on January 17, 1983; the sale was held on February 8, 1983, and ratified on April 11, 1983. Efforts were begun in September of that year to obtain the information necessary to conduct the required audit -- one of the reasons for the delay being, as it turned out, that settlement with the sale purchaser was not held until January 12, 1984. Although the information furnished from several sources since then is still not so comprehensive as might be hoped, it is sufficient to establish the matters set forth in the attached Account; and the desirability of finally disposing of the matter now seems to override any thought of further delay.

The following comments are important to an understanding of the treatment of a number of items sought in the Suggested Account.

Status of purchaser

It is urged that the method of accounting followed in Weismiller v. Bush, 56 Md.App. 593, and the Report filed in Chancery #7107 should be applied in this case, since the purchaser here is alleged to be a "wholly owned subsidiary" of the Deed of Trust beneficiary.

The theory of those cases is that a secured creditor who purchases the security at a judicial sale may be relieved of liability for interest on the purchase price if he signifies an intention to apply his rights as creditor to the discharge of his obligations as purchaser. It appears to me that this theory is not applicable to the present facts. A parent-subsiary relationship does nothing at all to suggest that one is in any way liable for the obligations of the other -- or that either may discharge its obligations with the other's assets. Here, between the sale on February 8, 1983, and settlement almost a year later, there was nothing whatsoever to indicate either that the purchaser had discharged its obligation or that the assets of the creditor were responsible upon its default. In short, the quid pro quo which is the essence of the proffered theory is totally absent.

The Affidavit given pursuant to Rule BR6 b 3 further undermines any attempt to use the Weismiller approach. Under the Rule, the purchaser was obligated to disclose "whether he is acting as agent for anyone; and if so, the name of the principal" and "whether others are interested as principals; and if so, the names of the other principals." In my opinion, the purchaser, having disclosed no agency or

other principal, cannot now be heard to the contrary for the purpose of avoiding the interest to which it became subject under the terms ratified by this Court.

Consequently, interest has been charged to the purchaser from the date of sale to the date of settlement, in accordance with the advertised terms of sale which were reported to and ratified by the Court. Interest chargeable to the debtor of course ceased 60 days after the sale. Real Property Article, §7-105 (d).

Attorney fees

The Suggested Account seeks an attorney fee of \$200.00 with the parenthetical note "(Reasonable)".

Attorney fees are not allowable in the absence of express provision in the security instrument. Griffith v. Dale, 109 Md. 697, 700. Compare, Second Circuit Rule BR8 c which directs that an attorney fee "be charged against the estate in addition to . . . commissions" only when "an instrument under which a sale is made provides for the allowance of a counsel fee." Paragraph 18 of the subject Deed of Trust provides that, in the event of foreclosure, the proceeds of sale are to be applied to "Trustee's fees of 5% of the gross sale price, reasonable attorney's fees and costs of title evidence . . . [emphasis supplied]."

In Meyer v. Gyro Transp. Systems, 263 Md. 518, 531, the Court of Appeals held, in an analogous situation, that "When the provision to confess judgment provides only for a reasonable attorney's fee, the reasonable amount of the fee must be determined by the court and counsel may not, himself, use a percentage to determine the amount of the attorney's fee [emphasis that of the Court]." The Court expressly reaffirmed a similar holding in Johnson v. Phillips, 143 Md. 16, 26-27.

In the absence of the establishment of a fee by the Court here, attorney fees have not been allowed in the Account.

Escrow account/adjustments to sale price

The Statement of Indebtedness filed on January 17, 1983, and reflecting interest through January 10, 1983, contains "Escrow payments (taxes and insurance) 507.63".

Efforts to obtain clarification of this entry have been unsuccessful. Nevertheless, it seems fairly clear to me that this represents amounts advanced by the lender for

taxes and insurance over and above amounts paid into an escrow account by the debtor in accordance with Paragraph 2 of the Deed of Trust. Such assumption is somewhat reinforced by the Statement's indication that interest was unpaid from September 1, 1982.

The submitted "Settlement Statement" reflecting the transaction between the Fiduciary and sale purchaser purports to show that State, County and Town taxes for the period from "2/8/83 to 1/12/84" were "paid by seller [i.e. the Fiduciary and/or lender] in advance." Consistently, the advertisement of sale, as reported to and ratified by the Court, indicates that adjustments of taxes are to be made for that period. What is confusing is the source of funds allegedly "paid by seller."

As already noted, a portion of such taxes "paid by seller" is explainable by reason of the fact that, since the fiscal year for real property taxes begins on July 1, it is reasonable to suppose that the "Escrow payments" referred to in the Statement of Indebtedness filed in January 1983 included taxes for the fiscal year beginning on July 1, 1982. However, there is nothing whatsoever to explain why the Settlement Statement purports to show a credit due "seller" for the taxes paid for the period from July 1, 1983, to January 12, 1984. In response to questions in that regard and in regard to the items comprehended within the "Escrow" entry in the Statement of Indebtedness, the attorney for the lender has requested that I ignore all "pro-rations" of taxes.

This seems entirely proper. As emanating from its attorney, it is safe to suppose (if it is not conclusive) that such is satisfactory to the lender. From the borrower's standpoint, the Statement of Indebtedness establishes that he owed \$507.63 for "taxes and insurance" at a time when such could not have included taxes other than those for the year ending June 30, 1983. At the same time, since tax adjustments were to be made at the time of settlement, the estate was technically liable (normally at the expense of the borrower) for taxes until settlement in January of 1984. In so saying, I do not however express any opinion here as to whether the burden of taxes for so long an unexplained period could have been equitably charged to the borrower.

The point is that, under any view of the matter, the amount charged to the borrower for taxes covers at most the period from February 8, 1983 (the date of sale) to June 30, 1983 (the end of the fiscal year for which the borrower might have been charged for taxes in the "Escrow" item of the Statement of Indebtedness). Against the background that

further attempts to obtain more precise information in this regard can only increase the already-inordinate expense of this audit, and that the charge for the audit is ordinarily borne by the debtor, I simply can see no benefit to the debtor from doing other than what is suggested by the lender's attorney.

This is hardly the stuff from which good audits are made. It is, however, in my opinion, consonant with both equity and common sense.

Respectfully submitted,



John W. Sause, Jr.
Auditor

November 21, 1984

CERTIFICATE OF AUDITOR

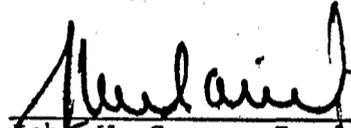
I hereby certify that I have examined the Suggested Account, together with the receipts, vouchers, statements, suggested distribution and affidavit submitted by the Fiduciary in Chancery Cause #7293. On the basis of the facts which appear upon the face of the proceedings and proofs submitted to me, it is my opinion that the claims set forth in the foregoing Auditor's Account have been established and are properly allowable by law in the amounts there set forth.

I further certify that on November 27th, 1984, copies of the Auditor's Account, the Special Report and the Notice conforming to the requirements of Maryland Rule 2-543 and Second Circuit Rule 12 d were mailed to the following:

Vachel A. Downes, Jr., Esquire
115 Lawyers Row
Centreville, Maryland 21617

Lynn T. Krause, Esquire
75 Franklin Street
Annapolis, Maryland 21401

Elizabeth Reynolds
Route 1 Box 768
Stevensville, Maryland 21666



John W. Sause, Jr.
Auditor

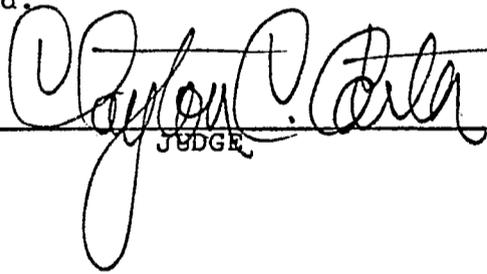
IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

VACHEL A DOWNES, JR. :
Substitute Trustee :
v. : Chancery #7293
ELIZABETH REYNOLDS :
: :
: : : :

ORDER RATIFYING AUDIT

The matter coming before the Court on the Account heretofore filed by the Auditor and it appearing from the Auditor's Certification that the requirements of Rule 2-543 (e) have been met, and no exceptions having been filed within 10 days of the date when the Account was filed, it is this 8th day of January 1985, by the Circuit Court for Queen Anne's County,

ORDERED that the Account of the Auditor is hereby ratified and confirmed, and the Fiduciary shall apply the proceeds accordingly with a due proportion of interest after same has been or may be received.



JUDGE

1985 JAN -8 PH 4: 28

LYNN T. KRAUSE,
Substitute Trustee
156 South Street
Annapolis, Maryland 21401

Plaintiff

vs.

WILLIAM L. WASHBURN
and
JOYCE A. WASHBURN, his wife,
Route 1, Box 436A
Crasonville, Maryland 21638

Defendants

* IN THE
* CIRCUIT COURT
* FOR
* QUEEN ANNE'S COUNTY
*

* Equity No. 7552
*

FEB 27-84 A 921090 *****60 00

REQUEST TO DOCKET FORECLOSURE

Dear Mr. Clerk:

Please docket the above captioned foreclosure action and find for filing the following documents:

1. Original recorded Deed of Trust from William L. Washburn and Joyce A. Washburn, his wife, to Alan W. Bernstein and Jerome I. Feldman, Trustees for Gibraltar Building and Loan Association, Inc., dated April 3, 1981, and recorded among the Land Records of Queen Anne's County in Liber 174, folio 77.
2. Statement of Deed of Trust debt due.
3. Affidavit of non-military service of the defendants.
4. Original said Deed of Appointment for purposes of foreclosure to the above named plaintiff and an additional copy of said appointment for inclusion in this matter, with the original to be recorded by the Clerk.

LYNN T. KRAUSE, ESQUIRE
Substitute Trustee/Attorney/Agent
for Gibraltar Building and Loan
Association, Inc.
Krause & Ferris
156 South Street
Annapolis, Maryland 21401
(301) 263-0220

1984 FEB 27 AM 11:07
QUEEN ANNE'S COUNTY

KRAUSE & FERRIS
156 SOUTH STREET
ANNAPOLIS, MD 21401
(301) 263-0220

DOCUMENT NO. 105/346

3558

Loan Account # _____

Approved _____

Date _____

DEED OF TRUST

THIS PURCHASE MONEY DEED OF TRUST is made this 3rd day of April, 1981, among the Grantor, WILLIAM L. WASHBURN and JOYCE A. WASHBURN, his wife, (herein "Borrower"), and ALAN W. BERNSTEIN and JEROME I. FELDMAN, TRUSTEES, (herein "Trustee"), and the Beneficiary, GIBALTAR BUILDING AND LOAN ASSOCIATION, INC., a corporation organized and existing under the laws of the United States of America, whose address is 1090 Cape St. Claire Rd., Annapolis, Md. (herein "Lender").

BORROWER, in consideration of the indebtedness herein recited and the trust herein created, irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the Fifth Election District, of Queen Anne's, State of Maryland:

See attached schedule "A".

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QUEEN ANNE'S COUNTY

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which has the address of Grasonville Road, Grasonville,
(Street) (City)
Maryland 21638 (herein "Property Address");
(State and Zip Code)

The aforesaid property having been purchased in whole or in part with the sums secured hereby.

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents (subject however to the rights and authorities given herein to Lender to collect and apply such rents), royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Deed of Trust; and all of the foregoing, together with said property (or the leasehold estate if this Deed of Trust is on a leasehold) are herein referred to as the "Property";

TO SECURE to Lender for a maximum three (3) year term for (a) the repayment of the indebtedness evidenced by Borrower's Renegotiable Rate Renewable note dated of even date herewith (herein "Note"), in the principal sum of FORTY-TWO THOUSAND, TWO HUNDRED and 00/100 (\$42,200.00) --- Dollars, with interest thereon; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Deed of Trust; and the performance of the covenants and agreements of Borrower herein contained; and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 21 hereof (herein "Future Advances").

The Note which this Deed of Trust secures is for a three (3) year term with automatic renewals for additional 3 year terms for a maximum period of thirty (30) years, subject only to interest rate adjustments. The interest rate for the initial loan term is 14 % per year. The maximum rate increases or decreases shall reflect the movement in reference to the date of the original loan of the "contract interest rate on the purchase of previously occupied homes" in the Federal Home Loan Bank Board's most recent monthly national average mortgage rate index for all major lenders (Table S.5.1) with a maximum of one-half of one percent (0.5%) per year multiplied by the number of years of the original loan term with a maximum increase or decrease of five percentage (5%) points over the term of Deed of Trust. Decreases in interest rate shall be made, but increases are optional with the holder of the Note. At least ninety (90) days before the due date of the loan, the Noteholder shall send written notification to Borrower renewing the loan for a like period of three (3) years at the interest rate and monthly payments set forth in the ninety (90) day renewal notice. Subject to the possible extension of the initial loan term for a period not to exceed six (6) months in accordance with the Federal Regulation 545.6-4a. Borrower shall have the option to decline Noteholders renewal, in which event the entire principal amount outstanding and all accrued interest thereon shall become due and payable without penalty.

Any change in interest rates at the end of the original and each renewal term shall not constitute a novation or a new contract, but shall be a continuation of the original loan for the full thirty (30) year term set forth herein.

Borrower covenants that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property, that the Property is unencumbered, and that Borrower will warrant and defend specially the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

MARYLAND—RRM 02-117

ALL that lot or parcel of land situate, lying and being in the community of Grasonville, Fifth Election District of Queen Anne's County, Maryland, said lot being bounded on the North by lands of Margaret F. Kornbau and Howard J. Reed, Jr., bounded on the East by lands of Jose Lopez and Morgan F. Chance, bounded on the South by the right of way of Maryland Route 18 running between Kent Narrows and Queenstown, and bounded on the west by lands of Thomas J. Ewing, said lot being contained within the following metes and bounds, courses and distances, according to a Certificate of Survey by Wirt D. Barlett, Registered Surveyors, dated November 26, 1968 and a plat thereof prepared by said Wirt D. Bartlett, Registered Surveyor, dated November 23, 1968, entitled "Lot Survey Location: In Grasonville, 5th Election District, Queen Anne's County, Maryland" for Willis E. Lusby and Marie E. Lusby, his wife; both Certificate of Survey and Plat being recorded or intended to be recorded immediately prior hereto among the Land Records of Queen Anne's County, to wit: BEGINNING for the same at a cross cut in the concrete sidewalk on the North side of Maryland Route 18 running between Kent Narrows and Queenstown, said cross being on the northerly right of way line of Maryland Route 18, being the southwest corner of the lands herein described and the southeast corner of lands of Thomas J. Ewing, formerly the lands of the Methodist Protestant Church, and running thence with the northerly right of way line of Maryland Route 18, North 88' 49' East 53.89 feet to a bolt driven into the concrete sidewalk; thence with the lands of Morgan F. Chance, the following four (4) courses: (1) North 00' 19' West 106.25 feet to an iron pipe; (2) South 89' 58' East 21.83 feet to an iron pipe; (3) North 07' 04' West 54.00 feet to an iron pipe; (4) South 89' 45' East 50.0 feet to an iron pipe; thence with the lands of Jose Lopez North 08' 39' West 118.65 feet to an iron pipe; thence with the lands of Howard J. Reed, Jr., South 88' 49' West 27.59 feet to an iron pipe; thence with the lands of Margaret F. Kornbau the following two (2) courses: (1) South 01' 39' East 89.00 feet to an iron pipe; (2) South 88' 49' West 81.00 feet to an iron pipe; thence with the lands of Thomas J. Ewing, formerly lands of the Methodist Protestant Church South 01' 39' East 186.90 feet to a cross in the concrete sidewalk, the place of beginning and containing 16,183 square feet of land, more or less.

The herein described lands are subject to rights of access through same from Maryland Route 18, into the lands of Margaret F. Kornbau, said access being of an even width of nine (9) feet and being adjacent to lands of Thomas J. Ewing, the herein mentioned access road having been established by deed recorded in Liber B.H.T. 13, folio 189.

BEING the same property conveyed unto William L. Washburn and Joyce A. Washburn, his wife, by Willis E. Lusby, et al, by deed of even date herewith, and intended to be recorded among the Land Records of Queen Anne's County immediately prior hereto.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Deed of Trust.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments which may attain priority over this Deed of Trust, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Deed of Trust that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Deed of Trust.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within 30 days from the date notice is mailed by Lender to Borrower requesting payment thereof.

Upon payment in full of all sums secured by this Deed of Trust, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 18 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Deed of Trust.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, then to the principal of the Note, and then to interest and principal on any Future Advances.

4. Charges; Liens. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Deed of Trust, and leasehold payments or ground rents, if any, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Deed of Trust; provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Deed of Trust.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Deed of Trust is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Deed of Trust would be impaired, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments. If under paragraph 18 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Deed of Trust immediately prior to such sale or acquisition.

6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Deed of Trust is on a leasehold. If this Deed of Trust is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Deed of Trust, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Deed of Trust as if the rider were a part hereof.

7. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the loan secured by this Deed of Trust, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law. Borrower shall pay the amount of all mortgage insurance premiums in the manner provided under paragraph 2 hereof.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Deed of Trust. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

8. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Deed of Trust such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Deed of Trust immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments.

10. Borrower Not Released. Extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Borrower and Borrower's successors in interest.

11. Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Deed of Trust.

12. Remedies Cumulative. All remedies provided in this Deed of Trust are distinct and cumulative to any other right or remedy under this Deed of Trust or afforded by law or equity, and may be exercised concurrently, independently or successively.

13. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof.

14. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Deed of Trust shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Deed of Trust shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

15. Uniform Deed of Trust; Governing Law; Severability. This form of deed of trust combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. This Deed of Trust shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Deed of Trust or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Deed of Trust and the Note are declared to be severable.

16. Borrower's Copy. Borrower shall be furnished a conformed copy of the Note and of this Deed of Trust at the time of execution or after recordation hereof.

17. Transfer of the Property; Assumption. If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Deed of Trust, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Lender may, at Lender's option, declare all the sums secured by this Deed of Trust to be immediately due and payable. Lender shall have waived such option to accelerate if, prior to the sale or transfer, Lender and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sums secured by this Deed of Trust shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph 17, and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Borrower from all obligations under this Deed of Trust and the Note.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 14 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 18 hereof.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

18. Acceleration; Remedies. Except as provided in paragraph 17 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, including the covenants to pay when due any sums secured by this Deed of Trust, Lender prior to acceleration shall mail notice to Borrower as provided in paragraph 14 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 30 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and sale. If the breach is not cured on or before the date specified in the notice, Lender at Lender's option may declare all of the sums secured by this Deed of Trust to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable attorney's fees.

If Lender invokes the power of sale, Lender shall mail or cause Trustee to mail written notice of sale to Borrower in the manner prescribed by applicable law. Trustee shall give notice of sale by public advertisement for the time and in the manner prescribed by applicable law. Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in such order as Trustee may determine. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender, or Lender's designee, may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all costs and expenses of the sale, including, but not limited to, Trustee's fees of 5% of the gross sale price, reasonable attorney's fees and costs of title evidence; (b) to all sums secured by this Deed of Trust; and (c) the excess, if any, to the person or persons legally entitled thereto.

19. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Deed of Trust, Borrower shall have the right to have any proceedings begun by Lender to enforce this Deed of Trust discontinued at any time prior to the earlier to occur of (i) the fifth day before sale of the Property pursuant to the power of sale contained in this Deed of Trust or (ii) entry of a judgment enforcing this Deed of Trust if: (a) Borrower pays Lender all sums which would be then due under this Deed of Trust, the Note and notes securing Future Advances, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Deed of Trust; (c) Borrower pays all reasonable expenses incurred by Lender and Trustee in enforcing the covenants and agreements of Borrower contained in this Deed of Trust and in enforcing Lender's and Trustee's remedies as provided in paragraph 18 hereof, including, but not limited to, reasonable attorney's fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Deed of Trust, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Deed of Trust shall continue unimpaired. Upon such payment and cure by Borrower, this Deed of Trust and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

20. Assignment of Rents; Appointment of Receiver. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 18 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 18 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the rents of the Property, including those past due. All rents collected by the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Deed of Trust. The receiver shall be liable to account only for those rents actually received.

21. Future Advances. Upon request of Borrower, Lender, at Lender's option prior to release of this Deed of Trust, may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this Deed of Trust when evidenced by promissory notes stating that said notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Deed of Trust, not including sums advanced in accordance herewith to protect the security of this Deed of Trust, exceed the original amount of the Note.

22. Release. Upon payment of all sums secured by this Deed of Trust, Lender or Trustee shall release this Deed of Trust without charge to Borrower. Borrower shall pay all costs of recordation, if any.

23. Substitute Trustee. Lender at Lender's option may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder by an instrument recorded in the city or county in which this Deed of Trust is recorded. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon the Trustee herein and by applicable law.

IN WITNESS WHEREOF, Borrower has executed this Deed of Trust.

William L. Washburn (Seal)
William L. Washburn -Borrower

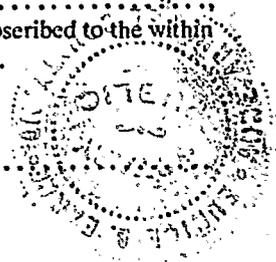
Joyce A. Washburn (Seal)
Joyce A. Washburn -Borrower

STATE OF MARYLAND, ANNE ARUNDEL County ss:

I Hereby Certify, That on this 3rd day of April, 1981, before me, the subscriber, a Notary Public of the State of Maryland, in and for the county of Anne Arundel, personally appeared William L. Washburn and Joyce A. Washburn, his wife, known to me or satisfactorily proven to be the person(s) whose name(s) are subscribed to the within instrument and acknowledge that they executed the same for the purposes therein contained.

AS WITNESS: my hand and notarial seal.

My Commission expires: July 1, 1982 *Eunice B. Earle*
Notary Public



STATE OF MARYLAND ANNE ARUNDEL County ss:

I Hereby Certify, That on this 3rd day of April, 1981, before me, the subscriber, a Notary Public of the State of Maryland and for the county of Anne Arundel, personally appeared Diane C. White, Vice President, Gibraltar Building and Loan Association, Inc., the agent of the party secured by the foregoing Deed of Trust, and made oath in due form of law that the consideration recited in said Deed of Trust is true and bona fide as therein set forth and that the amount of the loan secured by the foregoing Deed of Trust was disbursed by the party or parties secured to the Borrower or to the person responsible for disbursement of funds in the closing transaction or their respective agent at a time no later than the execution and delivery by the Borrower of this Deed of Trust; and also made oath that he is the agent of the party or parties secured and is duly authorized to make this affidavit.

AS WITNESS: my hand and notarial seal.

My Commission expires: July 1st, 1982 *Eunice B. Earle*
Notary Public



Return to:
GOLDSTEIN, BERNSTEIN & FELDMAN
P. O. Box 291,
Annapolis, Maryland 21404

DEED OF TRUST

FROM

TO

Trustees

Received for Record _____, 19 _____
at _____ o'clock _____ M. Same day recorded
in _____ Liber _____ No. _____ Folio _____
etc., one of the Land Records of

LIBER

17 at PAGE 411

and examined per

....., Clerk

Cost of Record, \$

RECORDING OFFICER: PLEASE RETURN TO

LYNN T. KRAUSE,
Substitute Trustee
156 South Street
Annapolis, Maryland 21401

Plaintiff

vs.
WILLIAM L. WASHBURN and
JOYCE A. WASHBURN, his wife,
Route 1, Box 436A
Grasonville, Maryland 21638

Defendant

* IN THE
*
* CIRCUIT COURT
*
* FOR
* QUEEN ANNE'S COUNTY

* Equity No. 7552

STATEMENT OF MORTGAGE/DEED OF TRUST DEBT DUE

The undersigned hereby swears and affirms under penalties of perjury that he/she is authorized to make this affidavit, has personal knowledge hereof, and is an agent of the holder of the instrument being foreclosed on herein.

The undersigned further states that the total amount of principal, interest, late fees and other charges due on the instrument being foreclosed on is as follows:

Principal	\$61,344.30
Interest for period <u>10/1/83</u> through <u>2/15/84</u> at the rate of	2,567.63
Late fees through <u>2/1/84</u>	84.00
Other charges - Escrow shortage	368.73
- Returned check fee.	10.00

Per diem interest rate

Total due through 2/15/84 \$64,374.66

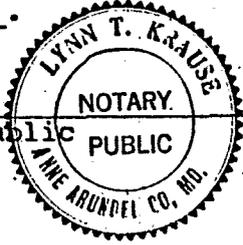
THIS DEED OF TRUST IS A NEGATIVE AMORTIZATION DEED OF TRUST HENCE THE INCREASE IN PRINCIPAL BALANCE OVER THE ORIGINAL BALANCE OF SAID DEED OF TRUST OF \$59,800.00.

M. Louise Schultz

LYNN T. KRAUSE
156 SOUTH STREET
ANNAPOLIS, MD 21401
(301) 263-0220

Taken, sworn and subscribed before me, a Notary Public,
this 22nd day of FEBRUARY, 1984.

[Signature]



My Commission Expires:

LYNN T. KRAUSE,
Substitute Trustee
156 South Street
Annapolis, Maryland 21401,

Plaintiff

vs.

WILLIAM L. WASHBURN
and
JOYCE A. WASHBURN, his wife,
Route 1, Box 436A
Crasonville, Maryland 21638,

Defendants

* IN THE
* CIRCUIT COURT
* FOR
* QUEEN ANNE'S COUNTY
*
*
* Equity No. 7552
*
*

AFFIDAVIT OF NON-MILITARY SERVICE

STATE OF MARYLAND, COUNTY OF ANNE ARUNDEL, to-wit:

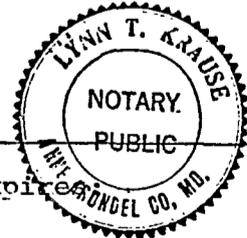
I HEREBY CERTIFY, that before me, the subscriber, a Notary Public of said State and County, personally appeared M. LOUISE SCHULTZ, Manager, Mortgage Servicing Department for Gibraltar Building and Loan Association, Inc., and she made oath in due form of law that to the best of her knowledge, information and belief (1) WILLIAM L. WASHBURN and JOYCE A. WASHBURN, Defendants, are not in the military service of the United States, and (2) said Defendants are not in the military service of any nation allied with the United States, and (3) that said Defendants are employed in civilian industry.

M. Louise Schultz
M. LOUISE SCHULTZ, Affiant

the 23rd SUBSCRIBED AND SWORN to before me, a Notary Public, on day of FEBRUARY, 1984.

[Signature]

Notary Public
My commission expires



KRAUSE & FERRIS
156 SOUTH STREET
ANNAPOLIS, MD 21401
(301) 263-0220

NO CONSIDERATION

DEED OF APPOINTMENT OF SUBSTITUTE TRUSTEES

THIS DEED OF APPOINTMENT OF SUBSTITUTE TRUSTEES, made this 23rd day of February, 1987 by and between GIBRALTAR BUILDING AND LOAN ASSOCIATION, INC.-----, and LYNN T. KRAUSE-----, Trustees.

WHEREAS, a deed of trust dated April 3, 1981 from WILLIAM L. WASHBURN and JOYCE A. WASHBURN to ALAN W. BERNSTEIN and JEROME I. FELDMAN, Trustees, recorded among the Land Records of QUEEN ANNE'S County in Liber 174, folio 75, was given to secure a loan evidenced by a "note" in the amount of FIFTY NINE THOUSAND EIGHT HUNDRED Dollars and NO CENTS Cents (\$ 59,800.00) dated November 30, 1982, payable to GIBRALTAR BUILDING AND LOAN ASSOCIATION, INC., and

WHEREAS, said deed of trust gives the irrevocable power to appoint Substitute Trustees to the holders of said note which may be exercised at any time after the date of said deed of trust, by filing for record among the Land Records of Queen Anne's County, a deed of appointment, and

WHEREAS, GIBRALTAR BUILDING AND LOAN ASSOCIATION, INC., pursuant to said power, and as holder of the note aforesaid, desires to appoint LYNN T. KRAUSE, ESQUIRE, as Substitute Trustee in place and stead of ALAN W. BERNSTEIN and JEROME I. FELDMAN,

NOW, THEREFORE, in consideration of no monetary consideration, but other good and valuable considerations, the said GIBRALTAR BUILDING AND LOAN ASSOCIATION, INC. does hereby appoint LYNN T. KRAUSE, ESQUIRE as Substitute Trustee in the deed of trust aforesaid with identically the same title

LYNN T. KRAUSE
186 SOUTH STREET
ANNAPOLIS, MO 21401
(301) 263-0220

NO CONSIDERATION

DEED OF APPOINTMENT OF SUBSTITUTE TRUSTEES

FEB 27-84 A 21091 *****17 50

THIS DEED OF APPOINTMENT OF SUBSTITUTE TRUSTEES, made this 23rd day of February, 1984 by and between GIBRALTAR BUILDING AND LOAN ASSOCIATION, INC.-----, and LYNN T. KRAUSE-----, Trustees.

WHEREAS, a deed of trust dated April 3, 1981 from WILLIAM L. WASHBURN and JOYCE A. WASHBURN to ALAN W. BERNSTEIN and JEROME I. FELDMAN, Trustees, recorded among the Land Records of QUEEN ANNE'S County in Liber 174, folio 75, was given to secure a loan evidenced by a "note" in the amount of FIFTY NINE THOUSAND EIGHT HUNDRED Dollars and NO CENTS Cents (\$ 59,800.00) dated November 30, 1982, payable to GIBRALTAR BUILDING AND LOAN ASSOCIATION, INC., and

WHEREAS, said deed of trust gives the irrevocable power to appoint Substitute Trustees to the holders of said note which may be exercised at any time after the date of said deed of trust, by filing for record among the Land Records of Queen Anne's County, a deed of appointment, and

WHEREAS, GIBRALTAR BUILDING AND LOAN ASSOCIATION, INC., pursuant to said power, and as holder of the note aforesaid, desires to appoint LYNN T. KRAUSE, ESQUIRE, as Substitute Trustee in place and stead of ALAN W. BERNSTEIN and JEROME I. FELDMAN,

NOW, THEREFORE, in consideration of no monetary consideration, but other good and valuable considerations, the said GIBRALTAR BUILDING AND LOAN ASSOCIATION, INC. does hereby appoint LYNN T. KRAUSE, ESQUIRE as Substitute Trustee in the deed of trust aforesaid with identically the same title

LYNN T. KRAUSE
186 SOUTH STREET
ANNAPOLIS, MD 21401
(301) 263-0220

RECORDED
CLERK
1984 FEB 27 AM 11:09
QUEEN ANNE'S COUNTY

Fidelity and Deposit Company

HOME OFFICE

OF MARYLAND

BALTIMORE, MD. 21203

KNOW ALL MEN BY THESE PRESENTS:

That we, Lynn T. Krause
and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a body corporate, duly incorporated under the laws of the State of Maryland, as Surety, are held and firmly bound unto the State of Maryland, in the full and just sum of Sixty-Five Thousand ----- (\$65,000.00) ----- Dollars, to be paid to the said State or its certain Attorney, to which payment well and truly to be made, we bind ourselves, and each of us, our and each of our heirs, executors and administrators, jointly and severally, firmly by these presents.

Sealed with our seals and dated this 30th day of July
in the year of our Lord one thousand nine hundred and eighty-four

WHEREAS, the above bounden Lynn T. Krause
by virtue of a decree of the Honorable the Judge of the Circuit Court of Queen Anne's County, Md.
has been appointed ^{Substitute} Trustee to sell a certain real estate

mentioned in the proceedings in the case of Lynn T. Krause, Trustee

CERTIFIED COPY OF POWER OF ATTORNEY ATTACHED

William L. Washburn & Joyce A. Washburn,
his wife

now pending in said Court:

NOW, THE CONDITION OF THE ABOVE OBLIGATION IS SUCH That, if the above bounden Lynn T. Krause

do and shall well and faithfully perform the trust reposed in him by said decree, or that may be reposed in him by any future decree or order in the premises, then the above obligation to be void; otherwise to be and remain in full force and virtue in law.

Signed, sealed and delivered in the presence of:

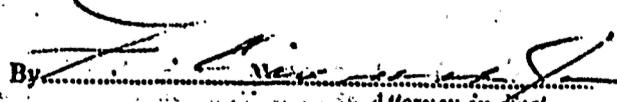

..... (SEAL)
Lynn T. Krause
..... (SEAL)

1984 AUG - 3 AM 10:39

WITNESS:

FIDELITY AND DEPOSIT COMPANY OF MARYLAND

By Rena L. Degen As to Surety

By 
Frederick J. Crismond, Jr.
Attorney-in-Fact

35116-121, 5-78 205620
Trustee's Bond
Form No. 1113116a

*Quoted in not bonded
Filed Aug. 3, 1984*

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber MWM No. 3, folio 592, a Bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 8th day of August, 1984.



Marguerite W. Mankin
Marguerite W. Mankin, Clerk of the
Circuit Court for Queen Anne's County

Centreville, Md. 3/21 19 84

We Hereby Certify

That the annexed advertisement of
Substituted Trustee's Sale
~~William L. & Joyce A. Washburn~~

was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 27th day of March 19 84.

And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER/BAY TIMES was on the
7th day of March
19 84, and the last insertion on the
21st day of March
19 84.

Publishers, Record Observer

Per

1984 AUG -3 AM 10:40

Said property will be sold in an "as is" condition, subject to any existing building violations, zoning violations, if any, etc., and also subject to conditions, restrictions, easements, and any other instruments and agreements of record effecting same, if any.

TERMS OF SALE

A cash or certified check deposit in the amount of \$3,000.00 will be required of the Purchaser at time and place of sale. The balance of the purchased money, with interest thereon at the rate of 14% per annum, shall be paid in cash or by certified check within fifteen (15) days from the date of final ratification of sale, interest to be charged at the above rate from the date of sale to the date of settlement on the unpaid purchase price. Taxes and all other public charges and assessments payable on an annual basis shall be adjusted for the current year to date of auction sale, and assumed thereafter by the Purchaser. There is no warranty as to the nature and condition of the property, equipment, fixtures, appliances therein, if any, or improvements. Cost of all documentary stamps and transfer taxes, recording charges, and any and all other settlement costs shall be paid by the Purchaser. Failure to pay the consideration and make the settlement as provided herein shall constitute a default by the Purchaser, with the deposit being forfeited and the property being resold at the risk and cost of the defaulting Purchaser or Purchasers.

Lynn T. Krause, Substitute Trustee
75 Franklin Street
Annapolis, Maryland 21401
301-263-0220

AUCTIONEER
ROBERT H. CAMPBELL
121 Prince George St.
Annapolis, Md. 21401

RB-3-7-31-03

Substituted Trustee's Sale

OF VALUABLE IMPROVED FEE SIMPLE PRO-
PERTY on Grasonville Road, Grasonville, Maryland

Lynn T. Krause, Esquire
Substituted Trustee
75 Franklin Street
Annapolis, Maryland 21401

Under and by virtue of the power of sale contained in a certain deed of trust from WILLIAM L. WASHBURN and JOYCE A. WASHBURN, his wife, to ALAN W. BERNSTEIN and JEROME I. FELDMAN, Trustee, dated April 3, 1981 and recorded among the Land Records of Queen Anne's County, Maryland, in Liber 174, folio 75, the holder of the indebtedness as secured by the deed of trust having appointed Lynn T. Krause as Substituted Trustee by instrument duly executed, acknowledged and recorded in the Land Records of the county aforesaid, default having occurred under the terms of said instrument, and at the request of the party(s) secured thereby, the undersigned will sell at public auction, at The Court House door, Circuit Court for Queen Anne's County, Centreville, Maryland, on

Tues., March 27, 1984
at 11:30 A.M.

the real property described in the aforesaid instrument, being improved by a dwelling, being more particularly described as follows:

ALL that lot or parcel of land situated, lying and being in the community of Grasonville, Fifth Election District of Queen Anne's County, Maryland, said lot being bounded on the North by lands of Margaret F. Kornbeu and Howard J. Reed, Jr., bounded on the East by lands of Jose Lopez and Morgen F. Chence, bounded on the South by the right of way of Maryland Route 18 running between Kent Narrows and Queenstown, and bounded on the west by lands of Thomas J. Ewing, said lot being contained within the following metes and bounds, courses and distances, according to a Certificate of Survey by Wirt D. Bertlett, Registered Surveyors, dated November 26, 1968 and a plat thereof prepared by said Wirt D. Bertlett, Registered Surveyor, dated November 23, 1968, entitled "Lot Survey Location: In Grasonville, 5th Election District, Queen Anne's County, Maryland" for Willie E. Lusby and Marie E. Lusby, his wife; both Certificate of Survey and Plat being recorded or intended to be recorded immediately prior hereto among the Land Records of Queen Anne's County, to wit: BEGINNING for the same at a cross cut in the concrete sidewalk on the North side of Maryland Route 18 running between Kent Narrows and Queenstown, said cross being on the northerly right of way line of Maryland Route 18, being the southwest corner of the lands herein described and the southeast corner of lands of Thomas J. Ewing, formerly the lands of the Methodist Protestant Church, and running thence with the northerly right of way line of Maryland Route 18 North 88° 49' East 53.80 feet to a bolt driven into the concrete sidewalk; thence with the lands of Morgen F. Chence, the following four (4) courses: (1) North 00° 19' West 106.25 feet to an iron pipe; (2) South 89° 58' East 21.83 feet to an iron pipe; (3) North 07° 04' West 54.00 feet to an iron pipe; (4) South 89° 45' East 50.0 feet to an iron pipe; thence with the lands of Jose Lopez North 08° 39' West 118.65 feet to an iron pipe; thence with the lands of Howard J. Reed, Jr., South 88° 49' West 27.59 feet to an iron pipe; thence with the lands of Margaret F. Kornbeu the following two (2) courses: (1) South 01° 39' East 89.00 feet to an iron pipe; (2) South 88° 49' West 81.00 feet to an iron pipe; thence with the lands of Thomas J. Ewing, formerly lands of the Methodist Protestant Church South 01° 39' East 186.90 feet to a cross in the concrete sidewalk, the place of beginning and containing 16,183 square feet of land, more or less.

The herein described lands are subject to rights of access through same from Maryland Route 18, into the lands of Margaret F. Kornbeu, said access being of an even width of nine (9) feet and being adjacent to lands of Thomas J. Ewing, the herein mentioned access road having been established by deed recorded in Liber B.H.T. 13, folio 189.

LYNN T. KRAUSE,
SUBSTITUTE TRUSTEE

Plaintiff

v.

WILLIAM L. WASHBURN and
JOYCE A. WASHBURN

Defendant(s)

* IN THE CIRCUIT COURT

* FOR

* QUEEN ANNE'S COUNTY

* EQUITY NO: 7552

* * * * *

REPORT OF SALE

TO THE HONORABLE, THE JUDGES OF SAID COURT:

Lynn T. Krause, Substitute Trustee in this action, being vested with the power to sell the property described on the Deed of Trust filed herein, dated April 3, 1981, and recorded among the Land Records of Queen Anne's County, in Liber 174, folio 75, respectfully represents:

1. That the debt secured by the said Deed of Trust, being due and payable and unpaid, said Substitute Trustee was appointed as such by an instrument duly recorded among the Land Records of the County aforesaid, said Substitute Trustee becoming vested with the power of sale under the terms of said Deed of Trust.

2. That after giving notice of the time, place, manner and terms of said sale by advertising in the Record-Observer/The Bay Times, a newspaper of general circulation published in Queen Anne's County, Maryland, once each week for three (3) successive weeks, the first advertisement being not less than fifteen (15) days prior to the sale in accordance with the terms of said Deed of Trust, and the last advertisement not more than one (1) week prior to the sale in accordance with the Maryland Rules of Procedure, in accordance with the terms of said Deed of Trust, also, a copy of said advertisement being filed in these proceedings and incorporated into this Report by reference.

KRAUSE & FERRIS
156 SOUTH STREET
ANNAPOLIS, MD 21401

(301) 265-0220

1984 AUG 23 AM 10:04

17 PAID 421

3. On August 3, 1984, after giving bond with surety for the faithful performance of said duties, the undersigned offered the property described in said Deed of Trust to the highest bidder for cash at auction, the bidder being Gibraltar Building and Loan Association, Inc., for the sum of Thirty Thousand and 00/100 Dollars (\$30,000.00), they being the highest bidder therefor and expressing themselves ready and willing to pay the balance of the purchase price, if any, upon ratification of said sale by this Honorable Court.

The undersigned further represents to this Court that the sale was fairly made and that no one was discouraged from bidding for the property sold in this auction. The undersigned further represents that an affidavit of the purchaser is filed with this Report of Sale as well as a certificate of the auctioneer, if any was used.

LYNN T. KRAUSE
Substitute Trustee

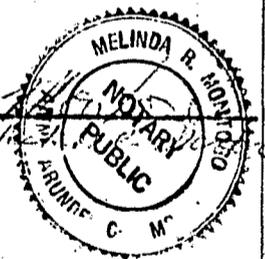
STATE OF MARYLAND

COUNTY OF ANNE ARUNDEL, to wit:

On this 3rd day of August, 1984, before me, a Notary Public, appeared Lynn T. Krause, and he executed the foregoing Report of Sale for the purposes therein contained and made oath in due form of law that the statements therein are true and correct to the best of his knowledge, information and belief.

SUBSCRIBED AND SWORN to before me this 3rd day of August, 1984.

Melinda R. ...
Notary Public

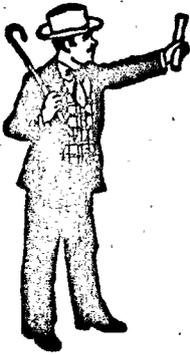


My Commission Expires:

July 1, 1986

KRAUSE & FERRIS
154 SOUTH STREET
ANNAPOLIS, MD 21401
(301) 263-0220

TELEPHONE
201-202-5908



LIBER 17 PAGE 424
ROBERT H. CAMPBELL & SONS
Auctioneers & Appraisers

ESTABLISHED 1947

LICENSED AUCTIONEERS AND APPRAISERS OF REAL ESTATE AND PERSONAL PROPERTY
MEMBER NATIONAL & STATE AUCTIONEERS ASSOCIATIONS

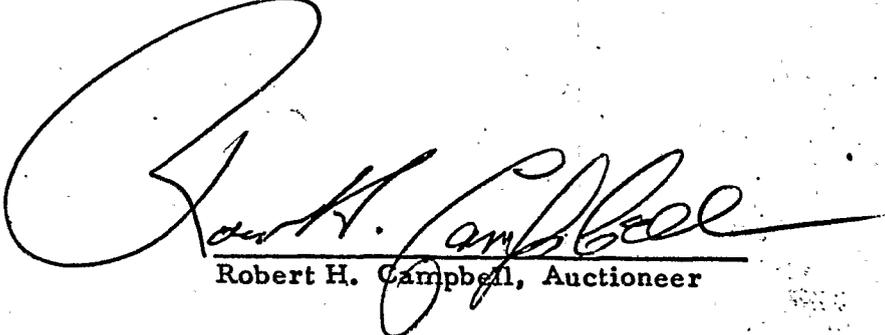
121 PRINCE GEORGE STREET
ANNAPOLIS, MARYLAND 21401

Aug 3, 1984

EQUITY NO. 7552

AUCTIONEER'S CERTIFICATE

I hereby certify that I have this 3 day of AUGUST, 1984,
sold the property described in the attached advertisement, unto CHRISTINE
M. RINSTLER, AGENT, FOR GIBBARTAR BUILDING & LOAN ASSOC., F.N.C.
at and for the sum of THIRTY THOUSAND DOLLARS (\$30,000.00)
being then and there the highest bidder(s) therefore and that the sale was fairly
made.


Robert H. Campbell, Auctioneer

EQUITY 7552

Centreville, Md. 8/1 19 84

We Hereby Certify

That the annexed advertisement of
Substituted Trustee's Sale
William and Joyce Washburn
was published in the RECORD OB-
SERVER, a newspaper published in
Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 3rd day of Aug. 19 84.

And that the first insertion of said adver-
tisement in the said RECORD OB-
SERVER/BAY TIMES was on the
18th day of July
19 84, and the last insertion on the
1st day of Aug.
19 84.

Publishers, Record Observer

Per *Lynn T. Krause*

Substituted Trustee's Sale

OF VALUABLE IMPROVED
FEESIMPLE PROPERTY

on Grasonville Road, IMPROVED BY A RESIDEN-
TIAL DWELLING, GRASONVILLE, MARYLAND.

Lynn T. Krause, Esquire
Substituted Trustee
75 Franklin Street
Annapolis, Maryland 21401

Under and by virtue of the power of sale
contained in a certain deed of trust from WILLIAM
L. WASHBURN and JOYCE A. WASHBURN, his
wife, to ALAN W. BERNSTEIN and JEROME I.
FELDMAN, Trustee, dated April 3, 1981 and
recorded among the Lend Records of Queen
Anne's County, Maryland, in liber 174, folio 75, the
holder of the indebtedness as secured by the deed
of trust having appointed Lynn T. Krause as
Substituted Trustee by instrument duly executed,
eeknowledged and recorded in the Lend Records of
the county aforesaid, default having occurred
under the terms of said instrument, and at the
request of the party(s) secured thereby, the
undersigned will sell at public auction, at The Court
House door, Circuit Court for Queen Anne's
County, Centreville, Maryland, on

Friday, Aug. 3, 1984

at 11:00 A.M.

the real property described in the aforesaid
instrument, being improved by a dwelling, being
more particularly described as follows:

All that lot or parcel of land situate, lying and
being in the community of Grasonville, Fifth
Election District of Queen Anne's County,
Maryland, said lot being bounded on the North by
Lands of Margaret F. Kornbau and Howard J.
Reed, Jr., bounded on the East by Lends of Jose
Lopez and Morgan F. Chance, bounded on the
South by the right of way of Maryland Route 18
running between Kent Narrows and Queenstown,
and bounded on the west by Lands of Thomas J.
Ewing, said Lot being contained within the
following metes and bounds, courses and dis-
tances, according to e Certificate of Survey by Wirt
D. Bartlett, Registered Surveyor, dated November
23, 1968, entitled "Lot Survey Location: In
Grasonville, 5th Election District, Queen Anne's
County, Maryland" for Willis E. Lusby and Marie E.
Lusby, his wife, both Certificete of Survey and Plat
being recorded or intended to be recorded
immediately prior hereto among the Lend Records
of Queen Anne's County, to wit: BEGINNING for
the same at a cross cut in the concrete sidewalk on
the North side of Maryland Route 18 running
between Kent Narrows and Queenstown, said
cross being on the northerly right of way Line of
Maryland Route 18, being the southwest corner of
the Lands herein described and the southeast
corner of Lands of Thomas J. Ewing, formerly the
Lands of the Methodist Protestant Church, and
running thence with the northerly right of way Line
of Maryland Route 18, North 83° 49' East 53.89
feet to a bolt driven into the concrete sidewalk;
thence with the Lands of Morgan F. Chance, the
following four (4) courses; (1) North 00° 19' West
105.25 feet to an iron pipe; (2) South 89° 58' East
21.83 feet to an iron pipe; (3) North 07° 04' West
54.00 feet to an iron pipe; (4) South 89° 45' East
50.0 feet to an iron pipe; thence with the Lands of
Jose Lopez North 08° 39' West 118.65 feet to an
iron pipe; thence with the Lands of Howard J.
Reed, Jr., South 88° 49' West 27.59 feet to an iron

thence with the Lands of Margaret F. Kornbau the following two (2) courses; (1) South 01° 39' East 89.00 feet to an iron pipe; (2) South 88° 49' West 81.00 feet to an iron pipe; thence with the Lands of Thomas J. Ewing, formerly Lands of the Methodist Protestant Church South 01° 39' East 186.90 feet to a cross in the concrete sidewalk, the piece of beginning end containing 16,183 square feet of land, more or less.

The herein described Lands are subject to rights of access through same from Maryland Route 18, into the Lands of Margaret F. Kornbau, said access being of an even width of nine (9) feet and being adjacent to Lands of Thomas J. Ewing, the herein mentioned access road having been established by deed recorded in Liber B.H.T. 13, folio 189.

Said property will be sold in an "as is" condition, subject to any existing building violations, zoning violations, if any, etc., and also subject to conditions, restrictions, easements, and any other instruments and agreements of record affecting same, if any.

TERMS OF SALE

A cash or certified check deposit in the amount of \$3,000.00 will be required of the Purchaser at time and place of sale. The balance of the purchased money, with interest thereon at the rate of 14% per annum, shall be paid in cash or by certified check within fifteen (15) days from the date of final ratification of sale, interest to be charged at the above rate from the date of sale to the date of settlement on the unpaid purchase price. Taxes and all other public charges and assessments payable on an annual basis shall be adjusted for the current year to date of auction sale and assumed thereafter by the Purchaser. There is no warranty as to the nature and condition of the property, equipment, fixtures, appliances therein, if any, or improvements. Cost of all documentary stamps and transfer taxes, recording charges, and any and all other settlement costs shall be paid by the Purchaser. Failure to pay the consideration and make the settlement as provided herein shall constitute a default by the Purchaser, with the deposit being forfeited and the property being resold at the risk and cost of the defaulting Purchaser or Purchasers.

LYNN T. KRAUSE, Substitute Trustee
75 Franklin Street
Annapolis, Maryland 21401
301-263-0220

AUCTIONEER
ROBERT H. CAMPBELL
121 Prince George Street
Annapolis, Maryland 21401
RB-18-3t-020

LYNN T. KRAUSE,
SUBSTITUTE TRUSTEE

Plaintiff

v.

WILLIAM L. WASHBURN and
JOYCE A. WASHBURN

Defendant(s)

IN THE CIRCUIT COURT

FOR

QUEEN ANNE'S COUNTY

EQUITY NO: 7552

* * * * *

AFFIDAVIT OF COMPLIANCE

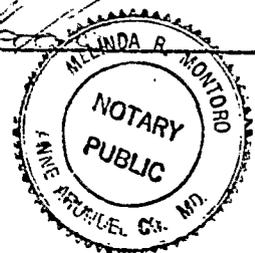
The undersigned Substitute Trustee of deed of trust for purposes of foreclosure in these proceedings hereby swears under penalties of perjury that pursuant to Maryland Rule W74 and Real Property Article Sec. 7-105, Annotated Code of Maryland, that he gave notice required in said Rule and Code provision to all persons being entitled to notice of these proceedings as follows: to William L. and Joyce A. Washburn, by certified mail, return receipt requested, mailed on July 16, 1984 to their last known addresses, a copy of the notice letter being attached hereto as Exhibit A (mailed both certified and first class mail), along with the foreclosure advertisement attached to each of said letters.

The undersigned further swears and affirms under penalties of perjury that there are no other record mortgage or deed of trust holders for said property or holders of any other security interest other than those as revealed in the attached Exhibits.

LYNN T. KRAUSE
Substitute Trustee for
Purposes of Foreclosure
75 Franklin Street
Annapolis, Maryland 21401
Telephone: (301) 263-0220

Subscribed and sworn to before me this 16th day of August, 1984.

Melinda R. Montoro
Notary Public



My commission expires:

July 1, 1986

17 PAGE 427

KRAUSE & FERRIS
150 SOUTH STREET
ANNAPOLIS, MD 21401
(301) 263-0220

EXHIBIT "A"

LITR 17 PAGE 428
Krause & Ferris

LYNN T. KRAUSE
WILLIAM M. FERRIS
OF COUNSEL
FRANK J. FLYNTZ

ATTORNEYS AT LAW
75 FRANKLIN STREET
ANNAPOLIS, MARYLAND 21401
263-0220
269-0163

PLEASE REPLY TO ANNAPOLIS OFFICE

GLEN BURNIE OFFICE
EMPIRE TOWERS
GLEN BURNIE, MARYLAND 21061
766-4500

ARNOLD ADDRESS:
P. O. BOX 9781
ARNOLD, MARYLAND 21012

July 16, 1984

CERTIFIED MAIL
FIRST CLASS
RETURN RECEIPT REQUESTED

Mr. William L. Washburn and
Mrs. Joyce A. Washburn
Route 1, Box 435A
Grasonville, Maryland 21638

Re: Foreclosure auction sale August 3, 1984
Centreville, Maryland
Our File: 03421

Dear Mr. and Mrs. Washburn:

Please be advised pursuant to Maryland Rule W74 that the auction sale of your Grasonville Road property, an exact legal description being enclosed, is scheduled for Friday, August 3, 1984 at 11:00 a.m. at the Court House door, Centreville, Maryland. A copy of the foreclosure advertisement and legal description of the property is enclosed for your information.

As you know, the bankruptcy stay has been lifted in this matter and my client is commencing with foreclosure as a result of this lifting of the stay.

As you have further been advised you have a right to reinstate this mortgage pursuant to the various notices of this right of reinstatement sent to you by my client and pursuant to paragraph 19 of your Deed of Trust. This right of reinstatement may be exercised prior to the 5th day before the date of sale.

Mr. William L. Washburn
Mrs. Joyce A. Washburn

Page 2
July 16, 1984

If you have any questions about the sale please feel free to call.

Very truly yours,

Lynn T. Krause

LTK/kas

cc: Gerald Danoff, Esquire
John E. Welsh, Esquire
Lawrence B. Goldstein, President
N. Louise Schultz, Manager

● SENDER: Complete items 1, 2, 3, and 4.
 Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).

Show to whom and date delivered \$
 Show to whom, date, and address of delivery .. \$
 2. RESTRICTED DELIVERY..... \$
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ _____

3. ARTICLE ADDRESSED TO:
 Mr. & Mrs. William L. Wamborn
 Box 422 A
 Coonville, Mo 63030

4. TYPE OF SERVICE:

<input type="checkbox"/> REGISTERED	<input type="checkbox"/> INSURED	ARTICLE NUMBER P 574- 314-700
<input checked="" type="checkbox"/> CERTIFIED	<input type="checkbox"/> COD	
<input type="checkbox"/> EXPRESS MAIL		

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE Addressee Authorized agent

5. DATE OF DELIVERY: 7-17-84

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

POSTMARK (may be on reverse side)
 JUL 17 1984
 (Z) EMPLOYEE'S INITIALS

RETURN RECEIPT

* GPO: 1982-379-593

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

LYNN T. KRAUSE,

Substitute Trustee

vs.

WILLIAM L. WASHBURN and

JOYCE A. WASHBURN, his wife

Civil No. 7552 Equity

ORDER REGARDING RATIFICATION OF SALE

198⁴ ORDERED, this 27th day of August, by the Court, that the sale of the real property made and reported in this action will be ratified after the expiration of one month from the date hereof, unless cause to the contrary be previously shown, provided a copy of this Order shall be published in a newspaper published in Queen Anne's County at least once a week in each of three successive weeks before the expiration of one month from the date hereof.

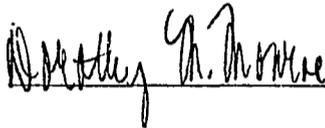
Clayton C. Carter
CLAYTON C. CARTER,
JUDGE

1984 AUG'28 AM 8:57

Centreville, Md. 9/19 19 84**We Hereby Certify**That the annexed advertisement of
Civil No. 7552 Equitywas published in the RECORD OB-
SERVER, a newspaper published in
Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 5th day of Oct. 19 84.And that the first insertion of said adver-
tisement in the said RECORD OB-
SERVER/BAY TIMES was on the
5th day of Sept.
19 84, and the last insertion on the
19th day of Sept.
19 84.

Publishers, Record Observer

Per

IN THE CIRCUIT COURT FOR
QUEEN ANNE'S COUNTY
LYNN T. KRAUSE
Substitute Trustee

vs.

WILLIAM L. WASHBURN and
JOYCE A. WASHBURN, his wife

Civil No. 7552 Equity

ORDER REGARDING RATIFICATION OF SALEORDERED, this 27th day of August, 1984, by the
Court, that the sale of the real property made and
reported in this action will be ratified after the
expiration of one month from the date hereof,
unless cause to the contrary be previously shown,
provided a copy of this Order shall be published in
a newspaper published in Queen Anne's County at
least once a week in each of three successive
weeks before the expiration of one month from the
date hereof.

CLAYTON C. CARTER

JUDGE

True Copy, Test:

Marguerite W. Mankin, Clerk

By Betty M. Comegys, Deputy Clerk

RB-9-5-31-03

RECEIVED
CLERK, CIRCUIT COURT.

1984 OCT 29 AM 11:09

QUEEN ANNE'S COUNTY

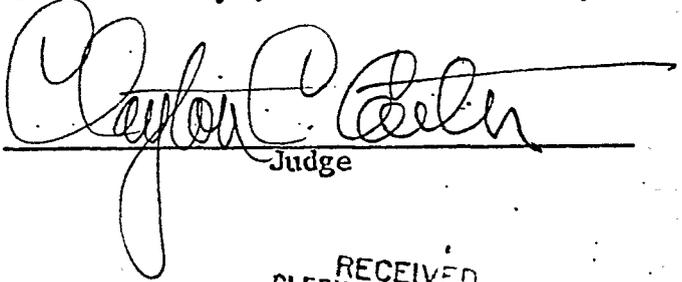
LYNN T. KRAUSE, : IN THE CIRCUIT COURT
Substitute Trustee :
vs. : FOR QUEEN ANNE'S COUNTY
WILLIAM L. WASHBURN and : CIVIL NO. Equity 7552
JOYCE A. WASHBURN : _____

FINAL RATIFICATION OF SALE
AND REFERRAL TO THE AUDITOR

The Court being satisfied that the sale in the above action was fairly and properly made, and no exceptions having been filed to the report of sale within the time limited by the published Order of this Court, it is

ORDERED, by the Circuit Court for Queen Anne's County, this 31st day of October, 1984, that:

1. The sale of the real estate made and reported in this action is hereby finally ratified.
2. The papers in this action are hereby referred to the Court Auditor to state an account, pursuant to Rule 2-543, of the proceeds of the sale and a proper distribution thereof.
3. The Clerk shall furnish to the fiduciary a summary of the information required for the audit including a form of suggested account, which the fiduciary is to submit to the Auditor within fifteen days after the recording of the deed to the real estate sold.
4. Upon receipt of this information from the fiduciary, the Auditor is to file an account or report in accordance with Rule 2-543 (e) within fifteen days, unless extended by the Court.



Judge

Distribution:
File
Fiduciary(s)
Court Auditor

RECEIVED
CLERK, CIRCUIT COURT
1984 OCT 31 PM 2:40
QUEEN ANNE'S COUNTY

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

LYNN T. KRAUSE, :
 Substitute Trustee :
 v. : Chancery #7552
 WILLIAM L. WASHBURN and :
 JOYCE A. WASHBURN :
 : : : : : :

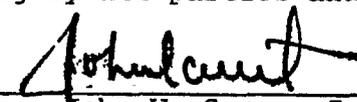
NOTICE OF AUDITOR'S HEARING

An Auditor's Hearing will be held in accordance with Rule 2-543 at 10:30 a.m. on December 12, 1984, at 204 North Commerce Street, Centreville, Maryland, for the purpose of determining the amount of the lien in accordance with §7-102 of the Real Property Article of the Annotated Code of Maryland and otherwise determining the proceeds of the sale and a proper distribution thereof.

Attorneys who have appeared on behalf of parties or claimants are expected to notify their clients.

A party or claimant may procure by subpoena the attendance of witnesses and the production of documents or other tangible things in accordance with Rule 2-543 (d)(2).

All proceedings will be recorded either stenographically or by an electronic recording device, unless the making of a record is waived in writing by all parties and claimants.



John W. Sause, Jr.
Auditor
Post Office Drawer 70
Centreville, Maryland 21617

758-0970

Date: Nov. 26, 1984

copies to: Lynn T. Krause, Esquire
75 Franklin Street
Annapolis, Maryland 21401

William L. Washburn
Route 1, Box 436A
Grasonville, Maryland 21638

Joyce A. Washburn
Route 1, Box 436A
Grasonville, Maryland 21638

RECEIVED
CLERK OF CIRCUIT COURT
1984 NOV 26 AM 10:37
QUEEN ANNE'S COUNTY

LYNN T. KRAUSE
Substitute Trustee

Plaintiff

v.

WILLIAM L. WASHBURN and
JOYCE A. WASHBURN

Defendants

IN THE CIRCUIT COURT

FOR

QUEEN ANNE'S COUNTY

CHANCERY NO: 7552

* * * * *

STATEMENT OF AMENDED DEED OF TRUST DEBT DUE

The undersigned, an authorized agent of Gibraltar Building and Loan Association, Inc., holder of the deed of trust foreclosed upon herein, hereby swears and affirms that the following is true and correct to the best of her knowledge, information, and belief, and is the debt due under the original deed of trust in this matter, dated April 3, 1981, said deed of trust being recorded among the Land Records of Queen Anne's County in Liber 174, folio 75:

Principal balance \$42,105.39

Additional charges levied for
reinstatement of deed of trust:

Loan origination fee \$844.00

PMI insurance 422.00

Credit report 21.00

Appraisal fee 110.00

Title insurance 174.87

Abstract fee 50.00

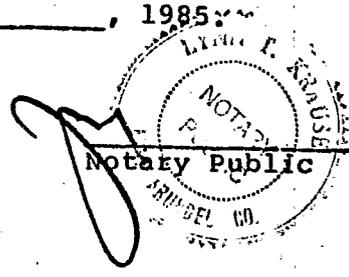
Lien certificate 18.00

RECEIVED
CLERK, CIRCUIT COURT
1985 JAN 23 AM 10:27
QUEEN ANNE'S COUNTY

Attorney's fees	200.00	
Document preparation fees	50.00	
Accrued interest charges to 11/30/82	96.16	
Additional interest 12/1/82 - 8/3/84 at 14% per annum	<u>9,851.50</u>	11,837.53
Less payments made during period December, 1982 - September, 1983		- <u>2,784.63</u>
TOTAL DUE		\$51,158.29
Per diem interest after 8/3/84 - \$16.15		

M. Louise Schultz
M. Louise Schultz, Manager
Mortgage Loan Department
Authorized Agent

Subscribed and sworn to before me, a Notary Public, this
17th day of JANUARY, 1985



My commission expires: 7/1/86

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 21st day of January, 1985, a copy of the foregoing was mailed, postage prepaid to Mr. and Mrs. William L. Washburn, Route 1, Box 436A, Grasonville, Maryland 21638.

Lynn T. Krause
Lynn T. Krause

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

LYNN T. KRAUSE
Substitute Trustee

:
:

v.

Chancery #7552

WILLIAM L. WASHBURN and
JOYCE A. WASHBURN

:
:

: : : : :

REQUEST FOR ADDITIONAL COMPENSATION

The above-entitled cause having been referred to the Auditor in accordance with Maryland Rule W74, the Auditor respectfully requests the allowance of extra compensation for the services performed by him for the reasons that he has been required, in addition to his customary and usual duties:

1. To correspond with the Fiduciary to obtain required information.

2. To review and evaluate information concerning a supplemental transaction between the lender and borrowers which was originally alleged to constitute the basis upon which the indebtedness should be determined.

3. To conduct legal research and prepare a Special Report setting forth the reasons for disallowance of certain amounts claimed in Suggested Accounts and the basis for the allowances made in the Account.

John W. Sause, Jr.
John W. Sause, Jr.
Auditor

RECEIVED
CLERK, CIRCUIT COURT

1985 JAN 29 PM 2:30

QUEEN ANNE'S COUNTY

ORDER

The foregoing Application having been read and considered, and it appearing that the Auditor has performed duties other than the customary and usual duties performed in an audit, it is this 15th day of April 1985, by the Circuit Court for Queen Anne's County,

ORDERED, that the Auditor is allowed a total fee of \$ 500.00, together with out of pocket traveling and other expenses allowed by Second Circuit Rule 12 b, such fee and expenses to be paid from funds of the estate, subject to the right of any interested person to file exceptions to this allowance in the manner provided by Maryland Rule 2-543 (f).

Clayton C. Corley
JUDGE

1985 APR 15 PM 3:11

QUEEN ANNE'S COUNTY

SPECIAL REPORT OF AUDITOR

The Court ratified this sale on October 31, 1984. On November 26, 1984, following receipt of the Suggested Account and related papers, notice was given of an Auditor's Hearing "for the purpose of determining the amount of the lien . . . and otherwise determining the proceeds of the sale and a proper distribution thereof". In a separate letter to the Trustee, it was indicated that additional information was necessary in order to support the amount of debt claimed.

The Trustee requested by telephone that the hearing not be held and offered to supply additional information in the hope that a hearing would not be necessary. On January 17, 1985, the Trustee was reminded to furnish this information. An Amended Statement of Debt ("the Amended Statement") was filed on January 21, 1985; and the Trustee has indicated that he would like to have the audit made on the basis of that and the other information submitted.

The principal debt

What gave me pause in this matter is the fact that the Deed of Trust, which is dated April 3, 1981, recites that it secures a loan of \$42,200.00. The Statement of Debt filed at the institution of this proceeding on February 27, 1984, reflects a principal balance almost half again as large:

Principal	\$ 61,344.30
Interest 10/1/83 - 2/15/84	2,567.63
Late fees	84.00
Escrow shortage	368.73
Returned check fee	<u>10.00</u>
Total	\$ 64,374.66

The Statement of Debt contains this note, capitalization being in the original.

"THIS DEED OF TRUST IS A NEGATIVE AMORTIZATION DEED OF TRUST HENCE THE INCREASE IN PRINCIPAL BALANCE OVER THE ORIGINAL BALANCE OF SAID DEED OF TRUST OF \$59,800.00"

Even had I understood the nature of a "negative amortization deed of trust", the interest rate stated in the subject

Deed of Trust for "the initial [3-year] loan term" is 14% -- which produces annual interest of \$5,908.00. Over a period of three years from the date of the Deed of Trust (although the Statement of Debt is almost two months shy of that) interest would have been \$17,724.00. Assuming that "negative amortization" meant that no interest was paid, the original sum and interest would have been \$60,124.00 -- which is \$1,200.00 less than the "principal" set forth in the Statement of Debt. The discrepancy cannot be resolved under any theory of compound interest, since there is nothing to indicate that such is allowable. See, B.F. Saul Co. v. West End Park, 250 Md. 707, 717; Mobray v. Leckie 42 Md. 474; Rayner v. Bryson, 29 Md. 473, 483; Banks v. McClellan, 24 Md. 62, 82; Boarman v. Patterson, 1 Gill, 372, 381.

The allegata of the Statement of Debt is simply not supported probata of the Deed of Trust. Furthermore, even if the Statement were factually correct, it would be legally unacceptable, since the Deed of Trust cannot be security "for any principal sum of money in excess of the aggregate principal sum appearing on the face of the . . . deed of trust and expressed to be secured by it". Real Property Article §7-102.

To make matters still more confusing, the Deed by which the present Trustee was substituted for those named in the original instrument recites that the Deed of Trust "was given to secure a loan evidenced by a 'note' in the amount of FIFTY NINE EIGHT HUNDRED Dollars and NO CENTS cents (\$59,800.00) dated November 30, 1982". Elsewhere, the same Deed of appointment correctly refers to the fact that the subject Deed of Trust had been made almost 18 months earlier, on April 3, 1981. As that instrument was an intramural transaction, involving only the secured party and the Trustee, it in no way binds the debtors; and it can certainly do nothing to overcome the plain import of the previously-stated facts and law.

The confusion is compounded by the inclusion, with the vouchers accompanying the Suggested Account, of a "Deed of Trust Note" dated November 30, 1982. That copy is filed with this Report. It begins by reciting that it is "a modification of the Mortgage [sic] Note dated April 3, 1981, between the same parties hereto". It recites a principal balance of \$59,800.00, and interest of 11%.

This unrecorded instrument adds little of substance to the matter before me. It was not recorded among the Land Records. It was never before officially filed in this proceeding, the case having been instituted and the sale made solely on the basis of the Deed of Trust of April 3, 1981. In any event, the matter is controlled not only by those facts and by previously-

cited §7-102 of the Real Property Article but also by the express provisions of the Deed of Trust itself:

21. Future Advances. Upon request of Borrower, Lender, at Lender's option prior to release of this Deed of Trust, may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this Deed of Trust when evidenced by promissory notes stating that said notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Deed of Trust, not including sums advanced in accordance herewith to protect the security of this Deed of Trust, exceed the original amount of the Note.

It may be that the portion of the 1982 Note which exceeds the original principal amount represents a subsisting obligation which can be collected from the debtors in an action similar to that formerly cognizable at law. The point is that this is a proceeding for the foreclosure of the April 3, 1981, instrument and, as such, can inherently involve no more than the original instrument secures. Of course, even then, it might be that if the sale had produced surplus, the creditor would have some right to participate in that surplus under Rule W75 a. There is no surplus here.

The Amended Statement filed on January 21, 1985, implicitly concedes the point, as the principal indebtedness there set forth appears to be based solely upon the original debt -- in effect being a withdrawal of any claim for the full principal due under the "Deed of Trust Note" of November 30, 1982. For the reasons stated, the Account disregards any claims not within the limit of the original indebtedness.

Principal and interest

The Amended Statement reflects a principal balance of \$42,105.39 and I take that to be the principal amount. It may be noted that this suggests that the "negative amortization deed of trust" was at least positively amortized to a small degree.

Without other explanation, the Amended Statement sets forth "Accrued interest charges to 11/30/82" of \$96.16 and "Additional interest 12/1/82 - 8/3/84 at 14% per annum" and computes that amount as \$9,851.50. The former interest figure is accepted. The latter interest, computed at the 14% rate of the original Note, is not consistent with the existing obligation of the debtors.

Although it might be shown to be otherwise, had a hearing been held, the second Note can only suggest that it includes a refinancing of some part of the amount due under the Note of April 3, 1981. If the second Note is in part a substitution for the original indebtedness then due, it follows that the prevailing interest rate is 11% -- notwithstanding that a portion of the principal amount of the second Note is not secured by the Deed of Trust. That is the rate applied in the Account for all periods following November 30, 1982.

The Amended Statement contains an entry of \$2,784.63 for "payments made during period December, 1982 - September, 1983". There is no indication when those payments were made; and that is important to the calculation of interest during that period, since if some portion of that amount is attributable to principal, it would affect the amount upon which interest is subsequently computed. The second Note calls for payments of \$400.00 per month, which apparently include interest. At that rate, not even monthly interest would be satisfied on a monthly basis; and I have, therefore, applied the \$2,784.63 credit to interest.

"Additional" debt charges

In addition to this interest (which inexplicably appears under the same heading as the charges next mentioned) the Amended Statement contains nine "Additional charges levied for reinstatement of Deed of Trust" in a total amount of \$1,889.87. These items include "origination fee", credit report, appraisal, title insurance, and attorney's fees. These amounts are hereafter referred to as "additional charges".

The basis for these charges (particularly their connection with "reinstatement") is unclear. It does appear from a certificate filed on August 3, 1984, that a sale had been scheduled for March 27, 1984. A voucher supports the fact that notice of such sale was published for three weeks beginning on March 7. Why this sale was aborted does not appear from the record. The only sale reported and ratified was conducted on August 3, 1984.

Paragraph 19 of the Deed of Trust deals with the manner in which the debtors may reinstate it in the event that foreclosure proceedings have been instituted. There is precious little to tie any of the additional charges to those provisions, which, inter alia require the debtor to pay "all reasonable expenses incurred by Lender and Trustee in enforcing the covenants and agreements of Borrower . . . and in enforcing Lender's and Trustee's remedies" prior to continuing the Deed of Trust after foreclosure proceedings had been instituted.

If only because of the inclusion of interest under the "Additional charges" category, the Amended Statement somehow seems to relate the additional charges to November 30, 1982, which is the date of Deed of Appointment of Substitute Trustees and the second Note. That, of course, was prior to the date of the institution of either this proceeding or the first scheduled sale. Moreover, it is difficult to understand how a loan origination fee, credit report, appraisal, title insurance, title abstract, lien certificate and document preparation relate to the "reasonable expenses incurred by Lender and Trustee in enforcing the covenants and agreements of Borrower . . . and in enforcing Lender's and Trustee's remedies" which the debtors were obligated to pay for reinstatement. Parenthetical mention may also be made of Circuit Rule BR8 e, which allows minimum commissions after reinstatement only if a bond has been filed prior to the aborted sale. The bond here was not filed until August 3, 1984.

The short of the matter is that it is simply impossible to find a basis for the additional charges in the Deed of Trust. The additional charges have been disallowed in the Account.

Expenses

A few comments may be made with respect to the expenses. No attorney fee is claimed as such; and the subject Deed of Trust permits none in the absence of a special Order. Meyer v. Gyro Trans. Systems, 263 Md. 518, 531; Johnson v. Phillips, 143 Md. 16, 26-27. This prohibition is applicable to the request in the Suggested Account for a fee for a "Title examination". It is not inappropriate to note at this point that the Trustee claims only one-third of the commission to which he is entitled under the Deed of Trust.

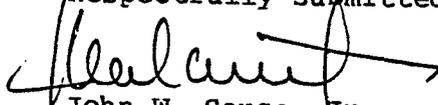
The fee of the auctioneer far exceeds that allowable under Circuit Rule BR8 f. As no Order was obtained, only the Rule maximum has been allowed.

Status of purchaser

The purchaser at the sale was the original lender. The Settlement Statement and Suggested Account reflect that, after the creditor purchased the property at the foreclosure sale, it chose to "regard the [Deed of Trust] as subsisting", by making a deposit and accruing interest on the unpaid purchase price. The result was to (a) subject itself to interest on the balance of the purchase price and (b) cause interest to run on the loan indebtedness until 60 days after the foreclosure sale. See,

Weismiller v. Bush, 56 Md.App. 593, 600. The Account is stated accordingly.

Respectfully submitted,



John W. Sause, Jr.
Auditor

Jan. 29, 1985

\$59,800.00

Annapolis, Maryland

November 30, 1982

WHEREAS, this Deed of Trust Note is a modification of the Mortgage Note dated April 3, 1981 between the same parties hereto.

FOR VALUE RECEIVED, the undersigned promises to pay to the order of GIBRALTAR BUILDING AND LOAN ASSOCIATION, INC. ("Gibraltar") the principal sum of FIFTY-NINE THOUSAND EIGHT HUNDRED and 00/100 (\$59,800.00) DOLLARS, with interest from the date hereof at the rate of eleven percent (11.00%) per annum, which said principal and interest the undersigned hereby promises to pay as follows:

In monthly installments of principal and interest of \$400.00 at the rate of eleven percent (11.00%) per annum, commencing on the 1st day of December, 1982, and monthly thereafter until the full amount of said principal and interest thereon shall have been paid; any balance of principal and interest due or unpaid on the 1st day of November, 1987 shall be due and payable on said date.

The aforesaid monthly payments when so paid shall be applied first to the payment of interest due monthly at the rate aforesaid on the principal sum or so much thereof as from time to time shall remain unpaid, and the balance of each monthly installment shall be applied on account of the principal.

Payee reserves the right at any time during the term of the deed of trust to require that a non-interest bearing expense account be established with the maker and each month thereafter maker will deposit therein one-twelfth (1/12) of the total annual taxes, fire insurance premium, ground rent (if any), community maintenance charges (if any), mortgage insurance premiums (if any) and any item which, if not paid when due, would become a lien superior to the deed of trust. Said deposits are to be made at the same time, and in addition to, the monthly payments for principal and interest. However, until such time as the payee exercises the above right, maker shall present receipted bills to Gibraltar Building and Loan Association, Inc., 1090 Cape St. Claire Road, Annapolis, Maryland 21401, within thirty (30) days from the date the paid item is due or received, whichever is earlier, including but not limited to real estate taxes, ground rent (if any), condominium fees (if any), special assessments and any other item which may result in a lien or encumbrance against the mortgaged property.

All payments shall be made in lawful money of the United States of America at the office of Gibraltar Building and Loan Association, Inc. or at such other place as may be designated in writing by the holder hereof from time to time.

This Note is secured by a Deed of Trust of even date herewith on real property in Queen Anne's County, Maryland, described as follows:

SEE SCHEDULE A ATTACHED HERETO.

Being the same property which by deed dated April 3, 1981 and recorded among the Land Records of Queen Anne's County in Liber M.W.M. 174, folio 73 was granted and conveyed by Willis E. Lusby, et al. to William L. Washburn and Joyce A. Washburn, his wife, the Borrowers within.

Privilege is reserved unto the makers to repay the indebtedness evidenced by this Note, or any part hereof, at any time, without penalty or premium.

Upon any default under this Note or the Deed of Trust securing this Note the entire balance of principal and interest shall, at the option of the holder hereof, become immediately due and payable. If suit is brought to collect this Note, the Note Holder shall be entitled to collect all reasonable costs and expenses of suit including, but not limited to attorney's fees equal to twenty per cent (20%) of the unpaid principal in default.

The maker hereby authorizes any attorney to enter an appearance on his behalf, and as his attorney, to confess judgment against him after default in any court of record for any amount due on this Note, plus interest and the aforesaid costs, expenses and fees.

ADDENDUM TO MODIFIED DEED OF TRUST NOTE

NOTICE TO BORROWER: This note contains the following special feature:

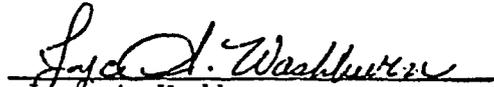
The outstanding principal balance of the loan will increase over time. This will happen when the required monthly payment is not large enough to pay all of the interest due, and the Lender adds the difference between the interest due and the interest actually paid to the outstanding balance of the loan.

The principal amount of this Note is the sum of two parts. One part is the \$59,800.00 loaned to me by the Note Holder on the date of this Note. The other part consists of the difference between the amount of interest due on the loan and the amount of interest we actually pay.

The undersigned understand that the outstanding balance due on the termination date of this loan (November 1, 1987) will be \$71,981.96, less payments we may make which are applied to principal.

November 30, 1982


William L. Washburn


Joyce A. Washburn

16,183 square feet
Fifth District
Queen Anne's County
Grasonville, Maryland

ALL that lot or parcel of land situate, lying and being in the community of Grasonville, Fifth Election District of Queen Anne's County, Maryland, said lot being bounded on the North by lands of Margaret F. Kornbau and Howard J. Reed, Jr., bounded on the East by lands of Jose Lopez and Morgan F. Chance, bounded on the South by the right of way of Maryland Route 18 running between Kent Narrows and Queenstown, and bounded on the west by lands of Thomas J. Ewing, said lot being contained within the following metes and bounds, courses and distances, according to a Certificate of Survey by Wirt D. Barlett, Registered Surveyors, dated November 26, 1968 and a plat thereof prepared by said Wirt D. Bartlett, Registered Surveyor, dated November 23, 1968, entitled "Lot Survey Location: In Grasonville, 5th Election District, Queen Anne's County, Maryland" for Willis E. Lusby and Marie E. Lusby, his wife; both Certificate of Survey and Plat being recorded or intended to be recorded immediately prior hereto among the Land Records of Queen Anne's County, to wit: BEGINNING for the same at a cross cut in the concrete sidewalk on the North side of Maryland Route 18 running between Kent Narrows and Queenstown, said cross being on the northerly right of way line of Maryland Route 18, being the southwest corner of the lands herein described and the southeast corner of lands of Thomas J. Ewing, formerly the lands of the Methodist Protestant Church, and running thence with the northerly right of way line of Maryland Route 18, North 88° 49' East 53.89 feet to a bolt driven into the concrete sidewalk; thence with the lands of Morgan F. Chance, the following four (4) courses: (1) North 00° 19' West 106.25 feet to an iron pipe; (2) South 89° 58' East 21.83 feet to an iron pipe; (3) North 07° 04' West 54.00 feet to an iron pipe; (4) South 89° 45' East 50.0 feet to an iron pipe; thence with the lands of Jose Lopez North 08° 39' West 118.65 feet to an iron pipe; thence with the lands of Howard J. Reed, Jr., South 88° 49' West 27.59 feet to an iron pipe; thence with the lands of Margaret F. Kornbau the following two (2) courses: (1) South 01° 39' East 89.00 feet to an iron pipe; (2) South 88° 49' West 81.00 feet to an iron pipe; thence with the lands of Thomas J. Ewing, formerly lands of the Methodist Protestant Church South 01° 39' East 186.90 feet to a cross in the concrete sidewalk, the place of beginning and containing 16,183 square feet of land, more or less.

The herein described lands are subject to rights of access through same from Maryland Route 18, into the lands of Margaret F. Kornbau, said access being of an even width of nine (9) feet and being adjacent to lands of Thomas J. Ewing, the herein mentioned access road having been established by deed recorded in Liber B.H.T. 13, folio 189.

Presentment, notice of dishonor, protest, stay of execution, right of appeal, and all exemption laws of the State of Maryland or elsewhere are hereby waived by all makers, sureties, guarantors and endorsers hereof. This Note shall be the joint and several obligation of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their personal representatives/successors and assigns.

Upon default being made in the payment of any monthly payment of interest or principal in whole or in part when due, the Holder reserves the right to declare the entire Debt due and payable forthwith as above provided, or the Holder may at its sole option, accept the total overdue payments from the Maker and collect a "late charge" for each payment overdue and unpaid for more than fifteen (15) days in an amount equal to five per cent (5%) of the delinquent payment.

WITNESS:

Lawrence B. Holdrege

Lawrence B. Holdrege

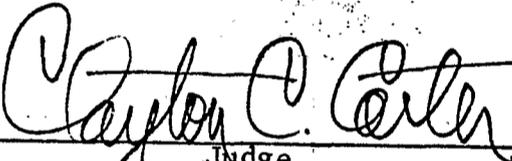
William L. Washburn (SEAL)

Joyce A. Washburn (SEAL)

LYNN T. KRAUSE : IN THE CIRCUIT COURT
 Substitute Trustee :
 vs. : FOR QUEEN ANNE'S COUNTY
 WILLIAM L. WASHBURN and :
 JOYCE A. WASHBURN : EQUITY NO. 7552

SHOW CAUSE ORDER

ORDERED, this 29 day of January, 1985, by the Circuit Court for Queen Anne's County, that Lynn T. Krause, Substitute Trustee, and Gibraltar Building and Loan Association, Inc., show cause, if any they have, on or before the 13th day of February, 1985, why the request of John W. Sause, Jr., Auditor, for additional compensation, should not be allowed, and why any allowance should not be deducted from compensation due the fiduciary and/or the amount of mortgage debt allowed therein to Gibraltar Building and Loan Association, Inc.; provided a true copy of the Request for Additional Compensation, Special Report of Auditor and of this Order be mailed by the Clerk of this Court on or before the 31st day of January, 1985, to Lynn T. Krause, Substitute Trustee, and Gibraltar Building and Loan Association, Inc., at their addresses shown in this proceeding.



 Judge

Distribution:
 Original - Court File
 True Copies:
 Lynn T. Krause, Substitute Trustee
 Gibraltar Building and Loan Association, Inc.
 John W. Sause, Jr., Auditor

RECEIVED
 CLERK OF CIRCUIT COURT
 1985 JAN 29 PM 2:30
 QUEEN ANNE'S COUNTY

1981 and the original Statement of Deed of Trust Due based upon a later Note dated December 30, 1982 in the original amount of \$59,800.00.

3. Prior to the generation of this Report by Mr. Sause it was explained to him in late December, 1984, or early January, 1985, by the undersigned that the later Note in the higher principal amount was a refinancing of the earlier debt at an increased amount, said refinancing taking place upon the date of the second Note. It was further explained to him that at the time of the refinancing Gibraltar Building and Loan Association, Inc. had the debtor Defendants executed a second Deed of Trust with a principal amount of \$59,800.00 to conform with the amount of the aforesaid Note. It was further explained to him that through some oversight this second Deed of Trust was never recorded and after a discussion was held it was agreed that an Amended Statement of Deed of Trust Due would be filed based upon the debt reflected by the \$42,200.00 Deed of Trust foreclosed upon with this Amended Statement of Debt Due being filed and sent to Mr. Sause on January 21, 1985.

4. It was acknowledged that pursuant to the applicable section of the Real Property Article the creditor in this foreclosure matter could not claim the higher debt reflected on the original Statement of Debt due because of the failure to record the second Deed of Trust and because of this the Amended Statement of Debt Due was filed.

5. Despite all of this explanation and despite what the undersigned felt was a relatively uncomplicated matter the Auditor still felt the necessity for rendering a long and lengthy report about the particular matters which had been previously clarified for him.

6. With respect to the various other amounts claimed by the creditor as additional charges it is contended that it is obvious that these charges related to the refinancing and reinstatement of a debt which had been previously in default in November 1982. It is claimed by the creditor that these amounts are properly due and owing by the debtor as amounts required by the creditor to protect its debt and security.

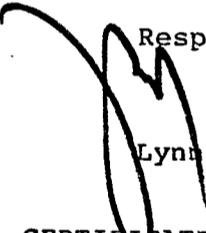
7. It is argued by the undersigned that a special report in this matter with respect to most of these items under the headings of "additional charges" and "expenses" could have more properly have been reported in a requested audit as disallowed if that was the judgment of the Auditor thereby allowing the creditor to file any appropriate exceptions that it felt were necessary as opposed to resorting to a special report forcing the creditor to make a response to this Show Cause Order and then further putting the creditor in the position of filing exceptions if deemed necessary, thereby causing forced responses to two (2) court proceedings as opposed to a single exception proceeding.

8. It has been requested that this additional fee to the Auditor, if any, be paid from the commissions due the Substitute Trustee. In this matter the undersigned as Substitute Trustee

claimed only \$500.00 as commission for the sale, and did not request any attorneys fees although these are allowed by the foreclosed instrument. The commission which could have been claimed as 5% of the total price of the sale or \$1,500.00. To order the undersigned from his commission to pay additional compensation to the Auditor would be unjust.

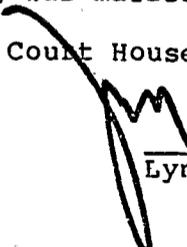
9. For all of the above reasons the undersigned feels that while this court should allow some additional compensation to the Auditor this additional compensation should be reasonable in light of the matters which were unnecessary following receipt of the information which had previously been provided the Auditor.

Respectfully submitted,


Lynn T. Krause

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 28th day of February, 1985, a copy of the foregoing was mailed, postage prepaid to John W. Sause, Jr., Auditor, Court House, Centreville, Maryland 21617.



Lynn T. Krause

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

LYNN T. KRAUSE	:	
Substitute Trustee	:	
	:	
v.	:	Chancery #7552
WILLIAM L. WASHBURN and	:	
JOYCE A. WASHBURN	:	
	:	
	:	

AUDITOR'S ACCOUNT

PROCEEDS OF FORECLOSURE SALE			
Sale Price, as reported		\$ 30,000.00	
Real Property taxes			
as allowed at settlement		245.52	
Assessment			
as allowed at settlement		33.64	
Interest on \$ 27,000.00 @ 14%			
from 08/03/84 to 11/09/84			
98 days @ \$ 10.36 per day		<u>1,015.28</u>	
GROSS AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 31,294.44
COMMISSIONS, payable to Fiduciary	\$	500.00-	
EXPENSES OF SALE			
Court costs	\$	211.50-	
Advertising			
Notices of sale			
Sale of 03/27/84	234.50-		
Sale of 08/03/84	351.75-		
Report of sale	78.75-		
Finance charge	3.52-		
Bond premium	260.00-		
Auctioneer's fee (maximum)	75.00-		
Certified mail	<u>2.15-</u>	1,217.17-	
AUDITOR'S FEE AND COSTS			
Fee for audit	\$	500.00	
per Order of 04/15/85			
Postage & copies	<u>3.87</u>	<u>503.87-</u>	<u>2,221.04-</u>
NET AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 29,073.40

AUDITOR'S ACCOUNT

CHANCERY #7552

Page 2

INDEBTEDNESS DUE UNDER DEED OF TRUST

Per Amended Statement of Debt

Principal	\$ 42,105.39-	
Interest to 11/30/82	96.16-	
Interest @11% to date of sale		
12/1/82 to 11/30/83	4,631.59-	
12/1/83 to 8/3/84		
247 days @ \$12.69	3,134.43-	
Interest following sale		
60 days @ \$12.69	<u>761.40-</u>	\$ 50,728.97-

CREDITS

Interest paid 12/1/82 to 9/1/83		2,784.63
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AVAILABLE FOR DISTRIBUTION (page 1)		<u>29,073.40</u>
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<u>DEFICIT</u>		\$ 18,870.94-
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NOTICE

The attached Account was filed on April 16, 1985. Exceptions to the Account must be filed within ten (10) days of that date. If timely exceptions are not filed, the Account may thereupon be ratified.

RECEIVED
CLERK, CHANCERY
1985 APR 16 AM 10:54
QUEEN ANNE'S COUNTY

AUDITOR'S ACCOUNT

CHANCERY #7552

Page 3

CERTIFICATE OF AUDITOR

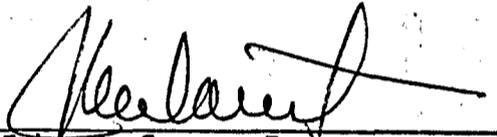
I hereby certify that I have examined the Suggested Account, together with the receipts, vouchers, statements, suggested distribution and affidavit submitted by the Fiduciary in Chancery Cause #7552. On the basis of the facts which appear upon the face of the proceedings and proofs submitted to me, it is my opinion that the claims set forth in the foregoing Auditor's Account have been established and are properly allowable by law in the amounts there set forth.

I further certify that on April 16, 1985, copies of the Special Report and the Auditor's Account and Notice conforming to the requirements of Maryland Rule 2-543 and Second Circuit Rule 12 d were mailed to the following:

Lynn T. Krause, Esquire
75 Franklin Street
Annapolis, Maryland 21401

William L. Washburn
Route 1, Box 436A
Grasonville, Maryland 21638

Joyce A. Washburn
Route 1, Box 436A
Grasonville, Maryland 21638



John W. Sause, Jr.
Auditor

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

LYNN T. KRAUSE :
Substitute Trustee :

v. :

Chancery #7552

WILLIAM L. WASHBURN and :
JOYCE A. WASHBURN :

: : : : :

ORDER RATIFYING AUDIT

The matter coming before the Court on the Account heretofore filed by the Auditor and it appearing from the Auditor's Certification that the requirements of Rule 2-543 (e) have been met, and no exceptions having been filed within 10 days of the date when the Account was filed, it is this 29th day of April , 1985, by the Circuit Court for Queen Anne's County,

ORDERED that the Account of the Auditor is hereby ratified and confirmed, and the Fiduciary shall apply the proceeds accordingly with a due proportion of interest after same has been or may be received.


JUDGE

RECEIVED
CLERK'S OFFICE
1985 APR 29 PM 2:26
QUEEN ANNE'S COUNTY

LESLIE A. WINTER,
AND
ANNE LOVE ADKINS,
Substitute Trustees

vs.

CHARLES AUGUSTUS MASON
AND
CHARLENE MASON, His wife
* * * * *

* IN THE
* CIRCUIT COURT
* FOR
* QUEEN ANNE'S COUNTY
* Case No.: 7629
* * * * *

Mr. Clerk:

Please docket the above-entitled case and file the attached Deed of Trust as "Plaintiff's Exhibit No. 1" and the attached Deed of Appointment as "Plaintiff's Exhibit No. 2" and enter my appearance as counsel for the Trustees.

Leslie A. Winter

LESLIE A. WINTER
Suite 404
30 East Padonia Road
Timonium, Maryland 21093
(301) 561-3000
Attorney for Trustees

CLERK
JUN 21 11:34 AM '84
QUEEN ANNE'S COUNTY

DOCUMENT NO. 113,233
INDEX BENEFICIARY

VA Form 26-6318c (Home Loan)
Jul 1977. Use optional.
Section 1810, Title 38 U.S.C.
Acceptable to Federal National
Mortgage Association.

MARYLAND

PURCHASE MONEY
DEED OF TRUST

THIS DEED, made this 17th day of August, 1983, by and between

CHARLES AUGUSTUS MASON and CHARLENE MASON, his wife,
CLEM
1000 AUG 25 1983

AUG 25-83 * 24499 *****22.50
AUG 25-83 A #24499 *****27.50

party of the first part, and DONALD G. WEST, J. RONALD WEISMILLER and /
as hereinafter set forth, party of the second part: MARTIN R. WEST, III, Trustee,

WHEREAS, the party of the first part is justly indebted unto WEAVER BROS., INC.,
whose address is: 5530 Wisconsin Avenue, Chevy Chase, Maryland 20815

under the laws of the State of Delaware, a corporation organized and existing
in the principal sum of EIGHTY-THREE
THOUSAND AND No/100 ----- Dollars (\$ 83,000.00), with interest from date at
the rate of Thirteen & One-Half per centum (13.50 %) per annum on the unpaid balance until paid,
for which amount the said party has signed and delivered a certain promissory note bearing even date here-
with and payable in monthly installments of Nine Hundred Fifty and 69/100 ----- Dollars
(\$ 950.69), commencing on the first day of October, 19 83, and continuing on the
first day of each month thereafter until the principal and interest are fully paid, except that the final pay-
ment of principal and interest, if not sooner paid, shall be due and payable on the first day of September,
2013. (The herein described property having been purchased in part or in whole
with the sums secured hereby.)

AND WHEREAS, the party of the first part desires to secure the prompt payment of said debt, and in-
terest thereon, when and as the same shall become due and payable, and all costs and expenses incurred in
respect thereto, including reasonable counsel fees incurred or paid by the said party of the second part or
substituted Trustee, or by any person hereby secured, on account of any litigation at law or in equity
which may arise in respect to this trust or the property hereinafter mentioned, and of all money
which may be advanced as provided herein, with interest on all such costs and advances from the
date thereof.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that the party of the first part, in consideration of
the premises, and of one dollar, lawful money of the United States of America, to the parties
of the first part in hand paid by the party of the second part, the
receipt of which, before the sealing and delivery of these presents, is hereby acknowledged, has granted
and conveyed, and does hereby grant and convey unto the party of the second part, as Trustee, its succes-
sors and assigns, the following-described land and premises, situate in the county of Queen Anne's and
State of Maryland, to wit: Fourth Election District,

ALL THAT LOT OF GROUND situate on Kent Island, in Queen Anne's County, being
known and designated as Lot No. 25, in Block Q, as shown on the Plat of the Second
Section of Romancoke on the Bay, recorded among the Land Records of Queen Anne's
County in Liber TSP 41, folio 386, and in Plat Book TSP 1, folio 43. The
improvements thereon being known as No. 107 Margaret Drive, Stevensville.

BEING THE SAME property conveyed to Charles Augustus Mason and Charlene Mason,
his wife, from Joseph Michael Hartman and Donna J. Hartman, his wife, by Deed of
even date herewith, and recorded or intended to be recorded among the Land Records
of Queen Anne's County immediately prior hereto.

together with all the improvements in anywise appertaining, and all the estate, right, title, interest, and
claim, either at law or in equity, or otherwise however, of the party of the first part, of, in, to, or out of the
said land and premises; and all fixtures now or hereafter attached to or used in connection with the prem-
ises herein described and in addition thereto the following described household appliances, which are, and
shall be deemed to be, fixtures and a part of the realty, and are a portion of the security for the indebted-
ness herein mentioned;

201 435

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IT IS AGREED by the parties hereto that the following described property located in the premises is a part of the Real Estate: Range and refrigerator. The above is in addition to the general fixture paragraph herein and is not intended to limit such general paragraph in any way.

To HAVE AND TO HOLD the said property and improvements unto the party of the second part, its successors and assigns, in fee simple.

SHOULD the Veterans Administration fail or refuse to issue its guaranty of the loan secured by this Deed of Trust under the provisions of the Servicemen's Readjustment Act of 1944, as amended, within sixty (60) days from the date of the loan would normally become eligible for such guaranty, the owner of said Note may, at its option, declare all sums secured by this Deed of Trust immediately due and payable.

IN AND UPON THE TRUSTS, NEVERTHELESS, hereinafter declared; that is to say: IN TRUST to permit said party of the first part, or assigns, to use and occupy the said described land, and premises, and the rents, issues and profits thereof, to take, have, and apply to and for such party's sole use and benefit, until default be made in the payment of any indebtedness hereby secured, or in the performance of any of the covenants as hereinafter provided.

Upon the full payment of all of said note and the interest thereon, and all moneys advanced or expended as herein provided, and all other proper costs, charges, commissions, half-commissions, and expenses, at any time before the sale hereinafter provided for, to release and reconvey the said described premises unto the said party of the first part or assigns, at such party's cost. Prior to the execution and delivery of any partial or complete release, each trustee shall be entitled to charge and receive a fee of \$5.00, plus \$.50 for Notary's fee, for each release. The right to charge and receive said fee shall be limited to two trustees.

Upon a default in the payment of any indebtedness hereby secured or in the performance of any of the terms or conditions hereof as hereinafter provided, then, in either event, all of the indebtedness hereby secured shall at once become due and payable without notice at the option of the holder of the note and the said party of the second part, or the Trustee acting in the execution of this trust, shall have power and it shall be such trustee's duty to sell, and in case of any default of any purchaser, to resell, at public auction, for cash, in one parcel at such time and place, and after such previous public advertisement as the party of the second part, or the Trustee acting in the execution of this trust, shall deem advantageous and proper; and to convey the same upon compliance with the terms of sale, to, and at the cost of, the purchaser or purchasers thereof, who shall not be required to see to the application of the purchase money; and shall apply the proceeds of said sale or sales: First, to pay all proper costs, charges, and expenses, including all attorneys' and other fees and costs herein provided for, all moneys advanced for costs or expenses, expense of litigation as aforesaid, taxes or assessments, or insurance with interest thereon as aforesaid, and all taxes, general and special, and assessments, due upon said land and premises at time of sale and to retain as compensation a commission of one per centum (1%) on the amount of the said sale or sales; Second, to pay whatever may then remain unpaid of said note, whether the same shall be due or not, and the interest thereon to date of payment, it being agreed that said note shall, upon such sale being made before the maturity of said note, be and become immediately due and payable at the election of the holder thereof; Third, to reimburse the Veterans Administration for any sums paid by it on account of the guarantee or insurance of the indebtedness secured hereby; and, lastly, to pay the remainder of said proceeds, if any there be, to the party of the first part, such party's heirs, executors, administrators, or assigns, upon the delivery and surrender to the purchaser, the heirs or assigns thereof, the possession of the premises, less the expense, if any, of obtaining possession.

Party of the first part covenants and agrees as follows:

1. He will pay the indebtedness, as hereinbefore provided. Privilege is reserved to prepay at any time, without premium or fee, the entire indebtedness or any part thereof not less than the amount of one installment, or one hundred dollars (\$100.00), whichever is less. Prepayment in full shall be credited on the date received. Partial prepayment, other than on an installment due date, need not be credited until the next following installment due date or thirty days after such prepayment, whichever is earlier.

2. Together with, and in addition to, the monthly payments of principal and interest payable under the terms of the note secured hereby, he will pay to the holder of the said note as trustee (under the terms of this trust as hereinafter stated) on the first day of each month until the said note is fully paid, the following sums:

(a) A sum equal to the ground rents, if any, and the taxes and special assessments next due on the premises covered by this Deed of Trust, plus the premiums that will next become due and payable on policies of fire and other hazard insurance on the premises covered hereby (all as estimated by the holder of the note, and of which the party of the first part is notified) less all sums already paid therefor, divided by the number of months to elapse before 1 month prior to the date when such ground rents, premiums, taxes, and assessments will become delinquent, such sums to be held by holder of the note in trust to pay said ground rents, premiums, taxes, and special assessments, before the same become delinquent.

(b) The aggregate of the amounts payable pursuant to subparagraph (a) and those payable on the note secured hereby, shall be paid in a single payment each month, to be applied to the following items in the order stated:

(I) ground rents, if any, taxes, special assessments, fire and other hazard insurance premiums;

(II) interest on the note secured hereby; and

(III) amortization of the principal of the said note.

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good by the party of the first part prior to the due date of the next such payment, constitute an event of default under this Deed of Trust. At the option of the holder of the note, the party of the first part will pay a "late charge" not exceeding four per centum (4%) of any installment when paid more than fifteen (15) days after the due date thereof to cover the extra expense involved in handling delinquent payments, but such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

3. If the total of the payments made by the party of the first part under (a) paragraph 2 preceding shall exceed the amount of payments actually made by the holder of the note as trustee for ground rents, taxes or assessments or insurance premiums, as the case may be, such excess shall be credited on subsequent payments to be made by the party of the first part for such items or, at the option of the holder of the note as trustee, shall be refunded to the party of the first part. If, however, such monthly payments shall not be sufficient to pay such items when the same shall become due and payable, then the party of the first part shall pay to the holder of said note as trustee any amount necessary to make up the deficiency. Such payments shall be made within thirty (30) days after written notice from the holder of the note stating the amount of the deficiency, which notice may be given by mail. If at any time the party of the first part shall tender to the holder of said note, in accordance with the provisions thereof, full payment of the entire indebtedness represented thereby, the said holder as trustee shall, in computing the amount of such indebtedness, credit to the account of the party of the first part any credit balance remaining under the provisions of (a) of paragraph 2 hereof. If there shall be a default under any of the provisions of this Deed of Trust resulting in a public sale of the premises covered hereby, or if the holder of the note acquires the property otherwise after default, the holder of the note as trustee shall apply, at the time of the commencement of such proceedings, or at the time the property is otherwise acquired, the amount then remaining to credit of the party of the first part under (a) of paragraph 2 preceding, as a credit on the interest accrued and unpaid and the balance to the principal then remaining unpaid on said note. In case of the refusal or neglect of the party of the first part to make any payment provided for under (a) of paragraph 2, the holder of the note may, at its option, make such payment and any sum or sums so paid shall bear interest at the rate provided for in the principal indebtedness and shall be secured hereby.

4. The rents, income and profits of said property are hereby assigned to the holder of the note, provided, however, that the party of the first part shall be entitled to collect and retain the said rents, income and profits until default hereunder. Upon a default in the payment of any of the indebtedness hereby secured or in the performance of any of the terms or conditions hereof, the holder of the note shall be entitled, without notice to the party of the first part, to the immediate appointment of a receiver of the property covered hereby, without regard to the adequacy or inadequacy of the property as security for the mortgage debt; and if there be no receiver, the holder of the note may proceed to collect the rents, income, and profits from the property covered hereby.

5. He will pay all taxes, assessments, water rates and other governmental or municipal charges, fines or impositions, and ground rents, for which provision has not been made hereinbefore and will promptly deliver the official receipt therefor to the holder of the note; and in default of such payment by the party of the first part, the holder of the note may pay the same, and any sum or sums so paid by the holder of the note shall be added to the debt hereby secured, shall be payable thirty (30) days after demand, shall bear interest at the rate provided for in the principal indebtedness from date of payment and shall be secured by this Deed of Trust.

6. Upon the request of the holder of the note the party of the first part shall execute and deliver a supplemental note or notes for the sum or sums advanced by the holder of the note for the alteration, modernization, improvement, maintenance, or repair of said premises, for taxes or assessments against the same and for any other purpose authorized hereunder. Said note or notes shall be secured hereby on a parity with and as fully as if the advance evidenced thereby were included in the note first described above. Said supplemental note or notes shall bear interest at the rate provided for in the principal indebtedness and shall be payable in approximately equal monthly payments for such period as may be agreed upon by the creditor and debtor. Failing to agree on the maturity, the sum or sums so advanced shall be due and payable thirty (30) days after demand by the creditor. In no event shall the maturity extend beyond the ultimate maturity of the note first described above.

7. The lien of this instrument shall remain in full force and effect during any postponement or extension of the time of payment of the indebtedness or any part thereof secured hereby.

8. He will keep the said premises in as good order and condition as they are now, reasonable wear and tear excepted, and will not commit or permit any waste thereof.

9. He will continuously maintain hazard insurance, of such type or types and amounts as the holder of the note may from time to time require, on the improvements now or hereafter on said premises, and except when payment for all such premiums has theretofore been made under (a) of paragraph 2 hereof, will pay promptly when due any premiums therefor. All insurance shall be carried in companies approved by the holder of the note and the policies and renewals thereof shall be held by the holder of the note and have attached thereto loss payable clauses in favor of and in form acceptable to the holder of the note. In event of loss he will give immediate notice by mail to the holder of the note, who may make proof of loss if not made promptly by the party of the first part, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the holder of the note instead of to the party of the first part and the holder of the note jointly, and the insurance proceeds, or any part thereof, may be applied by the holder of the note at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this Deed of Trust, or other transfer of title to the said premises in extinguishment of the indebtedness secured hereby, all right, title, and interest of the party of the first part in and to any insurance policies then in force shall pass to the purchaser or grantee.

10. If the said property shall be advertised for sale, as herein provided, and not sold, the Trustee or Trustees acting shall be entitled to one-half (1/2) the commission above provided, to be computed on the amount of the debt hereby secured, and the same is hereby secured in like manner as other charges and expenses attending the execution of this trust, and shall bear interest at the rate provided for in the principal indebtedness.

11. The holder of the indebtedness secured by this Deed of Trust shall be entitled to remove, substitute, or add a Trustee or Trustees, at its option, with or without cause or notice, by instrument duly executed, acknowledged and recorded among the land records of the county aforesaid.

The powers herein, when granted to two or more trustees, may be exercised by any of them acting individually or by all acting together.

12. If any suit, action, or proceeding whatsoever shall be commenced or prosecuted for the collection of the note, or any part of the note, or for the enforcement of any endorsement or endorsements thereof, or any other matters hereby secured, or in reference to the execution of the trust hereby created, or any of the trust or property or funds which may become part thereof, he will pay all costs and charges and expenses of the same, including reasonable counsel and attorney's fees and charges, which shall also be deemed a charge attending the execution of this trust, be secured hereby as such and bear interest at the rate provided for in the principal indebtedness and in default of such payment by the party of the first part, the holder of the note may, at its option, make such payment or pay such charge and any sum or sums so paid by the holder of the note shall be secured hereby and bear interest as aforesaid.

201 437

UNEP 17 PAGE 459

LIB 201 - 438

13. If the indebtedness secured hereby be guaranteed or insured under Title 38, United States Code, such Title and Regulations issued thereunder and in effect on the date hereof shall govern the rights, duties and liabilities of the parties hereto, and any provisions of this or other instruments executed in connection with said indebtedness which are inconsistent with said Title or Regulations are hereby amended to conform thereto.

14. He specially warrants the property herein conveyed and that he will execute such further assurances thereof as may be required.

The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Whenever used the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders and the term "holder of the said note" shall include any payee of the indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise.

WITNESS the signature (s) and seal (s) of the parties of the first part on the day and year first above written.

Witness: Anna L. Byrd to both Charles Augustus Mason [SEAL] Charlene Mason [SEAL] [SEAL] [SEAL]

STATE OF MARYLAND, ANNE ARUNDEL COUNTY to wit: I HEREBY CERTIFY, That on this 17th day of August, 1983, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared CHARLES AUGUSTUS MASON and CHARLENE MASON his wife, and they acknowledged the foregoing deed to be their act. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year aforesaid. My Commission Expires: July 1, 1986 Anna L. Byrd Notary Public

~~I HEREBY CERTIFY that on this _____ day of _____, 19____, before me, the subscriber, a Notary Public in and for personally appeared~~

I HEREBY CERTIFY, That on this 16th day of August, 1983, before me, the subscriber, a Notary Public of the State of Maryland and for the County of Montgomery, personally appeared Richard L. Carver, the agent of the party secured by the foregoing Deed of Trust, and made oath in due form of law that the consideration recited in said Deed of Trust is true and bona fide as therein set forth and that the actual sum of money advanced at the closing transaction by the secured party was paid over and disbursed by the party or parties secured to the Borrower or to the person responsible for disbursement of funds in the closing transaction or their respective agent at a time no later than the execution and delivery by the Borrower of this Deed of Trust; and also made oath that he is the agent of the party or parties secured and is duly authorized to make this affidavit. My Commission Expires: July 1, 1986 Sharon V. Oakes Notary Public

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied
from Liber MWM 201, folio 435, a Land Record Book
for Queen Anne's County.



IN TESTIMONY WHEREOF, I hereunto
subscribe my name and affix the
Seal of the Circuit Court for
Queen Anne's County, this 21st
day of June, 19 84.

Marguerite W. Mankin
Marguerite W. Mankin, Clerk of
the Circuit Court for Queen Anne's County.

LESLIE A. WINTER,	*	IN THE
AND	*	
ANNE LOVE ADKINS,	*	CIRCUIT COURT
Substitute Trustees	*	
vs.	*	FOR
	*	
CHARLES AUGUSTUS MASON	*	QUEEN ANNE'S COUNTY
AND	*	
CHARLENE MASON, His wife	*	Case No.: 7629
* * * * *	*	

NON-MILITARY SERVICE AFFIDAVIT

STATE OF MARYLAND: SS
COUNTY OF MONTGOMERY:

I HEREBY CERTIFY that on the 28th day of March, 1984, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Daniel M. Cayelli and he made oath in due form of law that to the best of his knowledge, information and belief:

(1) Said Defendants are not in the Military Service of the United States of America;

(2) Said Defendants have not been ordered to report for induction under the Selective Training and Service Act;

(3) Said Defendants are not members of the Enlisted Reserve Corps who have been ordered to report for Military Service.

IN TESTIMONY WHEREOF, I hereunto set my hand and affix my Notarial Seal this 28th day of March, 1984.

Audrey M. Redgeby
NOTARY PUBLIC

My Commission Expires: July 1, 1986

Daniel M. Cayelli
Affiant Daniel M. Cayelli
Senior Vice President

1984 JUN 21 11 3: 13
QUEEN ANNE'S COUNTY

LESLIE A. WINTER,	*	IN THE
AND	*	
ANNE LOVE ADKINS,	*	CIRCUIT COURT
Substitute Trustees	*	
	*	FOR
vs.	*	
	*	QUEEN ANNE'S COUNTY
CHARLES AUGUSTUS MASON	*	
AND	*	Case No.: 7629
CHARLENE MASON, His wife	*	
* * * * *	*	

STATEMENT OF DEED OF TRUST DEBT

Statement of Deed of Trust claim of Weaver Bros., Inc., under Deed of Trust from Charles Augustus Mason and Charlene Mason, his wife to Donald G. West, J. Ronald Weismiller and Martin R. West, III dated August 17, 1983 and recorded among the Land Records of Queen Anne's County in Liber MWM, No. 201, folio 435, said Donald G. West, J. Ronald Weismiller and Martin R. West, III, Original Trustees, having been replaced by Leslie A. Winter and Anne Love Adkins as Substitute Trustees by Deed of Appointment executed by Weaver Bros., Inc.

Principal amount of debt.....	\$83,000.00
Less payments on account.....	16.94
Balance due on principal.....	82,983.06
Interest to May 1, 1984.....	6,519.93
Less credit in expense account.....	191.25
Net Balance due.....	\$89,311.74

Daily interest rate is: \$30.61

WEAVER BROS., INC.

By: *Daniel M. Cayelli*
 Daniel M. Cayelli
 Senior Vice President

STATE OF MARYLAND:

SS

COUNTY OF MONTGOMERY:

I HEREBY CERTIFY that on this 28th day of March, 1984, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Daniel M. Cayelli, who is known to me to be the Senior Vice President of Weaver Bros., Inc. and he made oath in due form of law that the foregoing is a true statement of the amount of the Deed of Trust Debt under Deed of Trust filed in said cause now remaining due and unpaid.

AS WITNESS my hand and Notarial Seal.

Audrey M. Bidgely
 NOTARY PUBLIC

My Commission Expires: July 1, 1986

CLERK

1984 JUN 21 PM 3:43

QUEEN ANNE'S COUNTY

17-463

LESLIE A. WINTER,
AND
ANNE LOVE ADKINS,
Substitute Trustees

vs.

CHARLES AUGUSTUS MASON
AND
CHARLENE MASON, His wife
* * * * *

* IN THE
* CIRCUIT COURT
* FOR
* QUEEN ANNE'S COUNTY
* Case No.: 7629
* * * * *

PETITION TO AUTHORIZE THE TRUSTEES
TO PROCEED WITH MINIMAL BOND

TO THE HONORABLE, THE JUDGE OF SAID COURT:

The Petition of Leslie A. Winter and Anne Love Adkins Substitute Trustees in the above entitled cause, respectfully represent that:

(1) On August 17, 1983, the defendants, Charles Augustus Mason and Charlene Mason, his wife executed and delivered to Donald G. West, J. Ronald Weismiller and Martin R. West, III, a Deed of Trust upon certain fee simple property in Queen Anne's County, therein described, to secure the payment of a promissory note in the amount of \$83,000.00; the payment of said Deed of Trust and the note secured thereby having been guaranteed by the Veterans Administration.

(2) The Petitioners instituted foreclosure proceedings in this matter after a default had occurred in the payment of principal and interest, as provided in the Deed of Trust.

(3) In connection with said foreclosure proceedings, your Petitioners request that they be allowed to file a minimal trustees bond in the amount five thousand dollars (\$5,000.00). It is the opinion of your Petitioners that no purpose would be served at this time, nor would it be necessary to require a more substantial bond prior to sale. Moreover, in the event the property is purchased at the sale by the holder of the Deed of Trust note and subsequently transferred to the Veterans Administration, pursuant to the terms of the insurance contract, it is also the opinion of your Petitioners that it would not be necessary to increase the amount of the bond after the sale for that reason.

(4) In the event that a sale of the secured premises is made to someone other than the holder of the Deed of Trust note, it is the opinion of your Petitioners that an additional bond should be filed in this cause to protect the purchaser and would be filed by your Petitioners.

1983 JUN 21 11 00 AM
QUEEN ANNE'S COUNTY

WHEREFORE, your Petitioners pray that the Court pass an Order allowing them as Trustees, to file an appropriate trustees bond in the amount of five thousand dollars (\$5,000.00) with the provision that in the event of a sale of the secured premises to someone other than the holder of the Deed of Trust note, then the penalty of the bond filed in this case shall be increased in an amount sufficient to cover the amount of the sale.

AND, as in duty bound, etc.

Leslie A. Winter

LESLIE A. WINTER

Anne Love Adkins

ANNE LOVE ADKINS
Substitute Trustees

LESLIE A. WINTER,
AND
ANNE LOVE ADKINS,
Substitute Trustees

vs.

CHARLES AUGUSTUS MASON
AND
CHARLENE MASON, His wife

* * * * *

IN THE
CIRCUIT COURT

FOR

QUEEN ANNE'S COUNTY

Case No.: 7629

ORDER

Upon the foregoing petition of Leslie A. Winter, and Anne Love Adkins, Substitute Trustees, in the above-captioned cause, it is this 20th day of June, 1984, by the Circuit Court for Queen Anne's County

ORDERED that Leslie A. Winter and Anne Love Adkins, Substitute Trustees, appointed to make sale of the fee simple property more fully described in the above-mentioned foreclosure proceeding, be and they are hereby allowed to file with the Clerk of this Court, a bond to the State of Maryland, executed by themselves and a corporate surety approved by this Court, or the Clerk thereof, in the penalty of five thousand dollars (\$5,000.00);

PROVIDED, that in the event that the sale of the secured premises is made to someone other than the holder of the Deed of Trust note, then the penalty of the bond filed herein shall be increased in an amount sufficient to cover the amount of the sale.

Wayton C. Carter
JUDGE

1984 JUN 20 11:11:05
QUEEN ANNE'S COUNTY

DOCUMENT NO. 118,005

THIS DEED OF APPOINTMENT, made this 28th day of March, 1984, by WEAVER BROS., INC., a corporation organized and existing under the laws of the State of Delaware, 25733 *****13.50
MAR 21 1984 A # 25733 *****13.50

W I T N E S S E T H :

WHEREAS, on or about the 17th day of August, 1983, Charles Augustus Mason and Charlene Mason, his wife executed a Deed of Trust to Donald G. West, J. Ronald Weismiller and Martin R. West, III, Trustees for the land and property more fully described therein, said Deed of Trust having been recorded among the Land Records of Queen Anne's County in Liber MWM, No. 201, folio 435; and

WHEREAS, said Deed of Trust secures a note of even date from Charles Augustus Mason and Charlene Mason, his wife to Donald G. West, J. Ronald Weismiller and Martin R. West, III, Trustees in the face value amount of \$83,000.00 and Weaver Bros., Inc. is presently the holder of said note; and

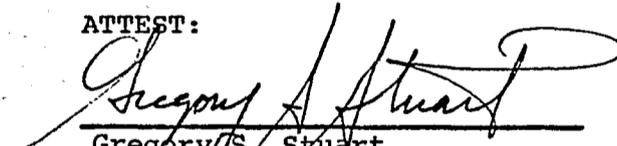
WHEREAS, the said Deed of Trust contains the following power to appoint a substitute Trustee:

The holder of the indebtedness secured by this Deed of Trust shall be entitled to remove, substitute, or add a Trustee or Trustees, at its option, with or without cause or notice, by instrument duly executed, acknowledged and recorded among the land records of the county aforesaid.

NOW, THEREFORE, by virtue of the authority vested in Weaver Bros., Inc., under said Deed of Trust, Weaver Bros., Inc. hereby appoints and substitutes Leslie A. Winter, and Anne Love Adkins, Trustees in the place and stead of Donald G. West, J. Ronald Weismiller and Martin R. West, III, in said Deed of Trust.

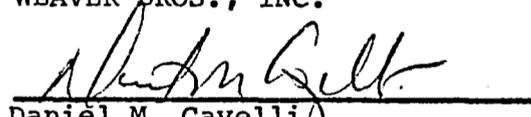
IN WITNESS WHEREOF, Weaver Bros., Inc. has caused this Deed to be executed on its behalf and its corporate seal to be affixed hereto the day and year first above written.

ATTEST:



Gregory S. Stuart
Assistant Secretary

WEAVER BROS., INC.



Daniel M. Cayelli
Senior Vice President

STATE OF MARYLAND:

SS

COUNTY OF MONTGOMERY:

I HEREBY CERTIFY that on this 28th day of March, 1984, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Daniel M. Cayelli known to me to be the Senior Vice President of Weaver Bros.,

MAR 21 1984
QUEEN ANNE'S COUNTY
Rec'd 108

Inc., who acknowledged the foregoing Deed of Appointment to be the act and deed of Weaver Bros., Inc. and made further oath that he is authorized to make this acknowledgement on behalf of said corporation.

AS WITNESS my hand and Notarial Seal.



Audrey M. Belzely
NOTARY PUBLIC

My Commission Expires: July 1, 1986

TRUSTEE TO SELL

No. ser 262 21 46

IN THE CIRCUIT COURT OF Queen Anne's County
STATE OF MARYLAND

Leslie A. Winter and
Anne Love Adkins,
Substitute Trustees

VERSUS

Charles Augustus Mason and
Charlene Mason, his wife.

BOND OF TRUSTEE TO SELL

Case #7629

CERTIFIED COPY OF POWER OF
ATTORNEY ATTACHED

KNOW ALL MEN BY THESE PRESENTS: That we, Leslie A. Winter and
Anne Love Adkins, Substitute Trustees
as Principal,
and the Firemans Fund Insurance Company, a body corporate, duly incorporated
under the laws of the State of California and duly authorized by its charter to
transact surety business in the State of Maryland, as Surety, are held and firmly
bound unto the State of Maryland, in the full and just sum of Five thousand and
00/100-----Dollars (\$ 5,000.00)
to be paid to the said State of its certain Attorney, to which payment, well and
truly to be made, we bind ourselves and each of us, our and each of our heirs,
executors, administrators, successors and assigns, jointly and severally, firmly
by these presents.

SEALED WITH OUR SEALS and dated this 11th day of July
in the year of our Lord one thousand, nine hundred and eighty-four

WHEREAS THE ABOVE BOUNDEN Leslie A. Winter and Anne Love Adkins, Substitute Trustees
by virtue of a power of sale as set forth in a Deed of Trust as filed in the circuit
court of Queen Anne's County have been appointed trustees to sell
107 Margaret Drive mentioned in the proceedings in the case of

Leslie A. Winter and Anne Love Adkins, Substitute Trustees
versus

Charles Augustus Mason and Charlene Mason, his wife

now pending in said Court.

NOW THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT, if the above bounden
Leslie A. Winter and Anne Love Adkins, Substitute Trustees
do and shall well and faithfully perform the trust reposed in them by said decree,
or that may be reposed in them by any future decree or order in the premises,
then the above obligation to be void; otherwise to be and remain in full force
and virtue in law.

J. M. All
J. M. All

Leslie A. Winter (SEAL)
Leslie A. Winter

Anne Love Adkins (SEAL)
Anne Love Adkins

Firemans Fund Insurance Company (SEAL)

Susan A. Doulong
AS TO SURETY
Susan A. Doulong

BY: *Dolores T. Jacques*
Dolores T. Jacques
ATTORNEY-IN-FACT

1984 JUL 24 AM 9:46
Bond filed and
surety approved.

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copies from Liber MWM No. 3, folio 591 and Bond Record Book for Queen Anne's County.



IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 25th day of July, 1984.

Marguerite W. Mankin
Marguerite W. Mankin, Clerk of the
Circuit Court for Queen Anne's County

LESLIE A. WINTER,	*	IN THE
AND		
ANNE LOVE ADKINS	*	CIRCUIT COURT
Substitute Trustees	*	FOR
v.	*	QUEEN ANNE'S COUNTY
CHARLES AUGUSTUS MASON	*	Case No.: 7629
AND		
CHARLENE MASON, his wife	*	
* * * * *		

TO THE HONORABLE, THE JUDGE OF SAID COURT:

The Report of Sale of Leslie A. Winter and Anne Love Adkins, Substitute Trustees, appointed by the Deed of Appointment in the above entitled cause, to make sale of the property known as 107 Margaret Drive, Stevensville, Maryland 21666 as described in a certain Deed of Trust from Charles Augustus Mason and Charlene Mason, his wife, dated August 17, 1983 and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 201, Folio 435, in the proceedings in said cause mentioned, respectfully shows that after giving bond with security for the faithful discharge of their Trust, which was duly approved and having given notice of the time, place, and manner and terms of sale, by advertisements inserted in the Record Observer, a newspaper published in Queen Anne's County, for more than three successive weeks preceding the day of sale, said Trustees did, pursuant to said notice on Friday, July 27, 1984, at 10:00 a.m., attend on the premises and then and there sold the foresaid fee simple property to Weaver Bros., Inc. whose post office address is 5530 Wisconsin Avenue, Chevy Chase, Maryland 20815, at and for the sum of \$76,000.00; it being the highest bidder therefor.

Leslie A. Winter

 Leslie A. Winter

Anne Love Adkins

 Anne Love Adkins
 Substitute Trustee

STATE OF MARYLAND, COUNTY OF BALTIMORE, Sct:

I HEREBY CERTIFY that on the 30th day of August, 1984, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Leslie A. Winter and Anne Love Adkins, Substitute Trustees and they made oath in due

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 CLERK, CIRCUIT COURT
 1984 SEP 13 AM 9:59
 QUEEN ANNE'S COUNTY

form of law that the facts stated in the foregoing Report of Sale are true, as therein set forth, and that the sale thereby reported was fairly made.

AS WITNESS my hand and Notarial Seal.

James McDonald
NOTARY PUBLIC



My Commission Expires: July 1, 1986

LESLIE A. WINTER,
AND
ANNE LOVE ADKINS

Substitute Trustees

v.

CHARLES AUGUSTUS MASON
AND
CHARLENE MASON, his wife

* * * * *

IN THE
CIRCUIT COURT
FOR
QUEEN ANNE'S COUNTY
Case No.: 7629

AFFIDAVIT

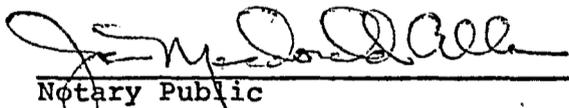
STATE OF MARYLAND, COUNTY OF BALTIMORE, to wit:

I, LESLIE A. WINTER, make oath that pursuant to Rule W74, a, 2(c), Maryland Rules of Procedure, I mailed to the Defendants in these foreclosure proceedings, at their last known address, on July 19, 1984, by Registered Mail, Return Receipt Requested, a notice of the time, place and terms of the foreclosure sale, which date was not earlier than twenty days nor later than five days before the date of sale in these proceedings.



LESLIE A. WINTER
Suite 404
30 East Padonia Road
Timonium, Maryland 21093
(301) 561-3000

Subscribed and sworn before me this 20th day of August,
1984.



Notary Public



My Commission Expires: July 1, 1986

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QUEEN ANNE'S COUNTY

PRESIDENT
LARRY A. MAKOWSKI
JONATHAN A. MELNICK

17 PAGE 474
E.T. Newell & Co. Inc.

AUCTIONEERS • APPRAISERS
OFFICE, AUCTION GALLERY AND SALESROOM
1100 E. 25th STREET BALTIMORE, MARYLAND 21218
* Over 70 Years of Service *
ESTABLISHED 1907

TELEPHONE:
(301) 752-3580
(301) 563-2062

AUCTIONEER'S AFFIDAVIT

Under Rule V-74 of the Supreme Bench of Baltimore City

In Re: 107 Margaret Drive - Stevensville, md 21666
Location of property

I HEREBY CERTIFY, that on this 27th day of July
19 84, personally appeared Larry A. Makowski

for and on behalf of E.T. Newell & Co., Inc. and made oath
Name of Auctioneer

in due form of law that the Auctioneer's fee for services in making sale of the above property at public auction, in the amount as shown on the attached bill, has not been paid and that said Auctioneer has not and will not directly or indirectly make payment of any sum or consideration for the employment to make sale of the above property to any person or persons from whom such employment was secured.

Larry A. Makowski
Auctioneer

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QUEEN ANNE'S COUNTY

Rose H. Paff
Notary Public

ROSE H. PAFF
NOTARY PUBLIC, STATE OF MARYLAND
My Commission Expires July 1, 1986



PRESIDENT
LARRY A. MAKOWSKI
JONATHAN A. MELNICK

E. T. Newell & Co., Inc.

AUCTIONEERS • APPRAISERS
OFFICE, AUCTION GALLERY AND SALESROOM
1100 E. 25th STREET BALTIMORE, MARYLAND 21218
* Over 70 Years of Service *
ESTABLISHED 1907

TELEPHONE:
(301) 752-3580
(301) 563-2062

~~July 27, 1984~~

Leslie A. Winter
Suite 404
30 East Padonia Road, Timonium, Md. 21093

Dear Sir:

REPORT OF SALE

Sold 107 Margaret Drive, Stevensville, Md.
To Weaver Brothers, Inc.
Address
Amount \$76,000 In Fee Simple
Deposit \$2,000.00

Very truly yours,
E. T. NEWELL & CO., INC.

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CLERK. CIRCUIT COURT
1984 SEP 13 AM 9:59
QUEEN ANNE'S COUNTY

E. J. Newell & Co., Inc.

PRESIDENT
LARRY A. MAKOWSKI
JONATHAN A. MELNICK

AUCTIONEERS * APPRAISERS
OFFICE, AUCTION GALLERY AND SALESROOM
1100 E. 25th STREET BALTIMORE, MARYLAND 21218
* Over 70 Years of Service *
ESTABLISHED 1907

TELEPHONE:
(301) 752-3580
(301) 563-2062

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY that on this 27 th day of July, 19 84
before me, the subscriber, a Notary Public of the State of Maryland, in and for the City
of Baltimore aforesaid, personally appeared Weaver Brothers Inc. - Jan M. Allen,
purchaser at the foreclosure sale in this cause, and made oath in due form of law (that
he is the purchaser and purchased the same as principal and not as agent for anyone
~~he is the purchaser and purchased the same as principal and not as agent for anyone~~
they are
(that he is the agent for the purchaser, Weaver Brothers Inc.) and
they are
that he has not directly or indirectly discouraged anyone from bidding for the said
they have
property mentioned in the said Report of Sale.

Jan M. Allen (SEAL)
Agent for Weaver Bros, Inc.
Weaver Bros., Inc. (SEAL)
Purchaser
Jan M. Allen, Agent

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CLERK, CIRCUIT COURT

1984 SEP 13 AM 9:59

Address

QUEEN ANNE'S COUNTY

Larry A. Makowski
Notary Public



JUL 25 REC'D

Centreville, Md. 7/25 19 84

We Hereby Certify

That the annexed advertisement of Substituted Trustees sale 107 Margaret Drive was published in the RECORD OBSERVER, a newspaper published in Queen Anne's County, Maryland, once in each of 3 successive weeks before the 27th day of July 19 84.

And that the first insertion of said advertisement in the said RECORD OBSERVER/BAY TIMES was on the 11th day of July 19 84, and the last insertion on the 25th day of July 19 84.

Publishers, Record Observer

Per [Signature] RECEIVED
CIRCUIT COURT

1984 SEP 13 AM 9:59

QUEEN ANNE'S COUNTY

17 477

LESLIE A. WINTER, SOLICITOR
Suite 404
30 East Padonia Road
Monlum, Maryland 21093

Substituted Trustee's Sale

OF VALUABLE FEE SIMPLE PROPERTY

Known as
107 Margaret Drive
Stevensville, Maryland 21666

Under and by virtue of the power of sale contained in a certain Deed of Trust from Charles Augustus Mason and Charlena Mason, his wife, to Donald G. West, J. Ronald Weismiller and Martin R. West, III, dated August 17, 1983 and recorded in Liber M.W.M. No. 201, folio 435, Casa No: 7629, among the Land Records of Queen Anne's County, Maryland, the holder of the indabtedness secured by the deed of trust having appointed Laslia A. Winter and Anne Lova Adkins, Substitute Trustaas by Instrument duly executed, acknowledged and recorded among the Land Records of the county aforesaid, default having occurred under the terms thereof and at the raquest of the parties securad thereby, the undarsigned Substitute Trusteas will offer for sale at Public Auction, on the premises on

Friday, July 27, 1984

at 10:00 a.m.

all that lot of ground and the improvements thereon situate in Queen Anne's County, and dascribed as follows:

ALL THAT LOT OF GROUND situate on Kent Island, in Queen Anne's County, being known and designated as Lot No. 25, in Block Q, as shown on the Plat of the Second Section of Romancoke on the Bay, recorded among the Land Records of Queen Anna's County in Liber TSP 41, folio 386 and in Plat Book TSP 1, folio 43. The improvements thereon being known as No. 107 Margaret Drive, Stavansville.

The proeprty is improved by a detached, two story and frame; estimated age - five (5) yaars, lot dimensions 100.00 feet by 200.00 feet, considered in fee simpla.

The property will ba sold subject to conditions, restrictions, and agraments of record, affecting the same, if eny.

TERMS OF SALE: A cash deposit or certifiad check of two thousand dollars (\$2,000.00) will be required of the purchaser et time and place of sala, balance of purchase money upon finel ratification of sale by the Circuit Court for Queen Anne's County, interest to be paid on unpaid purchase money et the rate specified in the Deed of Trust from date of sale to data of settlement. Taxes and water rent to ba adjusted to data of sale. All other public charges and assessments payable on an annual basis, including sanitary and/or metropolitan chargas to be adjusted for the current year to date of sala and assumed hereafter by the purchaser. Costs of all documentary stamps and transfer taxes will ba borne by the purchaser.

LESLIE A. WINTER,
ANNE LOVE ADKINS,
SUBSTITUTE TRUSTEES

E. T. NEWELL & CO., INC.
1100 East 25th Straet
Baltimore, Maryland 21218
(301) 752-3580

RB-7-11-3-013

LESLIE A. WINTER, * IN THE
 AND *
 ANNE LOVE ADKINS * CIRCUIT COURT
 Substitute Trustees * FOR
 v. * QUEEN ANNE'S COUNTY
 CHARLES AUGUSTUS MASON * Case No.: 7629
 AND *
 CHARLENE MASON, his wife *

* * * * *

PETITION TO SUBSTITUTE PURCHASER

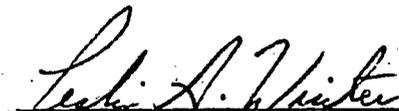
TO THE HONORABLE, THE JUDGE OF SAID COURT:

The Petition of Leslie A. Winter and Anne Love Adkins, Substitute Trustees, in the above-entitled cause, respectfully represents:

1. The fee simple property known as 107 Margaret Drive, Stevensville, Maryland 21666 was sold on the 27th day of July, 1984 to Weaver Bros., Inc.

2. The said purchaser has requested your Petitioners to substitute as purchaser, in its place and stead, Harry N. Walters, Administrator of Veterans Affairs, his successors and assigns, whose post office address is 810 Vermont Avenue, N.W., Washington, D.C. 20420; the said Harry N. Walters, Administrator of Veterans Affairs having requested to be so substituted.

WHEREFORE, Your Petitioners pray that an Order be passed substituting Harry N. Walters, Administrator of Veterans Affairs, his successors in such office or assigns, as purchaser in the place and stead of Weaver Bros., Inc.



 LESLIE A. WINTER

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1984 SEP 13 AM 10:00

QUEEN ANNE'S COUNTY

Anne Love Adkins

Anne Love Adkins
Suite 404
30 East Padonia Road
Timonium, Maryland 21093
(301) 561-3000
Substitute Trustees

ASSENT

We hereby assent to the relief prayed in the
aforegoing Petition.

WEAVER BROS., INC.

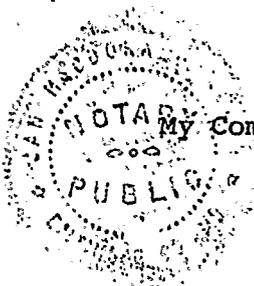
By: *Daniel M. Cayelli*
Daniel M. Cayelli
Senior Vice President

STATE OF MARYLAND, COUNTY OF BALTIMORE, to wit:

I HEREBY CERTIFY that on this 30th day of August,
1984, before me, the subscriber, a Notary Public of the State
of Maryland, personally appeared Leslie A. Winter and Anne
Love Adkins and they made oath in due form of law that the
matters and facts contained in the foregoing Petition and
Assent are true to the best of his knowledge and belief.

WITNESS my hand and Notarial Seal.

James D. DeAlle
Notary Public



My Commission Expires: July 1, 1986

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

LESLIE A. WINTER and ANNE LOVE

ADKINS, Substitute Trustees

vs.

CHARLES AUGUSTUS MASON and

CHARLENE MASON, his wife

Civil No. 7629 Equity

ORDER REGARDING RATIFICATION OF SALE

ORDERED, this 14th day of September, 1984, by the Court, that the sale of the real property made and reported in this action will be ratified after the expiration of one month from the date hereof, unless cause to the contrary be previously shown, provided a copy of this Order shall be published in a newspaper published in Queen Anne's County at least once a week in each of three successive weeks before the expiration of one month from the date hereof.

FILED

SEP 14 1984

CIRCUIT COURT
QUEEN ANNE'S CO.

Clayton C. Carter
CLAYTON C. CARTER,
JUDGE

CCC:mfe:9/14/84

LESLIE A. WINTER : IN THE CIRCUIT COURT
and :
ANNE LOVE ADKINS :
Substitute Trustees :
vs. : FOR QUEEN ANNE'S COUNTY
CHARLES AUGUSTUS MASON :
and : EQUITY NO. 7629
CHARLENE MASON, his wife :

ORDER

Upon the foregoing Petition and Consent of the purchaser and the Trustees making sale, it is this 14th day of September, 1984, ORDERED, by the Circuit Court for Queen Anne's County, pursuant to Md. Rule W74 g 3, that the Substitute Trustees be and they are hereby authorized to convey to Harry N. Walters, Administrator of Veterans Affairs, his successors in such office or assigns, as substituted purchaser of the property known as 107 Margaret Drive, Stevensville, Maryland 21666, in the place and stead of Weaver Bros., Inc. after final ratification of the sale.

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1984 SEP 14 PM 3:52
QUEEN ANNE'S COUNTY

Clyton C. Earley
Judge

Centreville, Md. 10/10 19 84

We Hereby Certify

That the annexed advertisement of

~~Ratification of sale
Civil No. 7629 Equity~~

was published in the RECORD OBSERVER, a newspaper published in Queen Anne's County, Maryland, once in each of 3 successive weeks before the 14th day of Oct. 19 84.

And that the first insertion of said advertisement in the said RECORD OBSERVER/BAY TIMES was on the

26th day of Sept.

19 84, and the last insertion on the

10th day of Oct.

19 84.

Publishers, Record Observer

Per

Betty M. Mankin

IN THE CIRCUIT COURT FOR
QUEEN ANNE'S COUNTY
LESLIE A. WINTER and ANNE LOVE ADKINS
Substitute Trustees

vs.

CHARLES AUGUSTUS MASON and CHARLENE
MASON, his wife

Civil No. 7629 Equity

ORDER REGARDING RATIFICATION OF SALE
ORDERED, this 14th day of September, 1984, by
the Court, that the sale of the real property made
and reported in this action will be ratified after the
expiration of one month from the date hereof,
unless cause to the contrary be previously shown,
provided a copy of this Order shall be published in
a newspaper published in Queen Anne's County at
least once a week in each of three successive
weeks before the expiration of one month from the
date hereof.

CLAYTON C. CARTER
JUDGE

True Copy, Test:

Marguerite W. Mankin, Clerk

By Betty M. Comegys, Deputy Clerk

Filed Sept. 14, 1984

Circuit Court, Queen Anne's Co.

RB-9-26-31-034

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1984 OCT 30 PM 4:18
QUEEN ANNE'S COUNTY

LESLIE A. WINTER and : IN THE CIRCUIT COURT
ANNE LOVE ADKINS :
vs. : FOR QUEEN ANNE'S COUNTY
CHARLES AUGUSTUS MASON & : CIVIL NO. Equity 7629
CHARLENE MASON, his wife

FINAL RATIFICATION OF SALE
AND REFERRAL TO THE AUDITOR

The Court being satisfied that the sale in the above action was fairly and properly made, and no exceptions having been filed to the report of sale within the time limited by the published Order of this Court, it is

ORDERED, by the Circuit Court for Queen Anne's County, this 31st day of October, 1984, that:

1. The sale of the real estate made and reported in this action is hereby finally ratified.
2. The papers in this action are hereby referred to the Court Auditor to state an account, pursuant to Rule 2-543, of the proceeds of the sale and a proper distribution thereof.
3. The Clerk shall furnish to the fiduciary a summary of the information required for the audit including a form of suggested account, which the fiduciary is to submit to the Auditor within fifteen days after the recording of the deed to the real estate sold.
4. Upon receipt of this information from the fiduciary, the Auditor is to file an account or report in accordance with Rule 2-543 (e) within fifteen days, unless extended by the Court.


Judge

Distribution:
File
Fiduciary(s)
Court Auditor

RECEIVED
CLERK, CIRCUIT COURT

1984 OCT 31 PM 4:08

QUEEN ANNE'S COUNTY

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

LESLIE A WINTER, et al. :
 :
 v. : Chancery #7629
 CHARLES AUGUSTUS MASON et ux. :
 :
 : : : : :

AUDITOR'S ACCOUNT

PROCEEDS OF FORECLOSURE SALE			
Sale Price, as reported		\$ 76,000.00	
Interest on \$ 74,000.00 @ 13.5%			
from 07/27/84 to 12/06/84			
133 days @ \$27.37 per day		<u>3,640.21</u>	
GROSS AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 79,640.21
COMMISSIONS, payable to Fiduciary			
as agreed by Fiduciary	\$	525.00-	
ATTORNEY FEE, per DEED OF TRUST			50.00-
EXPENSES OF SALE			
Court costs	\$	208.50-	
Advertising			
Notices of sale		199.50-	
Report of sale		78.75-	
Bond premium		30.00-	
Auctioneer's fee		100.00-	
Real property taxes paid			
27 days @ \$1.906		51.46-	
Certified mail		<u>1.57-</u>	
			669.78-
AUDITOR'S FEE AND COSTS			
Fee for audit	\$	45.00	
Postage & copies		<u>1.50</u>	
			<u>46.50-</u>
NET AMOUNT AVAILABLE FOR DISTRIBUTION			<u>1,291.28-</u>
			\$ 78,348.93

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 CLERK, CIRCUIT COURT
 1984 DEC 17 AM 11:53
 QUEEN ANNE'S COUNTY

AUDITOR'S ACCOUNT

CHANCERY #7629

Page 2

INDEBTEDNESS DUE UNDER DEED OF TRUST

Per Statement of Debt		
Principal	\$ 82,983.06-	
Interest to 05/01/84	6,519.93-	
Credit in expense account	191.25	
Interest on principal @ 13.5%		
05/02/84 to 09/25/84		
148 days @ \$30.6924	<u>4,542.47-</u>	\$ 93,854.21-
AVAILABLE FOR DISTRIBUTION, as above		<u>78,348.93</u>
DEFICIT		\$ 15,505.28-

NOTICE

The attached Account was filed on December 17, 1984. Exceptions to the Account must be filed within ten (10) days of that date. If timely exceptions are not filed, the Account may thereupon be ratified. The amount allowed to each claimant is stated in the attached Account.

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

LESLIE A WINTER, et al. :
 :
 v. : Chancery #7629
 CHARLES AUGUSTUS MASON et ux. :
 :
 : : : : :

CERTIFICATE OF AUDITOR

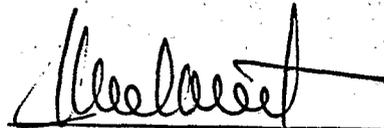
I hereby certify that I have examined the Suggested Account, together with the receipts, vouchers, statements, suggested distribution and affidavit submitted by the Fiduciary in Chancery Cause #7629. On the basis of the facts which appear upon the face of the proceedings and proofs submitted to me, it is my opinion that the claims set forth in the foregoing Auditor's Account have been established and are properly allowable by law in the amounts there set forth.

I further certify that on December 17, 1984, copies of the Auditor's Account and Notice conforming to the requirements of Maryland Rule 2-543 and Second Circuit Rule 12 d were mailed to the following:

Leslie A. Winter, Esquire
 Anne Love Adkins, Esquire
 Suite 404
 30 East Padonia Road
 Timonium, Maryland 21093

Charles Augustus Mason
 107 Margaret Drive
 Stevensville, Maryland 21666

Charlene Mason
 107 Margaret Drive
 Stevensville, Maryland 21666



John W. Sause, Jr.
 Auditor

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

LESLIE A WINTER, et al. :
:
v. : Chancery #7629
CHARLES AUGUSTUS MASON et ux. :
:
: : : : :

ORDER RATIFYING AUDIT

The matter coming before the Court on the Account heretofore filed by the Auditor and it appearing from the Auditor's Certification that the requirements of Rule 2-543 (e) have been met, and no exceptions having been filed within 10 days of the date when the Account was filed, it is this 7th day of January 1985, by the Circuit Court for Queen Anne's County,

ORDERED that the Account of the Auditor is hereby ratified and confirmed, and the Fiduciary shall apply the proceeds accordingly with a due proportion of interest after same has been or may be received.


JUDGE

1985 JAN -8 AM 10:19

17 488

ELISE DAVIS
ATTORNEY AT LAW
AS GUARDIAN OF
THE PROPERTY OF
GEORGE PRESTON EARLE
AND PEARL MAE EARLE
P.O. Box 547
Chestertown, Maryland 21620

Plaintiff

vs

JOHN R. SMITH, JR.
Centreville, Maryland 21617

and

EVERETT L. MCCLANAHAN
399 Lake Trail
Crownsville, Maryland 21032

and

ANTHONY F. MILANOSKI
399 Lake Trail
Crownsville, Maryland 21032

and

WEBSTER HOLLAND
Route 1, Box 114
Church Hill, Maryland 21623

and

LORRAINE HOLLAND
Route 1, Box 114
Church Hill, Maryland 21623

and

Any and all persons claiming
or having any interest in the
property described in the
Complaint and claiming through,
under or by any of the above
named Defendants, or their
heirs, assigns, personal
representatives, grantees or
successors in right, title and
interest

and

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 547
CHESTERTOWN, MD. 21620
301 - 778-5280

* IN THE CIRCUIT COURT FOR

*

*

* QUEEN ANNE'S COUNTY, MARYLAND

*

*

*

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DEC 26-84 * 23217 ****110 00
DEC 26-84 A 23217 ****10 00
DEC 26-84 A 23216 ****120 00
DEC 26-84 A 23215 ****10 00
DEC 26-84 A 23214 ****70 00

CIVIL NO. 84-00155

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CLERK, CIRCUIT COURT
1984 DEC 26 AM 10:04
QUEEN ANNE'S COUNTY

All persons having or claiming *
to have any interest in the *
property described in the *
Complaint *

and *

Unknown owner or owners of all *
those lots of land described *
in the Complaint; and her, *
his or their heirs, devisees *
and personal representatives *
and their, or any of their *
heirs, devisees, executors, *
administrators, grantees, *
assigns, or successors *
in right, title and interest. *

Defendants *

COMPLAINT TO QUIET TITLE

Now comes Elise Davis, Attorney At Law, As Guardian of the
Property of George Preston Earle and Pearl Mae Earle, for her
Complaint to Quiet Title to Certain real estate, averring:

1. That by a Deed dated May 24th, 1952, and recorded among
the Land Records for Queen Anne's County, Maryland, in Liber
T.S.P. No. 7, Folio 414, John R. Smith, et ux., did grant and
convey unto the aforesaid George Preston Earle and Pearl Mae
Earle, his wife, as tenants-by-the-entireties, in fee simple,
the following described property:

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 547
CHESTERTOWN, MD. 21620
301 - 778-5250

"All that lot of land situate, lying and being in the First Election District of Queen Anne's County, State of Maryland, adjoining the lands of or formerly of The Beatty heirs and other lands of these grantors, lying on the West side of the public road, known as The Johnson Road, and described as follows, to wit:

[BEGINNING for the same at a point with the lot hereby conveyed corners with the West side of said road and the Beatty property; thence in a Westerly direction along and with said Beatty land a distance of 565 feet to a point on said Beatty property; thence in a Northerly direction and parallel with the said Johnson road a distance of 320 feet to a point; thence in an Easterly direction and parallel with the said Beatty land a distance of 565 feet to the Western Boundary of said road; thence in a Southerly direction along and with the Western boundary of said road a distance of 320 feet to the place of beginning.]

BEING a part of the property called or known as "The Big Woods" property of Richard Joseph Smith, who died, seized and possessed thereof sometime in the year 1929, leaving a Last Will and Testament which shortly after his death was duly admitted to probate in the Orphans Court of Queen Anne's County, on March 24, 1924 and recorded in Liber N.S.D. 1, a Will Record Book for Queen Anne's County. By said Last Will and Testament the land hereby conveyed with other lands was devised unto his wife, Sarah J. Smith, and his son, John R. Smith, by the said Testator. The said Sarah J. Smith having departed this life the 16th day of May, 1952, leaving said John R. Smith sole owner of said land.

TOGETHER with the buildings and improvements thereupon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining."

A true and accurate photocopy of said Deed, is attached hereto as Exhibit I, and is made a part hereof.

2. The said George Preston Earle and Pearl Mae Earle have been in continuous, open possession of the aforescribed real estate since 1952, a period of thirty-two years.

3. That the said John R. Smith became the sole owner of the property at issue herein by virtue of the Will of Richard

Joseph Smith which was admitted to probate by the Register of Wills for Queen Anne County, Maryland on August 29, 1939 in Will liber N.S.D. 1, Folio 133, and the subsequent death of Sarah J. Smith on May 16th, 1952. The said Sarah J. Smith was the wife of Richard Joseph Smith, and the said John R. Smith was the son of Richard Joseph Smith. A true and accurate copy of said Will is attached hereto as Exhibit II, and is made a part hereof.

4. The Assessment Records of Queen Anne County, Maryland, show that the said John R. Smith was assessed for the real property at issue herein in the years 1940-43, 1944-50 and 1951-55, and paid taxes on the same during those years.

5. The Assessment Records of Queen Anne County, Maryland, show that the said Richard Joseph Smith was assessed for the real property at issue herein in the years 1922-27, and 1928-39, and paid taxes on the same during those years.

6. That George Preston Earle and Pearl Mae Earle and their predecessors in title, have actually possessed the said property described in Exhibit I hereto, visibly, openly, notoriously, under a claim of right and under color of title, as evidenced by the heretofore mentioned deed and above set forth facts; the said possession being adverse, actual, continuous and intentional for more than 20 years prior to the filing of this Complaint, so that such possession has vested title to the exclusion and against all other persons, including Defendants John R. Smith, Jr., Everett L. McClanahan, Anthony F. Milanoski,

Webster Holland and Lorraine Holland, their heirs, assigns and anyone claiming by or through him, her or them, or their predecessors in title.

7. The Defendants John R. Smith, Jr., Everett L. McClanahan, Anthony F. Milanoski, Webster Holland and Lorraine Holland are the owners of the property which adjoin the property at issue herein.

8. That the property at issue herein is located on what is now known as Big Woods Road in the First Election District of Queen Anne County, Maryland. At the time of the conveyance to George Preston Earle, et ux, in 1952, the road was known as the "Johnson Road".

WHEREFORE, your Plaintiff prays that this Honorable Court:

1. Sign a Judgment Quieting Title to the property described in Paragraph No. 1 of this Complaint and declare that George Preston Earle and Pearl Mae Earle are the owners in fee simple of this property to the exclusion of any and all persons claiming through the Defendants, or their heirs, assigns, personal representatives or any of them.

2. Sign an Order of Publication, directing the same to all persons, known and unknown, claiming any interest in the property described in the Complaint, requiring them to appear in this Court on or before a date certain specified therein, and show cause, if any they have, why the relief requested by

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 347
CHESTERTOWN, MD. 21620
301 - 776-5250

the Plaintiff should not be granted.

3. Order, pursuant to the Maryland Rules, that the said Order of Publication be posted on the Court House Door in lieu of other publication.

4. And for such other relief as the nature of Plaintiff's cause may require.

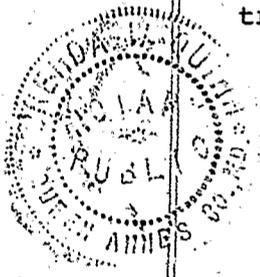


Elise Davis
Attorney at Law
As Guardian of the Property
of George Preston Earle and
Pearl Mae Earle, Plaintiff

STATE OF MARYLAND, COUNTY OF QUEEN ANNE, TO WIT:

I HEREBY CERTIFY, that on the 21 day of December, 1984, before me, the Subscriber, a Notary Public for the State and County aforesaid, personally appeared Elise Davis and made oath in due form of law under the penalties of perjury that the facts and matters set forth in the foregoing Complaint are true to the best of her information, knowledge and belief.

AS WITNESS MY HAND AND NOTARIAL SEAL.



Brenda W. Quinn
Notary Public

My Commission expires: 7-1-86

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 347
CHESTERTOWN, MD. 21620
301 - 778-5250

THIS DEED, made this 24th day of *May*, in the year nineteen hundred and fifty-two, by and between John R. Smith and Lillian C. Smith, his wife, of Queen Anne's County, State of Maryland, parties of the first part, and George Preston Barle and Pearle May Barle, his wife, of Queen Anne's County, State of Maryland, parties of the second part;



WITNESSETH, that for and in consideration of the sum of Five Hundred (\$500.00) Dollars and other valuable considerations, the receipts of which are hereby acknowledged, the said parties of the first part do hereby grant and convey unto the said parties of the second part, as tenants by the entireties, his or her heirs and assigns and unto the survivor of them, in fee simple, the following described real estate, to wit:

[ALL that lot of land situate, lying and being in the First Election District of Queen Anne's County, State of Maryland, adjoining the lands of or formerly of The Beatty heirs and other lands of these grantors, lying on the West side of the public road, known as The Johnson Road, and described as follows, to wit;

BEGINNING for the same at a point with the lot hereby conveyed corners with the West side of said road and the Beatty property; thence in a Westerly direction along and with said Beatty land a distance of 565 feet to a point on said Beatty property; thence in a Northerly direction and parallel with the said Johnson road a distance of 320 feet to a point; thence in an Easterly direction and parallel with the said Beatty land a distance of 565 feet to the Western Boundary of said road; thence in a Southerly direction along and with the Western boundary of said road a distance of 320 feet to the place of beginning;

BEING a part of the property called or known as "The Big Woods" property of Richard Joseph Smith, who died seized and possessed thereof sometime in the year 1929, leaving a Last Will and Testament which shortly after his death was duly admitted to probate in the Orphans Court of Queen Anne's County, on March 24, 1924 and recorded in Liber N.S.D. 1, a Will Record Book for Queen Anne's County. By said Last Will and Testament the land hereby conveyed with other lands was devised unto his wife, Sarah J. Smith, and his son, John R. Smith, by the said Testator. The said Sarah J. Smith having departed this life the 16th day of May 1952, leaving said John R. Smith sole owner of said land.

Exhibit I.

TOGETHER with the buildings and improvements thereupon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.]

TO HAVE and TO HOLD the said lot of land and premises, unto and to the use of the said parties of the second part, as tenants by the entireties, his or her heirs and assigns and unto the survivor of them, in fee simple, forever.

AND the said parties of the first part do hereby covenant that they have not done nor suffered to be done any act, matter or thing whatsoever to encumber the property hereby granted and conveyed; that they will warrant specially the property hereby granted and conveyed; and they will execute such further assurances of said land as may be requisite.

WITNESS the hands and seals of the said Grantors:

TEST: (as to Grantors)

Minnie J. Storey

John R. Smith (SEAL)
John R. Smith

Minnie J. Storey

Lillian C. Smith (SEAL)
Lillian C. Smith

STATE OF MARYLAND

*

TO WIT

*

QUEEN ANNE'S COUNTY

*

I HEREBY CERTIFY that on this ^{24th} day of May, in the year nineteen hundred and fifty-two, before me, the subscriber, a Notary Public of the State of Maryland, in and for Queen Anne's County, personally appeared John R. Smith and Lillian C. Smith, his wife, and each acknowledged the foregoing DEED to be their respective act.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal, the day and year last above written.

Minnie J. Storey
NOTARY PUBLIC

MY COMMISSION EXPIRES:

May 4, 1953



LAST WILL AND TESTAMENT OF RICHARD JOSEPH SMITH:

IN THE NAME OF GOD AMEN!

I, Richard Joseph Smith of Queen Anne's County, State of Maryland, being of sound and disposing mind, memory and understanding do make, publish and declare this as and for my last will and testament.

FIRST:- I direct that all my just debts and funeral expenses shall be paid by my executor hereinafter named.

SECOND:- I do hereby give, devise and bequeath one half of all of my estate, real, personal and mixed, wherever situated, unto my son John R. Smith as and for his own absolutely and in fee; and in the event that my wife Sarah J. Smith is living at the time of my death I do hereby give, devise and bequeath one-half of my estate, real, personal and mixed, wherever situated unto my said wife, the said Sarah J. Smith, as and for her own absolutely and in fee. In the event however that my wife Sarah J. Smith dies before I do then in that event I give, bequeath and devise the one half interest in my property which I hereinafore devised to her unto my son John R. Smith as and for his own absolutely.

THIRD: In the event that my wife and son are living at the time of my death I do hereby appoint them joint executors of this, my last will and testament, and in the further event of the death of either my wife or my son before I die I do hereby appoint whichever one may survive me as executor of this, my last will and testament.

FOURTH:- In the event that the death of myself, my wife and my son, John R. Smith, should take place at the same time I do hereby devise all my property, real, personal and mixed wherever same may be situated unto the wife and the children of my son John R. Smith, who may be living at that time, share and share alike, with the request that the wife of my son be appointed executor of this my last will and also be appointed guardian of such of the children of my son as may be minors.

WITNESS my hand and seal this thirteenth day of March, in the year Nineteen Hundred and Twenty-four.

Richard Joseph Smith (Seal)

SIGNED, SEALED, PUBLISHED AND DECLARED by Richard Joseph Smith, the above named testator, as and for his last will and testament, in our presence and in the presence of each of us, who at his request and in his presence and in the presence of each of us have hereunto set our hands as witnesses thereto.

L. Ricard Dwyer Jr.
Madison Brown

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, TO WIT:

On the fifth day of August, A. D. 1924, came John R. Smith, Custodian of the within and foregoing instrument of writing, purporting to be the last will and testament of Richard Joseph Smith late of Queen Anne's County, deceased, and made oath in due form of law, that the foregoing is the true and whole will of said deceased, that has come to his hand and possession, and that he does not know nor has he heard of any other will that he received the same from the lock box of the testator in the County of Maryland on or about the 13th day of August, A. D. 1924.

Shown before

Herbert S. Bentley
Register of Wills of Queen Anne's County, Md.

Exhibit II

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, TO WIT:

On the 23rd day of August 1933 came L. Richard Byers, Jr., of Bennett Square, Prince Georges County, one of the subscribing witnesses to the foregoing last Will and Testament of Richard Joseph Smith, late of Queen Anne's County, deceased, and made oath in due form of law, that he did see the Testator sign and seal said Will; that he heard him publish, pronounce and declare the same to be his last Will and Testament, and at the time of his so doing he was to the best of his apprehension of sound and disposing mind, memory and understanding; and that he together with Madison Brown, the other subscribing witness to said Will subscribed his name as witness to said Will at his request in his presence and in the presence of each other.

Sworn in open court.

Test:

Norman S. Dudley
Register of Wills of Queen Anne's County, Md.

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, TO WIT:

On the 23rd day of August 1933 came Madison Brown, one of the subscribing witnesses to the foregoing last Will and Testament of Richard Joseph Smith, late of Queen Anne's County, deceased, and made oath in due form of law, that he did see the Testator sign and seal said Will; that he heard him publish, pronounce and declare the same to be his last Will and Testament, and at the time of his so doing he was to the best of his apprehension of sound and disposing mind, memory and understanding; and that he together with L. Richard Byers, Jr., subscribed his name as witness to said Will at his request, in his presence and in the presence of each other.

Sworn in open court.

Test:

Norman S. Dudley
Register of Wills of Queen Anne's County, Md.

STATE OF MARYLAND,

IN THE ORPHANS' COURT

FOR QUEEN ANNE'S COUNTY:

The foregoing Instrument of Writing, purporting to be the last Will and Testament, of RICHARD JOSEPH SMITH, late of Queen Anne's County, deceased, having been exhibited for probate, and no objection thereto having been made, although notice according to law, appears to have been given to the next relations of said deceased, the Court, after having examined the said Instrument of Writing and also the evidence adduced as to its validity, ORDERS and DECREES, this 23rd day of August, A. D., 1933, that the same be admitted in this Court as the true and lawful last Will and Testament of the said Richard Joseph Smith, deceased.

Henry C. Bowen

C. Tilghman Bishop

Harry B. Moore

Judges of the Orphans' Court for Queen Anne's County.

ELISE DAVIS
ATTORNEY AT LAW
AS GUARDIAN OF THE
PROPERTY OF
GEORGE PRESTON EARLE
AND PEARL MAE EARLE

vs

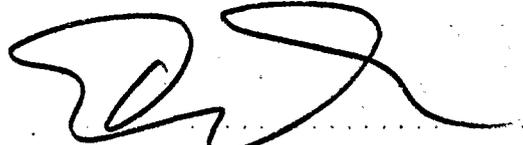
JOHN R. SMITH, JR., et al

* IN THE CIRCUIT COURT FOR
*
* QUEEN ANNE'S COUNTY,
* MARYLAND
*
* CIVIL NO. 84-00155
*

MOTION FOR SUMMARY JUDGMENT

TO THE HONORABLE, THE JUDGES OF SAID COURT:

The Plaintiff moves for Summary Judgment herein stating that there is no genuine dispute as to any material fact and that she is entitled to judgment as a matter of law.



Elise Davis
Plaintiff

POINTS AND AUTHORITIES

Maryland Rule 2-501
Real Property § 14-108

AFFIDAVIT IN SUPPORT OF
MOTION FOR SUMMARY JUDGMENT

I, Elise Davis, the Plaintiff herein, swear, under the penalties of perjury, and upon my own personal knowledge:

1. That by a Deed dated May 24th, 1952, and recorded among the Land Records for Queen Anne County, Maryland, at Liber

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 547
CHESTERTOWN, MD. 21620
301 - 778-0280

T.S.P. No. 7, Folio 414, the real property at issue herein was conveyed to George Preston Earle and Pearl Mae Earle by John R. Smith, Jr.

2. That from 1952 until May, 1984, the said George Preston Earle and Pearl Mae Earle lived on the property at issue herein.

3. That from May, 1984 to the filing of this Complaint, the said George Preston Earle and Pearl Mae Earle controlled the property at issue herein through their Guardian, Elise Davis, by receiving the rents therefor.

4. That the Assessment Records of Queen Anne County, Maryland, show that the property at issue herein has been continuously assessed to George Preston Earle and Pearl Mae Earle since 1953 to the filing of this Complaint and that they have paid the taxes thereon during that period of time.

5. That John R. Smith, Jr. came into the ownership of the property at issue herein by virtue of the Last Will and Testament of Richard Joseph Smith which is filed amongst the records of the Register of Wills for Queen Anne County at Will Liber N.S.D. 1, Folio 133, and the death of Sarah J. Smith on May 16, 1952.

6. That the Assessment Records of Queen Anne County, Maryland, show that the property at issue herein was assessed to John R. Smith, Jr., and Sarah J. Smith for the years 1940-43, 1944-50 and 1951-55, and that they paid the taxes on the same during those years.

7. That a Deed conveying the property at issue herein to Richard Joseph Smith cannot be located, however, the Assessment Records of Queen Anne County, Maryland, show that Richard Joseph Smith was assessed for the real property at issue herein in the years 1922-27, and 1928-39, and that he paid the taxes on the same during those years.



Elise Davis
Plaintiff

Subscribed and sworn to this 21st day of December, 1984.



Brenda W. Quinn
Notary Public

My Commission expires: 7-1-86

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 547
CHESTERTOWN, MD. 21620
301 - 778-5250

LIBER 17 folio 501
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CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

LIBER 17 PAGE 502

WRIT OF SUMMONS

Case Number 84-00155

STATE OF MARYLAND, QUEEN ANNE'S COUNTY TO WIT:

TO: Name ANTHONY F. MILANOSKI, Address 899 Lake Trail, Crownsville, MD 21032, County Anne Arundel

You are hereby summoned to file a written response by pleading or motion in this Court to the attached Complaint filed by ELISE DAVIS, Attorney At Law As Guardian Of The Property Of GEORGE PRESTON EARLE and PEARLE MAE EARLE, P. O. Box 547, Chestertown, MD 21620

within 30 days after service of this summons upon you.

WITNESS the Honorable Chief Judge of the Second Judicial Circuit of Maryland.

Date Issued December 26, 1984

Signature of Clerk: Marquette W. Franklin, CLERK

TO THE PERSON SUMMONED:

- 1. PERSONAL ATTENDANCE IN COURT ON THE DAY NAMED IS NOT REQUIRED.
2. FAILURE TO FILE A RESPONSE WITHIN THE TIME ALLOWED MAY RESULT IN A JUDGMENT BY DEFAULT OR THE GRANTING OF THE RELIEF SOUGHT AGAINST YOU.

SHERIFF'S RETURN

FEE \$

SHERIFF

RECEIVED CLERK, CIRCUIT COURT

NOTE:

- 1. This summons is effective for service only if served within 60 days after the date it is issued.
2. Proof of service shall set out the name of the person served, date and the particular place and manner of service. If service is not made, please state the reasons.
3. Return of served or unserved process shall be made promptly and in accordance with Rule 2-126.
4. If this summons is served by private process, process server shall file a separate affidavit as required by Rule 2-126(a).

CV-1 PAUL CO.

1985 JAN -3 AM 9:47 QUEEN ANNE'S COUNTY

589

REC'D BY SHERIFF'S OFFICE
ANNE ARUNDEL, CO.

1984 DEC 27 AM 10:26

Anthony F Milanoski
399 Lake Trail
Crownsville, Md 21032

LIVES IN MASS.
NEIGHBOR NAME

NON-EST

15205

QUEEN VAMPIRE

Handwritten signature

21-00132

27/12/84 1705

ELISE DAVIS
ATTORNEY AT LAW
AS GUARDIAN OF THE
PROPERTY OF
GEORGE PRESTON EARLE
AND PEARL MAE EARLE

VS

JOHN R. SMITH, JR., et al

* IN THE CIRCUIT COURT FOR
*
* QUEEN ANNE'S COUNTY, MARYLAND
*
*
* CIVIL NO. 84-00155
*

ORDER OF COURT

The verified statements in the Amended Complaint having been read and considered, and it appearing that there may be Defendants in this matter whose identities are unknown, it is therefore this 3rd day of January, 1985, by the Circuit Court for Queen Anne's County, Maryland,

ORDERED that the Plaintiff be and is hereby authorized to proceed by way of publication against any unknown Defendants in this matter by posting on the property in question, in a conspicuous place, as required by Maryland Rule 2-122, and that mailing of the same to the last known address be and the same is hereby waived.

RECEIVED
CLERK, CIRCUIT COURT
1985 JAN -3 PM 3:09
QUEEN ANNE'S COUNTY

Clayton Carter
Judge

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 547
CHESTERTOWN, MD. 21620
301 - 778-5250

ELISE DAVIS
ATTORNEY AT LAW
AS GUARDIAN OF
THE PROPERTY OF
GEORGE PRESTON EARLE
AND PEARL MAE EARLE
P.O. Box 547
Chestertown, Maryland 21620

Plaintiff

vs

JOHN R. SMITH, JR.
Centreville, Maryland 21617

and

EVERETT L. MCCLANAHAN
399 Lake Trail
Crownsville, Maryland 21032

and

ANTHONY F. MILANOSKI
399 Lake Trail
Crownsville, Maryland 21032

and

WEBSTER HOLLAND
Route 1, Box 114
Church Hill, Maryland 21632

and

JAMES M. MERRICK
1939 South Bentley Avenue
West Los Angeles, Calif. 90025

and

Any and all persons claiming
or having any interest in the
property described in the
Amended Complaint and claiming
through, under or by any of the
above named Defendants, or their
heirs, assigns, personal
representatives, grantees or
successors in right, title and
interest

and

* IN THE CIRCUIT COURT FOR

* QUEEN ANNE'S COUNTY, MARYLAND

* CIVIL NO. 84-00155

All persons having or claiming *
to have any interest in the *
property described in the *
Amended Complaint *

and *

Unknown owner or owners of all *
those lots of land described *
in the Amended Complaint; and her, *
his or their heirs, devisees *
and personal representatives *
and their, or any of their *
heirs, devisees, executors, *
administrators, grantees, *
assigns, or successors in right, *
title and interest. *

Defendants *

NOTICE OF PUBLICATION

The object of this proceeding is to obtain a Judgment
Quieting Title in and to certain real property belonging to
George Preston Earle and Pearl Mae Earle, his wife, being a lot
of land on the west side of the public road known as the Johnson
Road in the First Election District of Queen Anne County,
Maryland, adjoining the lands of or formerly of The Beatty
Heirs, and described as follows:

BEGINNING for the same at a point with the lot hereby
conveyed corners with the West side of said road and the Beatty
property; thence in a Westerly direction along and with said
Beatty land a distance of 565 feet to a point on said Beatty
property; thence in a Northerly direction and parallel with the
said Johnson road a distance of 320 feet to a point; thence in
an Easterly direction and parallel with the said Beatty land a
distance of 565 feet to the Western Boundary of said road; thence
in a Southerly direction along and with the Western boundary
of said road a distance of 320 feet to the place of beginning.

by color of title and alleged adverse possession of said parcel
of land by George Preston Earle and Pearl Mae Earle, his wife,

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 847
CHESTERTOWN, MD. 21620
301 - 778-5280

and their predecessors in title for a period of more than twenty (20) years prior to the filing of said Amended Complaint.

The Amended Complaint alleges, among other things, that the owners and prior owners of said land have been and are now in visible, open, notorious, adverse, actual, continuous, exclusive, intentional possession of said land under color of title and a claim of right; that such possession has been continuous for more than twenty (20) years; and that there is a cloud in the chain of title because no deed conveying the property to Richard Joseph Smith can be found; but that the interest of anyone else in said property has been extinguished by the above described adverse possession. The Amended Complaint also alleges that a current survey of the property describes the property in question as follows:

BEGINNING for the same at an iron pipe on the northwest side of Big Woods Road (50' wide), said point being the northeast corner of the herein described lands and a corner of the lands of John R. Smith, Jr.; and running, thence, by and with the northwest side of said road S 37°09'W - 320.00' to an iron pipe and the lands of James M. Merrick; thence, by and with said Merrick lands S 76°25'30"W - 442.07' to an iron pipe and the lands of McClanahan and Milanoski; thence, by and with said McClanahan and Milanoski lands N 25°34'30"W - 203.52' to an iron pipe and the lands of John R. Smith, Jr.; thence, by and with said Smith lands N 37°09'E - 241.92' to an iron pipe and S 88°13'E - 565.00' to the place of beginning. Containing in all 3.982 acres of land, more or less.

IT IS THEREFORE ORDERED, this 3rd day of January, 1985, by the Circuit Court for Queen Anne County, Maryland, that notice be given by proper posting in a conspicuous place on the property, on or before the 15th day of January, 1985, warning all persons interested in said property to be and appear in this

Court by the 15th day of February, 1985, and file their Answer or other pleading, or thereafter a final judgment may be rendered granting the relief requested in said Amended Complaint.

Marquette W. Monfeir
Clerk

Filed: January 3, 1985

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 547
CHESTERTOWN, MD. 21620
301 - 778-5250

ELISE DAVIS,
ATTORNEY AT LAW
AS GUARDIAN OF
THE PROPERTY OF
GEORGE PRESTON EARLE
AND PEARL MAE EARLE
P.O. Box 547
Chestertown, Maryland 21620

Plaintiff

vs

JOHN R. SMITH, JR.
Centreville, Maryland 21617

and

EVERETT L. MCCLANAHAN
399 Lake Trail
Crownsville, Maryland 21032

and

ANTHONY F. MILANOSKI
399 Lake Trail
Crownsville, Maryland 21032

and

WEBSTER HOLLAND
Serve THOMAS W. HOLLAND,
GUARDIAN
Route 1, Box 114
Church Hill, Maryland 21623

and

JAMES M. MERRICK
1939 South Bentley Avenue
West Los Angeles, Calif. 90025

and

Any and all persons claiming
or having any interest in the
property described in the
Amended Complaint and claiming
through, under or by any of the
above named Defendants, or their
heirs, assigns, personal
representatives, grantees or
successors in right, title and
interest

and

IN THE CIRCUIT COURT FOR

QUEEN ANNE'S COUNTY, MARYLAND

CIVIL NO. 84-00155

RECEIVED
CLERK, CIRCUIT COURT
1985 JAN -3 AM 11: 01
QUEEN ANNE'S COUNTY

*Revised
1/19/85*

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 547
CHESTERTOWN, MD. 21620
301 - 776-5250

LIBER

17 PAGE 509

All persons having or claiming *
to have any interest in the *
property described in the *
Amended Complaint *

and *

Unknown owner or owners of all *
those lots of land described in *
the Amended Complaint; and her, *
his or their heirs, devisees *
and personal representatives *
and their, or any of their *
heirs, devisees, executors, *
administrators, grantees, *
assigns, or successors *
in right, title and interest. *

Defendants *

AMENDED COMPLAINT TO QUIET TITLE

Now comes Elise Davis, Attorney at Law, As Guardian of the
Property of George Preston Earle and Pearl Mae Earle, for her
Amended Complaint to Quiet Title to certain real estate, averring:

1. That by a Deed dated May 24th, 1952, and recorded among
the Land Records for Queen Anne's County, Maryland, in Liber
T.S.P. No. 7, Folio 414, John R. Smith, et ux., did grant and
convey unto the aforesaid George Preston Earle and Pearl Mae
Earle, his wife, as tenants-by-the-entireties, in fee simple,
the following described property:

"All that lot of land situate, lying and being in the
First Election District of Queen Anne's County, State of
Maryland, adjoining the lands of or formerly of The Beatty
heirs and other lands of these grantors, lying on the West side
of the public road, known as The Johnson Road, and described
as follows, to wit:

BEGINNING for the same at a point with the lot hereby
conveyed corners with the West side of said road and the Beatty

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 547
CHESTERTOWN, MD. 21620
301 - 778-5250

property; thence in a Westerly direction along and with said Beatty land a distance of 565 feet to a point on said Beatty property; thence in a Northerly direction and parallel with the said Johnson road a distance of 320 feet to a point; thence in an Easterly direction and parallel with the said Beatty land a distance of 565 feet to the Western Boundary of said road; thence in a Southerly direction along and with the Western boundary of said road a distance of 320 feet to the place of beginning.

BEING a part of the property called or known as "The Big Woods" property of Richard Joseph Smith, who died, seized and possessed thereof sometime in the year 1929, leaving a Last Will and Testament which shortly after his death was duly admitted to probate in the Orphans Court of Queen Anne's County, on March 24, 1924 and recorded in Liber N.S.D. 1, a Will Record Book for Queen Anne's County. By said Last Will and Testament the land hereby conveyed with other lands was devised unto his wife, Sarah J. Smith, and his son, John R. Smith, by the said Testator. The said Sarah J. Smith having departed this life the 16th day of May, 1952, leaving said John R. Smith sole owner of said land.

TOGETHER with the buildings and improvements thereupon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining."

A true and accurate photocopy of said Deed, is attached hereto as Exhibit I, and is made a part hereof.

2. The said George Preston Earle and Pearl Mae Earle have been in continuous, open possession of the aforescribed real estate since 1952, a period of thirty-two years.

3. That the said John R. Smith became the sole owner of the property at issue herein by virtue of the Will of Richard Joseph Smith which was admitted to probate by the Register of Wills for Queen Anne County, Maryland on August 29, 1939 in Will Liber N.S.D. No. 1, Folio 133, and the subsequent death of Sarah J. Smith on May 16th, 1952. The said Sarah J. Smith was the wife of Richard Joseph Smith, and the said John R. Smith was the son of Richard Joseph Smith. A true and accurate copy

of said Will is attached hereto as Exhibit II, and is made a part hereof.

4. The Assessment Records of Queen Anne County, Maryland, show that the said John R. Smith was assessed for the real property at issue herein in the years 1940-43, 1944-50 and 1951-55, and paid taxes on the same during those years.

5. The Assessment Records of Queen Anne County, Maryland, show that the said Richard Joseph Smith was assessed for the real property at issue herein in the years 1922-27, and 1928-39, and paid taxes on the same during those years.

6. That the property at issue herein has been surveyed by William R. Nuttle, Registered Surveyor, in December, 1984, a copy of which is attached hereto as Exhibit III.

7. That George Preston Earle and Pearl Mae Earle and their predecessors in title, have actually possessed the said property described in Exhibit I and Exhibit III hereto, visibly, openly, notoriously, under a claim of right and under color title, as evidenced by the heretofore mentioned Deed and above set forth facts; the said possession being adverse, actual, continuous and intentional for more than 20 years prior to the filing of this Amended Complaint, so that such possession has vested title to the exclusion and against all other persons, including Defendants John R. Smith, Jr., Everett L. McClanahan, Anthony F. Milanoski, Webster Holland, by Thomas W. Holland, Guardian, and James M. Merrick, their heirs, assigns and anyone claiming by or through him, her or them, or their predecessors in title.

8. The Defendants John R. Smith, Jr., Everett L. McClanahan, Anthony F. Milanoski, Webster Holland and James M. Merrick, are

the owners of the property which adjoin the property at issue herein.

9. That the property at issue herein is located on what is now known as Big Woods Road in the First Election District of Queen Anne County, Maryland. At the time of the conveyance to George Preston Earle, et ux, in 1952, the road was known as the "Johnson Road".

10. That a search of the land records of Queen Anne County by Elise Davis, Guardian of the Property of George Preston Earle and Pearl Mae Earle, that there may be unknown persons who claim an interest in the premises herein arising from the time that Richard Joseph Smith claimed the subject property and was taxed for the same.

11. That this action is a proceeding "in rem" within the meaning of Real Property § 14-108 and Maryland Rule 2-122.

WHEREFORE, your Plaintiff prays that this Honorable Court:

1. Sign a Judgment Quieting Title to the property described in Exhibit III hereto, and more particularly described as follows:

Beginning for the same at an iron pipe on the northwest side of Big Woods Road (50' wide), said point being the northeast corner of the herein described lands and a corner of the lands of John R. Smith, Jr.; and running, thence by and with the northwest side of said road S 37°09'W - 320.00' to an iron pipe and the lands of James M. Merrick; thence, by and with said Merrick lands S 76°25'30"W - 442.07' to an iron pipe and the lands of McClanahan and Milanoski; thence, by and with said McClanahan and Millanoski lands N 25°34'30"W - 203.52' to an iron pipe and the lands of John R. Smith, Jr.; thence, by and with said Smith lands N 37°09'E - 241.92' to an iron pipe and S 88°13'E - 565.00' to the place of beginning. Containing in all 3.982 acres of land, more or less.

and declare that George Preston Earle and Pearl Mae Earle are the owners in fee simple of this property to the exclusion of any and all persons claiming through the Defendants, or their heirs, assigns, personal representatives or any of them.

2. Order that a Notice of Publication be issued by the Clerk of Court, directing the same to all persons unknown claiming an interest in the property described in the Complaint, requiring them to appear in this Court on or before a date certain specified therein, and show cause, if any they have, why the relief requested by the Plaintiff should not be granted.

3. Waive the requirement that the Notice of Publication be mailed to known Defendants, as the Notice of Publication is only intended as process for unknown Defendants who may have had an interest in the property at the time Richard Joseph Smith claimed and was taxed for the same.

4. Order, pursuant to the Maryland Rules, that the said Notice of Publication be posted in a conspicuous place on the land at issue herein.

5. And for such other relief as the nature of Plaintiff's cause may require.

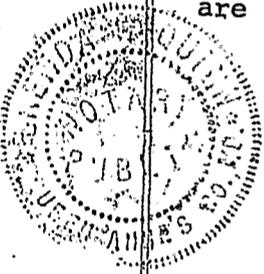


Elise Davis
Attorney at Law
As Guardian of the Property
of George Preston Earle and
Pearl Mae Earle, Plaintiff

STATE OF MARYLAND, COUNTY OF QUEEN ANNE, TO WIT:

I HEREBY CERTIFY, that on the 3rd day of January, 1985, before me, the Subscriber, a Notary Public for the State and County aforesaid, personally appeared Elise Davis, and made oath in due form of law under the penalties of perjury that the facts and matters set forth in the foregoing Amended Complaint are true to the best of her information, knowledge and belief.

AS WITNESS MY HAND AND NOTARIAL SEAL.



Brenda W. Quinn
Notary Public

My Commission expires: 7-1-86

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 547
CHESTERTOWN, MD. 21620
301 - 779-5250

17 515

THIS DEED, made this 27th day of *May*, in the year nineteen hundred and fifty-two, by and between John R. Smith and Lillian C. Smith, his wife, of Queen Anne's County, State of Maryland, parties of the first part, and George Preston Earle and Pearle Lay Earle, his wife, of Queen Anne's County, State of Maryland, parties of the second part;

WITNESSETH, that for and in consideration of the sum of Five Hundred (\$500.00) Dollars and other valuable considerations, the receipts of which are hereby acknowledged, the said parties of the first part do hereby grant and convey unto the said parties of the second part, as tenants by the entireties, his or her heirs and assigns and unto the survivor of them, in fee simple, the following described real estate, to wit:

☐ ALL that lot of land situate, lying and being in the First Election District of Queen Anne's County, State of Maryland, adjoining the lands of or formerly of The Beatty heirs and other lands of these grantors, lying on the West side of the public road, known as The Johnson Road, and described as follows, to wit;

BEGINNING for the same at a point with the lot hereby conveyed corners with the West side of said road and the Beatty property; thence in a Westerly direction along and with said Beatty land a distance of 565 feet to a point on said Beatty property; thence in a Northerly direction and parallel with the said Johnson road a distance of 320 feet to a point; thence in an Easterly direction and parallel with the said Beatty land a distance of 565 feet to the Western Boundary of said road; thence in a Southerly direction along and with the Western boundary of said road a distance of 320 feet to the place of beginning:

BEING a part of the property called or known as "The Big Woods" property of Richard Joseph Smith, who died seized and possessed thereof sometime in the year 1929, leaving a Last Will and Testament which shortly after his death was duly admitted to probate in the Orphans Court of Queen Anne's County, on March 24, 1924 and recorded in Liber N.S.D. 1, a Will Record Book for Queen Anne's County. By said Last Will and Testament the land hereby conveyed with other lands was devised unto his wife, Sarah J. Smith, and his son, John R. Smith, by the said Testator. The said Sarah J. Smith having departed this life the 16th day of May 1952, leaving said John R. Smith sole owner of said land.

Exhibit I.

TOGETHER with the buildings and improvements thereupon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.]

TO HAVE and TO HOLD the said lot of land and premises, unto and to the use of the said parties of the second part, as tenants by the entireties, his or her heirs and assigns and unto the survivor of them, in fee simple, forever.

AND the said parties of the first part do hereby covenant that they have not done nor suffered to be done any act, matter or thing whatsoever to encumber the property hereby granted and conveyed; that they will warrant specially the property hereby granted and conveyed; and they will execute such further assurances of said land as may be requisite.

WITNESS the hands and seals of the said Grantors:

TEST: (as to Grantors)

Minnie J. Storey

John R. Smith (SEAL)
John R. Smith

Minnie J. Storey

Lillian C. Smith (SEAL)
Lillian C. Smith

STATE OF MARYLAND

*

TO WIT

QUEEN ANNE'S COUNTY

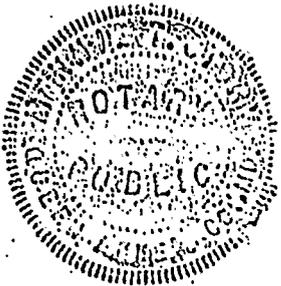
*

I HEREBY CERTIFY that on this ^{24th} day of May, in the year nineteen hundred and fifty-two, before me, the subscriber, a Notary Public of the State of Maryland, in and for Queen Anne's County, personally appeared John R. Smith and Lillian C. Smith, his wife, and each acknowledged the foregoing DEED to be their respective act.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal, the day and year last above written.

Minnie J. Storey
NOTARY PUBLIC

MY COMMISSION EXPIRES: May 4, 1953



17 518

LAST WILL AND TESTAMENT OF RICHARD JOSEPH SMITH
IN THE NAME OF GOD AMEN

I, Richard Joseph Smith of Queen Anne's County, State of Maryland, being of sound and disposing mind, memory and understanding do make, publish and declare this as and for my last will and testament.

FIRST:- I direct that all my just debts and funeral expenses shall be paid by my executor hereinafter named.

SECOND:- I do hereby give, devise and bequeath one half of all of my estate, real, personal and mixed, wherever situated, unto my son John R. Smith as and for his own absolutely and in fee; and in the event that my wife Sarah J. Smith is living at the time of my death I do hereby give, devise and bequeath one-half of my estate, real, personal and mixed, wherever situated unto my said wife, the said Sarah J. Smith, as and for her own absolutely and in fee. In the event however that my wife Sarah J. Smith dies before I do then in that event I give, bequeath and devise the one half interest in my property which I hereinafore devised to her unto my son John R. Smith as and for his own absolutely.

THIRD: In the event that my wife and son are living at the time of my death I do hereby appoint them joint executors of this, my last will and testament, and in the further event of the death of either my wife or my son before I die I do hereby appoint whichever one may survive as executor of this, my last will and testament.

FOURTH:- In the event that the death of myself, my wife and my son, John R. Smith, should take place at the same time I do hereby devise all my property, real, personal and mixed wherever same may be situated unto the wife and the children of my son John R. Smith, who may be living at that time, share and share alike, with the request that the wife of my son be appointed executor of this my last will and also be appointed guardian of such of the children of my son as may be minors.

WITNESS my hand and seal this thirteenth day of March, in the year Nineteen Hundred and Twenty-four.

Richard Joseph Smith (Seal)

SIGNED, SEALED, PUBLISHED AND DECLARED by Richard Joseph Smith, the above named testator, as and for his last will and testament, in our presence and in the presence of each of us, who at his request and in his presence and in the presence of each of us have hereunto set our hands as witnesses thereto.

L. Ricard Dyer Jr.
Madison Brown

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, TO WIT:

On the 25th day of August, A. D. 1929, came John R. Smith, Custodian of the within and foregoing instrument of writing, purporting to be the last will and testament of Richard Joseph Smith late of Queen Anne's County, deceased, and made oath in due form of law, that the foregoing is the true and whole will of said deceased, that has come to his hand and possession, and that he does not know nor has he heard of any other and that he received the same from the lock box of the testator in the Church Hill Jail of Maryland on or about 23rd day of August, A. D. 1929.

Shorn before

Bernard C. Dwyer
Register of Wills of Queen Anne's County, Md.

Exhibit II

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, TO WIT:

That the undersigned, L. Richard Dwyer, Jr., of Bonnett Square, Pennsylvania, one of the subscribing witnesses to the foregoing last Will and Testament of Richard Joseph Smith, late of Queen Anne's County, Md., do hereby certify that he did see the Testator sign and seal said Will; that he heard him publish, pronounce and declare the same to be his last Will and Testament, and at the time of his so doing he was to the best of his apprehension of sound and disposing mind, memory and understanding; and that he together with Madison Brown, the other subscribing witness to said Will subscribed his name as witness to said Will at his request in his presence and in the presence of each other.

Sworn in open court.

Test:

Norman S. Dudley
Register of Wills of Queen Anne's County, Md.

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, TO WIT:

On the 27th day of August 1939 came Madison Brown, one of the subscribing witnesses to the foregoing last Will and Testament of Richard Joseph Smith, late of Queen Anne's County, deceased, and made oath in due form of law, that he did see the Testator sign and seal said Will; that he heard him publish, pronounce and declare the same to be his last Will and Testament, and at the time of his so doing he was to the best of his apprehension of sound and disposing mind, memory and understanding; and that he together with L. Richard Dwyer, Jr., subscribed his name as witness to said Will at his request, in his presence and in the presence of each other.

Sworn in open court.

Test:

Norman S. Dudley
Register of Wills of Queen Anne's County, Md.

STATE OF MARYLAND,

IN THE ORPHANS' COURT

FOR QUEEN ANNE'S COUNTY:

The foregoing Instrument of Writing, purporting to be the last Will and Testament, of RICHARD JOSEPH SMITH, late of Queen Anne's County, deceased, having been exhibited for probate, and no objection thereto having been made, although notice according to law, appears to have been given to the next relations of said deceased, the Court, after having examined the said Instrument of Writing and also the evidence adduced as to its validity, ORDERS and DECREES, this 29th day of August, A. D., 1939, that the same be admitted in this Court as the true and genuine last Will and Testament of the said Richard Joseph Smith, deceased.

Henry C. Bowen

C. Tilghman Bishop

Harry B. Moore
Judges of the Orphans' Court for Queen Anne's County.

CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

WRIT OF SUMMONS

Case Number 84-00155

STATE OF MARYLAND, QUEEN ANNE'S COUNTY TO WIT:

TO:

Name JAMES M. MERRICK
1939 South Bentley Avenue
Address West Los Angeles, Calif. 90025
County _____

You are hereby summoned to file a *written* response by pleading or motion in this Court to the attached Complaint filed by ELISE DAVIS, ATTORNEY AT LAW AS GUARDIAN OF THE PROPERTY OF
(Name and Address)
GEORGE PRESTON EARLE AND PEARL MAE EARLE, P. O. Box 547, Chestertown, Maryland 21620

within 60 days after service of this summons upon you.

WITNESS the Honorable Chief Judge of the Second Judicial Circuit of Maryland.

Date Issued January 3, 1985

Marquerite W. Markin
CLERK

TO THE PERSON SUMMONED: Copy of summons and proceedings mailed to attorney for service.

1. PERSONAL ATTENDANCE IN COURT ON THE DAY NAMED IS NOT REQUIRED.
2. FAILURE TO FILE A RESPONSE WITHIN THE TIME ALLOWED MAY RESULT IN A JUDGMENT BY DEFAULT OR THE GRANTING OF THE RELIEF SOUGHT AGAINST YOU.

SHERIFF'S RETURN

FEE \$ _____

SHERIFF _____

NOTE:

1. This summons is effective for service only if served within 60 days after the date it is issued.
2. Proof of service shall set out the name of the person served, date and the particular place and manner of service. If service is not made, please state the reasons.
3. Return of served or unserved process shall be made promptly and in accordance with Rule 2-126.
4. If this summons is served by private process, process server shall file a separate affidavit as required by Rule 2-126(a).

LIBER 17 PAGE 522
CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

WRIT OF SUMMONS

Case Number 84-00155

STATE OF MARYLAND, QUEEN ANNE'S COUNTY TO WIT:

TO:

Name EVERETT L. MCCLANAHAN
399 Lake Trail
Address Crownsville, Maryland 21032
County Anne Arundel

You are hereby summoned to file a written response by pleading or motion in this Court to the attached Complaint filed by ELISE DAVIS, Attorney At Law As Guardian Of The Property Of
(Name and Address)

GEORGE PRESTON EARLE and PEARLE MAE EARLE, P. O. Box 547, Chestertown, MD 21620

within 30 days after service of this summons upon you.

WITNESS the Honorable Chief Judge of the Second Judicial Circuit of Maryland.

Date Issued January 3, 1985

Marquette W. Markin
CLERK

TO THE PERSON SUMMONED:

1. PERSONAL ATTENDANCE IN COURT ON THE DAY NAMED IS NOT REQUIRED.
2. FAILURE TO FILE A RESPONSE WITHIN THE TIME ALLOWED MAY RESULT IN A JUDGMENT BY DEFAULT OR THE GRANTING OF THE RELIEF SOUGHT AGAINST YOU.

SHERIFF'S RETURN

Summoned Everett L. McClanahan 1/12/85 and left with him copy of Summons, Answered Compl, Agreement

FEE \$

RECEIVED
CLERK, CIRCUIT COURT

SHERIFF

W R Huggins
WILLIAM R. HUGGINS
Sheriff of A. A. Co.

NOTE:

1. This summons is effective for service only if served within 60 days after the date it is issued.
2. Proof of service shall set out the name of the person served, date and the particular place and manner of service. If service is not made, please state the reasons.
3. Return of served or unserved process shall be made promptly and in accordance with Rule 2-126.
4. If this summons is served by private process, process server shall file a separate affidavit as required by Rule 2-126(a).

CV-1
PAUL CO.

4
REC'D BY SHERIFF'S OFFICE
ANNE ARUNDEL CO.

1385 JAN -4 AM 10:20

Everett L. McClanahan
399 Lake Trail
Crownsville, Md

QUEEN VINE:2

Crownsville, Maryland 21033
300 Lake Trail
Everett L. McClanahan

Value Arundel

21033

SERVED 1-12-85	
NON EST	
NON EST OTHER:	
ANNE ARUNDEL COUNTY	
BY:	<i>[Signature]</i>
ACCEPTED FOR SERVICE	
DATE	TIME

CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

WRIT OF SUMMONS

Case Number 84-00155

STATE OF MARYLAND, QUEEN ANNE'S COUNTY TO WIT:

TO:

Name ANTHONY F. MILANOSKI
399 Lake Trail
Address Crownsville, Maryland 21032
County Anne Arundel

You are hereby summoned to file a *written* response by pleading or motion in this Court to the attached Complaint filed by ELISE DAVIS, Attorney At Law As Guardian Of The Property Of
(Name and Address)

GEORGE PRESTON EARLE and PEARLE MAE EARLE, P. O. Box 547, Chestertown, MD 21620

within 30 days after service of this summons upon you.

WITNESS the Honorable Chief Judge of the Second Judicial Circuit of Maryland.

Date Issued January 3, 1985

Marguerite W. Menten
CLERK

TO THE PERSON SUMMONED:

1. PERSONAL ATTENDANCE IN COURT ON THE DAY NAMED IS NOT REQUIRED.
2. FAILURE TO FILE A RESPONSE WITHIN THE TIME ALLOWED MAY RESULT IN A JUDGMENT BY DEFAULT OR THE GRANTING OF THE RELIEF SOUGHT AGAINST YOU.

SHERIFF'S RETURN

FEE \$ _____

SHERIFF _____

NOTE:

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4. If this summons is served by private process, process server shall file a separate affidavit as required by Rule 2-126(a).

CV-1
PAUL CO.

NON EST
NON EST
REASON Moved

RECEIVED
CLERK, CIRCUIT COURT
1985 JAN 18 AM 11: 09
QUEEN ANNE'S COUNTY

W R Huggins
William R. Huggins
Sheriff of Queen Anne's County

GEORGE BERSTON EARLE and BEARDE MAE EARLE, P. O. BOX 241, Chestertown, MD 21550

ELISE DAVIS, Attorney at Law and Guardian of the Property of

ANNE ARUNDEL

Crownsville, Maryland 21032
399 Lake Trail
ANTHONY F. MILANOSKI

REC'D BY SHERIFF'S OFFICE
ANNE ARUNDEL CO.

1985 JAN -4 AM 10: 20

Anthony F. Milanoski
399 Lake Trail
Crownsville, Md.

H2 Adin St
Hopewell Cross
01747

SERVED	NON EST	NON EST OTHER	BY:	ATTEMPTS AT SERVICE	DATE	TIME
	<u>12-21-84</u>	<u>12-21-84</u>	<u>Deputy Sheriff</u>			

ELISE DAVIS
ATTORNEY AT LAW
AS GUARDIAN OF THE
PROPERTY OF
GEORGE PRESTON EARLE
AND PEARL MAE EARLE

VS

JOHN R. SMITH, JR., et al.

* IN THE CIRCUIT COURT FOR

*

* QUEEN ANNE'S COUNTY,
MARYLAND

*

*

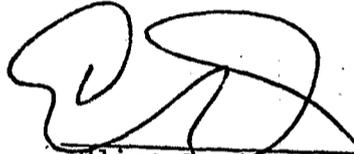
* CIVIL NO. 84-00155

*

REQUEST TO REISSUE

Dear Madam Clerk:

Please Reissue a Subpoena, Amended Complaint and Motion For
Summary Judgment to the Defendant, Anthony F. Milanoski at
42 Adin Street, Hopewell, Massachusetts 01747. Thank you.



Elise Davis
Plaintiff

RECEIVED
CLERK, CIRCUIT COURT
1985 JAN 21 AM 11:33
QUEEN ANNE'S COUNTY

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 547
CHESTERTOWN, MD. 21620
301 - 778-5250

CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

Courthouse
Centreville, Maryland 21617

WRIT OF SUMMONS

Case Number 84-00155

STATE OF MARYLAND, QUEEN ANNE'S COUNTY TO WIT:

TO:

Name ANTHONY F. MILANOSKI

42 Adin Street

Address Hopewell, Massachusetts 01747

County _____

You are hereby summoned to file a *written* response by pleading or motion in this Court to the attached Complaint filed by ELISE DAVIS, Attorney At Law As Guardian Of The Property Of
(Name and Address)

GEORGE PRESTON EARLE and PEARLE MAE EARLE, P. O. Box 547, Chestertown, MD 21620

within 60 days after service of this summons upon you.

WITNESS The Honorable Chief Judge of the Second Judicial Circuit of Maryland.

Date Issued January 21, 1985

Marquette W. Maskin
CLERK

TO THE PERSON SUMMONED: Copy of summons and proceedings mailed to attorney for service.

1. PERSONAL ATTENDANCE IN COURT ON THE DAY NAMED IS NOT REQUIRED.
2. FAILURE TO FILE A RESPONSE WITHIN THE TIME ALLOWED MAY RESULT IN A JUDGMENT BY DEFAULT OR THE GRANTING OF THE RELIEF SOUGHT AGAINST YOU.

SHERIFF'S RETURN

FEE \$ _____

SHERIFF _____

NOTE:

1. This summons is effective for service only if served within 60 days after the date it is issued.
2. Proof of service shall set out the name of the person served, date and the particular place and manner of service. If service is not made, please state the reasons.
3. Return of served or unserved process shall be made promptly and in accordance with Rule 2-126.
4. If this summons is served by private process, process server shall file a separate affidavit as required by Rule 2-126(a).

CV-1
PAUL CO.

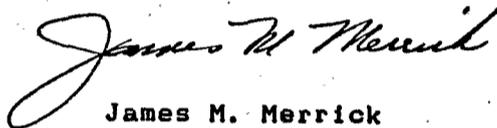
James M. Merrick
1939 South Bentley Ave.
Los Angeles, Ca. 90025

January 7, 1985

To Whom It May Concern:

This is to inform you that I do not intend to enter Civil Case 84-00155 regarding the title to the property owned by Mr. and Mrs. George Earle. I have no objection to the relief requested by the Earles.

Sincerely,


James M. Merrick

CERTIFICATE OF RECEIPT

I HEREBY ACKNOWLEDGE receipt of the foregoing
Answer this 15th day of January, 1985.



Elise Davis
Plaintiff

RECEIVED
CLERK, CIRCUIT COURT

1985 JAN 21 AM 11:33

QUEEN ANNE'S COUNTY

010

CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

WRIT OF SUMMONS Case Number 84-00155

STATE OF MARYLAND, QUEEN ANNE'S COUNTY TO WIT:

TO:

Name WEBSTER HOLLAND SERVE: THOMAS W. HOLLAND, Guardian

Address Route 1, Box 114

Church Hill, Maryland 21623

County Queen Anne's

QUEEN ANNE CO.
 JAN 4 PM 3 1985

You are hereby summoned to file a *written* response by pleading or motion in this Court to the attached Complaint filed by ELISE DAVIS, Attorney At Law As Guardian Of The Property Of

(Name and Address)

GEORGE PRESTON EARLE and PEARLE MAE EARLE, P. O. Box 547, Chestertown, MD 21620

within 30 days after service of this summons upon you.

WITNESS the Honorable Chief Judge of the Second Judicial Circuit of Maryland.

Date Issued January 3, 1985

Marquerite W. Meridian
 CLERK



TO THE PERSON SUMMONED:

1. PERSONAL ATTENDANCE IN COURT ON THE DAY NAMED IS NOT REQUIRED.
2. FAILURE TO FILE A RESPONSE WITHIN THE TIME ALLOWED MAY RESULT IN A JUDGMENT BY DEFAULT OR THE GRANTING OF THE RELIEF SOUGHT AGAINST YOU.

SHERIFF'S RETURN

Served to Thomas W. Holland on 01-19-85 at Robert MD.

FEE \$ 5.00

Paul William P. [Signature]
 SHERIFF

QUEEN ANNE'S COUNTY
 1985 JAN 21 PM 12 26
 CLERK

NOTE:

1. This summons is effective for service only if served within 60 days after the date it is issued.
2. Proof of service shall set out the name of the person served, date and the particular place and manner of service. If service is not made, please state the reasons.
3. Return of served or unserved process shall be made promptly and in accordance with Rule 2-126.
4. If this summons is served by private process, process server shall file a separate affidavit as required by Rule 2-126(a).

ELISE DAVIS
ATTORNEY AT LAW
AS GUARDIAN OF THE
PROPERTY OF
GEORGE PRESTON EARLE
AND PEARL MAE EARLE

* IN THE CIRCUIT COURT FOR
*
* QUEEN ANNE S. COUNTY, MARYLAND
*
*
* CIVIL NO. 84-00155

VS

JOHN R. SMITH, JR., ET AL.

AFFIDAVIT OF SERVICE

I HEREBY CERTIFY, under oath, pursuant to Rule 2-126:

1. That on January 4th, 1985, I mailed by means of Certified Mail-Restricted Delivery-Return Receipt Requested, Certified Mail No. P 386 173 647, a copy of the Amended Bill of Complaint with attached Exhibits, Motion For Summary Judgment, and Subpoena to James M. Merrick, 1939 South Bentley Avenue, West Los Angeles, California 90025, and that as of February 1st, 1985, I have not received the Return Receipt, however, the Defendant, James M. Merrick, has filed an Answer with the Court.



Elise Davis
Attorney as Guardians of

STATE OF MARYLAND, QUEEN ANNE COUNTY, TO WIT:

I HEPEBY CERTIFY, that on the 1st day of February, 1985, before me, the Subscriber, a Notary Public for the State and County aforesaid, personally appeared Elise Davis, and made oath in due form of law under the penalties of perjury that the facts and matters set forth in the foregoing Affidavit are true to the best of her information, knowledge and belief.

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 547
CHESTERTOWN, MD. 21620
301 - 778-5250

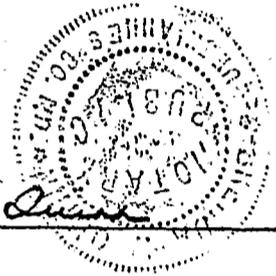
RECEIVED
CLERK OF COURT
1985 FEB -4 AM 10:11
QUEEN ANNE'S COUNTY

AS WITNESS MY HAND AND NOTARIAL SEAL.

Brenda W. Quinn

Notary Public

My Commission expires: 7-1-86



ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 547
CHESTERTOWN, MD. 21620
301 - 778-5250

LIBER

17 PAGE 531.

ELISE DAVIS
ATTORNEY AT LAW
AS GUARDIAN OF THE
PROPERTY OF
GEORGE PRESTON EARLE
AND PEARL MAE EARLE

* IN THE CIRCUIT COURT FOR
*
* QUEEN ANNE'S COUNTY, MARYLAND
*
*
* CIVIL NO. 84-00155

VS

JOHN R. SMITH, JR., et al

AFFIDAVIT

QUEEN ANNE CO.
CLERK OF COURT
JAN 13 1985

I, William D. Foster ^{Deputy} Sheriff of Queen Anne County, Maryland, hereby make oath that on the 09 day of JANUARY, 1985, I posted a copy of the Order of Publication in the above entitled case in a conspicuous place in the front yard of the real property at issue herein at Route 1, Box 124, Church Hill, Maryland, which address is on Big Woods Road, north of Roberts' station, Queen Anne's County, Maryland.

William D. Foster

STATE OF MARYLAND, COUNTY OF _____, TO WIT:

I HEREBY CERTIFY, that on the 09 day of JANUARY, 1985, before me, the Subscriber, a Notary Public for the State and County aforesaid, personally appeared William D. Foster ^{Deputy}, Sheriff of Queen Anne County, Maryland, and made oath in due form of law under the penalties of perjury, that the facts and matters set forth in the foregoing Affidavit are true.

RECEIVED
CLERK OF COURT
1985 FEB 13 AM 10 21
QUEEN ANNE'S COUNTY

Ruth E. Goodell
Notary Public
My Commission expires: 7/1/86

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 547
CHESTERTOWN, MD. 21620
301 - 778-5250

ELISE DAVIS
ATTORNEY AT LAW
AS GUARDIAN OF THE
PROPERTY OF
GEORGE PRESTON EARLE
AND PEARL MAE EARLE

vs

JOHN R. SMITH, JR., ET AL.

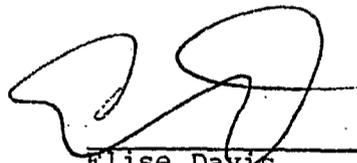
* IN THE CIRCUIT COURT FOR
*
* QUEEN ANNE'S COUNTY, MARYLAND
*
*
* CIVIL NO. 84-00155
*

AFFIDAVIT OF SERVICE

I HEREBY CERTIFY, under oath, pursuant to Rule 2-126:

1. That on January 24th, 1985, I mailed by means of Certified Mail-Restricted Delivery-Return Receipt Requested, Certified Mail Number P 386 173 700 a copy of the Amended Bill of Complaint with attached Exhibits, Motion For Summary Judgment, and Subpoena to Anthony F. Milanoski, 42 Adin Street, Hopewell, Massachusetts 01747, and that on February 8th, 1985 I received the Return Receipt Number P 386 173 700 showing that the certified letter number P 386 173 700 was received by Anthony F. Milanoski, 42 Adin Street, Hopewell, Massachusetts 01747, on February 5th, 1985.

2. That this means of service is necessitated by the Defendant being a resident of the State of Massachusetts.



Elise Davis
Attorney for Plaintiff

RECEIVED
CLERK, CIRCUIT COURT

1985 FEB 13 AM 10:21

QUEEN ANNE'S COUNTY

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 547
CHESTERTOWN, MD. 21620
301 - 778-6280

LIBER 17 PAGE 533

STATE OF MARYLAND, COUNTY OF QUEEN ANNE, TO WIT:

I HEREBY CERTIFY, that on the 11th day of February, 1985, before me, the Subscriber, a Notary Public for the State and County aforesaid, personally appeared Elise Davis, and made oath in due form of law under the penalties of perjury that the facts and matters set forth in the foregoing Affidavit are true to the best of her information, knowledge and belief.

AS WITNESS MY HAND AND NOTARIAL SEAL.

Brenda W. Smith

Notary Public

My Commission expires: 7-1-86



ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 847
CHESTERTOWN, MD. 21620
301 - 778-8280

PS Form 3811, July 1982

● SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
 Show to whom and date delivered \$
 Show to whom, date, and address of delivery .. \$

2. RESTRICTED DELIVERY \$
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$

3. ARTICLE ADDRESSED TO:
 Mr. Anthony F. Milanoski
 42 Adin Street
 Hopewell, Massachusetts 01747

4. TYPE OF SERVICE: ARTICLE NUMBER
 REGISTERED INSURED P 386 173
 CERTIFIED COD 700
 EXPRESS MAIL

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent
Anthony Milanoski

5. DATE OF DELIVERY POSTMARK
 Deliver to 2/5/83 (may be on reverse side)

6. ADDRESSEE'S ADDRESS (only if registered)

7. UNABLE TO DELIVER BECAUSE: 7a. EMPLOYEE'S INITIALS

RETURN RECEIPT

● GPO: 1982-379-593

ELISE DAVIS
 ATTORNEY AT LAW
 P. O. BOX 347
 CHESTERTOWN, MD. 21020
 301 - 778-5280

ELISE DAVIS
ATTORNEY AT LAW
AS GUARDIAN OF THE
PROPERTY OF
GEORGE PRESTON EARLE
AND PEARL MAE EARLE

vs

JOHN R. SMITH, JR., et al

* IN THE CIRCUIT COURT FOR

*

* QUEEN ANNE'S COUNTY,
MARYLAND

*

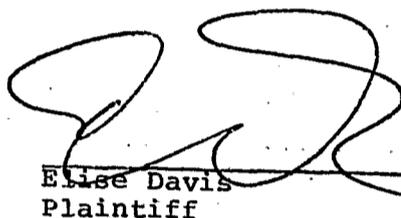
* CIVIL NO. 84-00155

*

MOTION FOR SUMMARY JUDGMENT

TO THE HONORABLE, THE JUDGES OF SAID COURT:

The Plaintiff moves for Summary Judgment herein stating that there is no genuine dispute as to any material fact and that she is entitled to judgment as a matter of law.



Elise Davis
Plaintiff

POINTS AND AUTHORITIES

Maryland Rule 2-501
Real Property § 14-108

AFFIDAVIT IN SUPPORT OF
MOTION FOR SUMMARY JUDGMENT

I, Elise Davis, the Plaintiff herein, swear, under the penalties of perjury, and upon my own personal knowledge:

1. That by a Deed dated May 24th, 1952, and recorded among the Land Records for Queen Anne's County, Maryland, at Liber

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 847
CHESTERTOWN, MD. 21620
301 - 778-6280

RECEIVED
CLERK OF CIRCUIT COURT

1985 MAR -4 AM 10:31

QUEEN ANNE'S COUNTY

T.S.P. No. 7, Folio 414, the real property at issue herein was conveyed to George Preston Earle and Pearl Mae Earle by John R. Smith, Jr.

2. That from 1952 until May, 1984, the said George Preston Earle and Pearl Mae Earle lived on the property at issue herein.

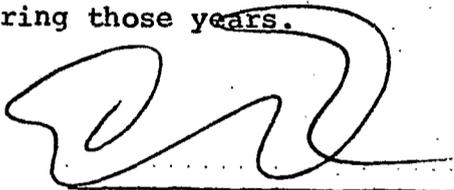
3. That from May, 1984 to the filing of the ^{Amended} Complaint, the said George Preston Earle and Pearl Mae Earle controlled the property at issue herein through their Guardian, Elise Davis, by receiving the rents therefor.

4. That the Assessment Records of Queen Anne's County, Maryland, show that the property at issue herein has been continuously assessed to George Preston Earle and Pearl Mae Earle since 1953 to the filing of the ^{Amended} Complaint and that they have paid the taxes thereon during that period of time.

5. That John R. Smith, Jr. came into the ownership of the property at issue herein by virtue of the Last Will and Testament of Richard Joseph Smith which is filed amongst the records of the Register of Wills for Queen Anne's County at Will Liber N.S.D. 1, Folio 133, and the death of Sarah J. Smith on May 16, 1952.

6. That the Assessment Records of Queen Anne's County, Maryland, show that the property at issue herein was assessed to John R. Smith, Jr., and Sarah J. Smith for the years 1940-43, 1944-50 and 1951-55, and that they paid the taxes on the same during those years.

7. That a Deed conveying the property at issue herein to Richard Joseph Smith cannot be located, however, the Assessment Records of Queen Anne's County, Maryland, show that Richard Joseph Smith was assessed for the real property at issue herein in the years 1922-27, and 1928-39, and that he paid the taxes on the same during those years.



Elise Davis
Plaintiff

Subscribed and sworn to this 1st day of March, 1985.

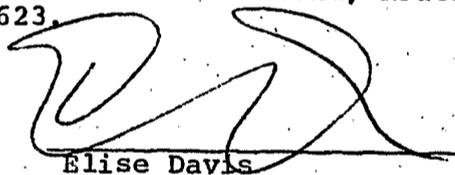


Brenda W. Quinn
Notary Public

My Commission expires: 7-1-86

CERTIFICATE OF SERVICE

I HEREBY CERTIFY, that on the 1st day of March, 1985, I mailed a copy of the foregoing Motion to Dr. John W. Smith, Jr., 110 Broadway, Centreville, Maryland 21617; Mr. Everett L. McClanahan, 399 Lake Trail, Crownsville, Maryland 21032; and Mr. Thomas W. Holland, Guardian of Webster Holland, Route 1, Box 114, Church Hill, Maryland 21623.



Elise Davis

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 847
CHESTERTOWN, MD. 21620
301 - 778-8280

009

CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

WRIT OF SUMMONS

Case Number 84-00155

STATE OF MARYLAND, QUEEN ANNE'S COUNTY TO WIT:

TO:

Name JOHN R. SMITH, JR.

Address Centreville, Maryland 21617

County Queen Anne's

You are hereby summoned to file a *written* response by pleading or motion in this Court to the attached Complaint filed by ELISE DAVIS, Attorney At Law As Guardian Of The Property Of
(Name and Address)

GEORGE PRESTON EARLE and PEARLE MAE EARLE, P. O. Box 547, Chestertown, MD 21620

within 30 days after service of this summons upon you.

WITNESS the Honorable Chief Judge of the Second Judicial Circuit of Maryland.

Date Issued January 3, 1985

Marquette W. Markham
CLERK

TO THE PERSON SUMMONED:

1. PERSONAL ATTENDANCE IN COURT ON THE DAY NAMED IS NOT REQUIRED.
2. FAILURE TO FILE A RESPONSE WITHIN THE TIME ALLOWED MAY RESULT IN A JUDGMENT BY DEFAULT OR THE GRANTING OF THE RELIEF SOUGHT AGAINST YOU.

SHERIFF'S RETURN

To: John R. Smith, Jr. was delivered on Jan 11, 1985 a copy of summons amended complaint with attached exhibits.

FEE \$ 5.00

POST
CLERK, OFFICE

SHERIFF St. William John III

RECEIVED
COURT
1985 MAR -7 AM 9:21

NOTE:

1. This summons is effective for service only if served within 60 days after the date it is issued.
2. Proof of service shall set out the name of the person served, date and the particular place and manner of service. If service is not made, please state the reasons.
3. Return of served or unserved process shall be made promptly and in accordance with Rule 2-126.
4. If this summons is served by private process, process server shall file a separate affidavit as required by Rule 2-126(a).

CV-1
PAUL CO.

LIBER

17 PAGE 539

ELISE DAVIS
ATTORNEY AT LAW
AS GUARDIAN OF THE
PROPERTY OF
GEORGE PRESTON EARLE
AND PEARL MAE EARLE

VS

JOHN R. SMITH, JR., et al

* IN THE CIRCUIT COURT FOR
*
*
* QUEEN ANNE'S COUNTY,
* MARYLAND
*
* CIVIL NO. 84-00155

REQUEST FOR REISSUE

Madam Clerk:

Please reissue a Summons, Amended Complaint and Motion For Summary Judgment to the Defendant Webster Holland, Caroline Nursing Home, Route 404, Denton, Maryland 21629. Please use a thirty (30) vice sixty (60) day return day. Thank you.



Elise Davis
Plaintiff
RECEIVED
CLERK, CIRCUIT COURT
1985 MAR -7 AM 10:23
QUEEN ANNE'S COUNTY

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 847
CHESTERTOWN, MD. 21620
301 - 778-8280

CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

Courthouse
Centreville, Maryland 21617

WRIT OF SUMMONS

Case Number 84-00155

STATE OF MARYLAND, QUEEN ANNE'S COUNTY TO WIT:

TO:

Name WEBSTER HOLLAND

Caroline Nursing Home, Route 404

Address Denton, MD 21629

County Caroline

You are hereby summoned to file a *written* response by pleading or motion in this Court to the attached Complaint filed by ELISE DAVIS, Attorney At Law As Guardian Of The Property Of
(Name and Address)

GEORGE PRESTON EARLE and PEARLE MAE EARLE, P. O. Box 547, Chestertown, MD 21620

within 30 days after service of this summons upon you.

WITNESS The Honorable Chief Judge of the Second Judicial Circuit of Maryland.

Date Issued March 7, 1985

Marquitta W. Mankins
CLERK



TO THE PERSON SUMMONED:

1. PERSONAL ATTENDANCE IN COURT ON THE DAY NAMED IS NOT REQUIRED.
2. FAILURE TO FILE A RESPONSE WITHIN THE TIME ALLOWED MAY RESULT IN A JUDGMENT BY DEFAULT OR THE GRANTING OF THE RELIEF SOUGHT AGAINST YOU.

JAM

SHERIFF'S RETURN

Served and copy left with Webster Holland
on 3-8-85

FEE \$ _____ 1985 MAR 12 AM 9:52

SHERIFF [Signature]

NOTE:

QUEEN ANNE'S COUNTY

30

1. This summons is effective for service only if served within ~~30~~ days after the date it is issued.
2. Proof of service shall set out the name of the person served, date and the particular place and manner of service. If service is not made, please state the reasons.
3. Return of served or unserved process shall be made promptly and in accordance with Rule 2-126.
4. If this summons is served by private process, process server shall file a separate affidavit as required by Rule 2-126(a).

CV-1
PAUL CO.

To: Clerk of the Circuit Court
From: Anthony F. Milanoski
Subject: Civil No. #84-00155

In February 1972 I purchased 31 acres and a house
(County in Liber CWC No. #46 Folio 4741) which was purchased
from the same owner of the property I am asked for relief from
George Preston & Pearl Mae Earle in March 1970. Providing that
the relief requested in civil case No. #84-00155 does not reduce my
property I hereby grant the relief requested.

Regards,

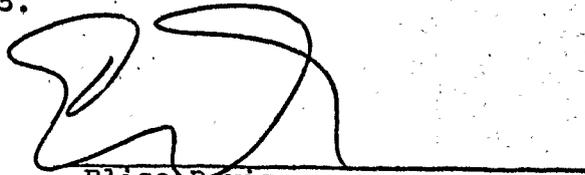
Anthony F. Milanoski
Anthony F. Milanoski

CC: Elise Davis

CERTIFICATE OF RECEIPT

I HEREBY ACKNOWLEDGE receipt of the foregoing Answer
this 11th day of March, 1985.

RECEIVED
CLERK OF THE COURT
1985 MAR 12 AM 9:55
QUEEN ANNE'S COUNTY


Elise Davis
Plaintiff

ELISE DAVIS
ATTORNEY AT LAW
AS GUARDIAN OF THE
PROPERTY OF GEORGE
PRESTON EARLE AND
PEARL MAE EARLE

vs

JOHN R. SMITH, JR.

and

EVERETT L. MCCLANAHAN

and

ANTHONY F. MILANOSKI

and

WEBSTER HOLLAND

and

JAMES M. MERRICK, et al

* IN THE CIRCUIT COURT FOR

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QUEEN ANNE'S COUNTY,
MARYLAND

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CIVIL NO. 84-00155

*

ORDER GRANTING PARTIAL SUMMARY JUDGMENT
QUIETING TITLE TO REAL ESTATE

Upon consideration of the verified Amended Complaint To Quiet Title, the Motion For Summary Judgment and accompanying Affidavit in support thereof, the Defendants John R. Smith, Jr., Everett L. McClanahan, "Any and all persons claiming or having any interest in the property described in the Amended Complaint and claiming through, under or by any of the Defendants named in the Amended Complaint, or their heirs, assigns, personal representatives, grantees or successors in right, title and interest" and "All persons having or claiming to have any interest in the property described in the Amended Complaint" and "Unknown

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 847
CHESTERTOWN, MD. 21620
301 - 778-8280

LIBER

17 PAGE 543

RECEIVED
CLERK OF THE COURT
1985 MAR 21 PM 2:24
QUEEN ANNE'S COUNTY

owner or owners of all those lots of land described in the Amended Complaint, and her, his or their heirs, devisees and personal representatives and their or any of their heirs, devisees, executors, administrators, grantees, assigns, or successors in right, title and interest" having been duly served with the papers in these proceedings and having failed to respond thereto, the property having been posted, and the Defendants James M. Merrick and Anthony F. Milanoski having filed answers interposing no objection to the relief prayed in these proceedings, and it appearing that there is no genuine dispute as to any material fact and that the Plaintiff is entitled to judgment as a matter of law as to the Defendants previously served, it is therefore this 21st day of March, 1985, by the Circuit Court for Queen Anne's County, Maryland,

ADJUDGED AND ORDERED, that George Preston Earle and Pearl Mae Earle, as to the Defendants:

- a. John R. Smith, Jr.
- b. Everett L. McClanahan
- c. Anthony F. Milanoski
- d. James M. Merrick
- e. Any and all persons claiming or having any interest in the property described in the Amended Complaint and claiming through, under or by any of the Defendants named in the Amended Complaint, or their heirs, assigns, personal representatives, grantees or successors in right, title and interest and
- f. All persons having or claiming to have any interest in the property described in the Amended Complaint and

- g. Unknown owner or owners of all those lots of land described in the Amended Complaint, and her, his or their heirs, devisees and personal representatives, and their or any of their heirs, devisees, executors, administrators, grantees, assigns, or successors in right, title and interest

be and are hereby adjudged to be the absolute owners in fee simple, with the right of disposition, of the following property in the First Election District of Queen Anne's County, Maryland:

BEGINNING for the same at an iron pipe on the northwest side of Big Woods Road (50' wide), said point being the northeast corner of the herein described lands and a corner of the lands of John R. Smith, Jr.; and running, thence by and with the northwest side of said road S 37°09'W - 320.00' to an iron pipe and the lands of James M. Merrick; thence, by and with said Merrick lands S 76°25'30" W - 442.07' to an iron pipe and the lands of McClanahan and Milanoski; thence, by and with said McClanahan and Milanoski lands N 25°34'30"W - 203.52' to an iron pipe and the lands of John R. Smith, Jr.; thence, by and with said Smith lands N 37°09'E - 241.92' to an iron pipe and S 88°13'E - 565.00' to the place of beginning. Containing in all 3.982 acres of land, more or less;

and it is further

ADJUDGED AND ORDERED, that the Plaintiff shall pay the costs of these proceedings as taxed by the Clerk of Court.



Judge

ELISE DAVIS
 ATTORNEY AT LAW
 AS GUARDIAN OF THE
 PROPERTY OF GEORGE
 PRESTON EARLE AND
 PEARL MAE EARLE

vs

JOHN R. SMITH, JR.

and

EVERETT L. MCCLANAHAN

and

ANTHONY F. MILANOSKI

and

WEBSTER HOLLAND

and

JAMES M. MERRICK, et al

* IN THE CIRCUIT COURT FOR

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QUEEN ANNE'S COUNTY,
 MARYLAND

*

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CIVIL NO. 84-00155

*

ORDER GRANTING SUMMARY JUDGMENT
QUIETING TITLE TO REAL ESTATE

Upon consideration of the verified Amended Complaint To Quiet Title, the Motion For Summary Judgment and accompanying Affidavit in support thereof, the Defendants John R. Smith, Jr., Everett L. McClanahan, Webster Holland, "Any and all persons claiming or having any interest in the property described in the Amended Complaint and claiming through, under or by any of the Defendants named in the Amended Complaint, or their heirs, assigns, personal representatives, grantees or successors in right, title and interest" and "All persons having or claiming to have any interest in the property described in the Amended

ELISE DAVIS
 ATTORNEY AT LAW
 P. O. BOX 547
 CHESTERTOWN, MD. 21620
 301 - 778-5280

Complaint" and "Unknown owner or owners of all those lots of land described in the Amended Complaint, and her, his or their heirs, devisees and personal representatives and their or any of their heirs, devisees, executors, administrators, grantees, assigns, or successors in right, title and interest" having been duly served with the papers in these proceedings and having failed to respond thereto, the property having been posted, and the Defendants James M. Merrick and Anthony F. Milanoski having filed answers interposing no objection to the relief prayed in these proceedings, and it appearing that there is no genuine dispute as to any material fact and that the Plaintiff is entitled to judgment as a matter of law as to the Defendants previously served, it is therefore this 15th day of April, 1985, by the Circuit Court for Queen Anne's County, Maryland,

ADJUDGED AND ORDERED, that George Preston Earle and Pearl Mae Earle, as to the Defendants:

- a. John R. Smith, Jr.
- b. Everett L. McClanahan
- c. Anthony F. Milanoski
- d. James M. Merrick
- e. Webster Holland
- f. Any and all persons claiming or having any interest in the property described in the Amended Complaint and claiming through, under or by any of the Defendants named in the Amended Complaint, or their heirs, assigns, personal representatives, grantees, or successors in right, title and interest and
- g. All persons having or claiming to have any interest in the property described in the Amended Complaint and

- h. Unknown owner or owners of all those lots of land described in the Amended Complaint, and her, his or their heirs, devisees and personal representatives, and their or any of their heirs, devisees, executors, administrators, grantees, assigns, or successors in right, title and interest

be and are hereby adjudged to be the absolute owners in fee simple, with the right of disposition, of the following property in the First Election District of Queen Anne's County, Maryland:

BEGINNING for the same at an iron pipe on the northwest side of Big Woods Road (50' wide), said point being the northeast corner of the herein described lands and a corner of the lands of John R. Smith, Jr.; and running, thence by and with the northwest side of said road S 37°09'W - 320.00' to an iron pipe and the lands of James M. Merrick; thence, by and with said Merrick lands S 76°25'30" W - 442.07' to an iron pipe and the lands of McClanahan and Milanoski; thence, by and with said McClanahan and Milanoski lands N 25°34'30"W - 203.52' to an iron pipe and the lands of John R. Smith, Jr.; thence, by and with said Smith lands N 37°09'E - 241.92' to an iron pipe and S 88°13'E - 565.00' to the place of beginning. Containing in all 3.982 acres of land, more or less;

and it is further

ADJUDGED AND ORDERED, that the Plaintiff shall pay the costs of these proceedings as taxed by the Clerk of Court.

CLERK OF COURT

1985 APR 15 PM 2:37

QUEEN ANNE'S COUNTY

Clayton C. Carter
Judge

ELISE DAVIS
ATTORNEY AT LAW
P. O. BOX 547
CHESTERTOWN, MD. 21620
301 - 778-8280

JOHN F. HALL
ATTORNEY AT LAW
11 S. WASHINGTON ST., P. O. BOX 1211
EASTON, MARYLAND 21601
TELEPHONE (301) 822-9228

February 1, 1983

Marguerite W. Mankin, Clerk
Circuit Court for Queen Anne's County
Court House
Centreville, Maryland 21617

Re: Hall vs. Metcalfe, Inc.
Chancery No. 6727

FEB -2-83 * 24925 *****83.00
FEB -2-83 A 24925 *****63.00
FEB -2-83 A 324924 *****10.00
FEB -2-83 A 324923 *****10.00

Dear Mrs. Mankin:

A portion of the above proceedings affect title to real estate. Accordingly, I request that the following portions of the record be recorded in the Chancery books:

- (a) Bill of Complaint with Exhibit "A"
Summons
- (b) Order of Court appointing Receiver
- (c) Receiver's bond
Schedule of Property & debts
- (d) Report of Sale *Aff of Person* *cert of Act of Sale*
- (e) Order Nisi on Sale
- (f) Certificate of Publication of Order Nisi
- (g) Order ratifying Sale.

Please let me know the recording costs so that I may make payment of the same.

Very truly yours,

John F. Hall

John F. Hall

FILED

FEB 17 1983

CIRCUIT COURT
QUEEN ANNE'S CO.

JFH/jeb

77-549

FREDERICK HALL	:	IN THE
Sudlersville, Maryland, 21668,	:	CIRCUIT COURT
Plaintiff	:	
vs.	:	FOR
JAMES G. METCALFE, INC.	:	QUEEN ANNE'S COUNTY
	:	MARYLAND
Serve On: ROBERT D. OREM	:	IN EQUITY
Price, Maryland, 21656,	:	
Defendant	:	Chancery No. <u>6727</u>

BILL OF COMPLAINT FOR THE INVOLUNTARY DISSOLUTION
OF JAMES G. METCALFE, INC.

1. This Bill of Complaint is brought under the authority of Subtitle 4, Title 3, Corporations and Associations Article, Annotated Code of Maryland, 1975 Edition and related laws.
2. That the Defendant, James G. Metcalfe, Inc., is a body corporate of the State of Maryland, having its principal office at Price, Queen Anne's County, Maryland.
3. That the Defendant is indebted to the Plaintiff in the sum of \$21,129.78, which debt is unsecured, past due and unpaid.
4. That the Defendant has closed its operation, ceased any and all activity, and is no longer operating in Queen Anne's County.
5. That in failing to pay the Plaintiff and other creditors, the Defendant has shown itself to be insolvent and unable to meet its debts as they mature in the usual course of business.
6. That Charles Marsteller has expressed an interest in leasing certain real estate and improvements owned by the Defendant located at Price, Queen Anne's County, Maryland, with an option to purchase same, either in his own name or in a corporate designee, upon terms which would ultimately result in payment in full to non-shareholder creditors.
7. That said Charles Marsteller has placed a time limit of September 1, 1980 for acceptance of his proposal, so that he may

begin necessary repairs, improvements and hiring to be in a position to utilize the premises to be leased in purchasing grain during the Fall, 1980 harvest season.

8. That said Marsteller has agreed to extend his offer for a sufficient amount of time for creditors to obtain an involuntary dissolution of the Defendant, so long as the creditors institute proceedings for such dissolution without delay.

9. That the Plaintiff, by its attorneys, has mailed the notice required by Section 3-418(c), Corporations and Associations Article, Supra, to the various taxing authorities, and attached hereto and marked Exhibit A and prayed to be made a part hereof is a certificate attesting to said mailing.

WHEREFORE, the Plaintiff prays this Honorable Court to:

(a) Appoint a Receiver immediately with the power and authority to take charge and possession of the lands, goods, wares, merchandise, books, papers and effects of or belonging to the Defendant and to collect the outstanding debts due to the said Defendant and the said Defendant be required to yield up and deliver to the said Receiver the lands, goods, wares, merchandise, books, papers and effects of the said Defendant, subject nevertheless, to the further order of this Court; and

(b) Enter a decree of dissolution of the Defendant pursuant to Section 3-413(c), et. seq., Corporations and Associations Article, Supra; and

(c) Grant the Plaintiff such other and further relief as the nature of its cause may require.

MILLER, WHEELER, THOMPSON & THOMPSON

BY: John F. Hall

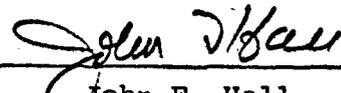
John F. Hall
129 N. Washington Street
P.O. Box 1209
Easton, Maryland, 21601
Telephone: (301) 822-1122
Attorneys for Plaintiff

17 vs 551

CERTIFICATE OF MAILING

I, the undersigned, the attorney for the Plaintiff, do hereby certify that pursuant to Section 3-417(c), Corporations and Associations Article, of the Annotated Code of Maryland, a copy of the attached notice was mailed this 25 day of August, 1980, to the following addresses:

1. District Director of Internal Revenue
P.O. Box 1076
Baltimore, Maryland, 21203
2. Comptroller of the Treasury
State Treasury Building
Annapolis, Maryland
3. Maryland Department of Assessments
and Taxation
301 West Preston Street
Baltimore, Maryland, 21201
4. Maryland Department of Employment Security
1100 North Eutaw Street
Baltimore, Maryland, 21201
5. Retail Sales Tax Division
301 West Preston Street
Baltimore, Maryland, 21201
6. County Treasurer for
Queen Anne's County
Court House
Centreville, Maryland, 21617



John F. Hall

LAW OFFICES
Miller, Wheeler, Thompson & Thompson
129 NORTH WASHINGTON STREET
P.O. BOX 1209
EASTON, MARYLAND 21601

CHARLES ELLIOT WHEELER
DOROTHY HOLDEN THOMPSON
ERNEST MORRIS THOMPSON
WILLARD COMBES PARKER, II
JOHN F. HALL
LYNN LEONHARDT

EDWARD TYLOR MILLER-1988

(301) 822-1122

August 25, 1980

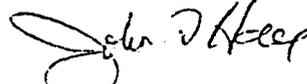
CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Notice to Taxing Authorities

Re: James G. Metcalfe, Inc.
Price, Queen Anne's County, Maryland

Pursuant to Section 3-417, "Corporations and Associations Article," Annotated Code of Maryland, you are hereby notified that I represent Frederick Hall who will soon file a Bill of Complaint requesting the entry of an order of dissolution of the captioned corporation.

Very truly yours,



John F. Hall

JFH/pm

17 554

5566423 80974

CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

EQUITY SUMMONS:

September Return Day

File No. 6727

Docket M.W.M. #7

STATE OF MARYLAND

QUEEN ANNE'S COUNTY, to wit:

TO: **JAMES G. METCALFE, INC.**

SERVE ON: **ROBERT D. OREM**
Price, Maryland 21656

You are hereby summoned to the Circuit Court for Queen Anne's County to the
September Return Day of this Court, to answer an action at the

suit of **FREDERICK HALL**
Sudlersville, Maryland 21668

WITNESS, The Honorable George B. Rasin, Jr., Chief Judge of the Second Judicial Circuit of Maryland.

Issued 27th day of August, 19 80.

TO THE PERSON(S) SUMMONED:

Personal attendance in court on the day named in the summons is not required. If you fail to file an answer or other defense on or before 15 days from date of service, the Plaintiff(s) may obtain a decree pro confesso against you which upon proper proof may be converted to a final decree for the relief demanded.

Plaintiff(s) Attorney's
Miller, Wheeler, Thompson & Thompson

Name: John F. Hall

Address: 129 N. Washington Street

P. O. Box 1209

Easton, Maryland 21601

Name: Telephone: (301) 822-1122

Address: _____

Marygrace H. Mankin
Clerk

SHERIFF'S RETURN

I HEREBY CERTIFY that on the 28 day of August, 19 80, I executed service of process upon Robert D. Orem, Resident agent of James G. Metcalfe Inc by delivering and leaving with him a copy of the summons and pleadings.

Deputy Dennis L. Wells
Sheriff of Queen Anne's County

FREDERICK HALL, : IN THE CIRCUIT COURT
 Plaintiff : FOR QUEEN ANNE'S COUNTY
 vs. : IN EQUITY
 JAMES G. METCALFE, INC., : Chancery No. 6727
 Defendant :

ORDER OF COURT

Upon the Bill for the Appointment of a Receiver, pursuant to Section 3-413, et seq., Corporations and Associations Article of the Annotated Code of Maryland, and requisite notice having been given to the taxing authorities and notice having been served upon the Defendant and no Answer having been filed within the time prescribed by Order of this Court, and twenty days having expired since the date of notice to taxing authorities and that the entry of an Order of this date is within ninety (90) days of the date of certification of counsel, it is this 18th day of September, 1980, by the CIRCUIT COURT FOR QUEEN ANNE'S COUNTY,

ORDERED, that John F. Hall be and he hereby is appointed Receiver to take charge of the assets and liquidation of James G. Metcalfe, Inc., subject to the supervision of this Court; and it is

FURTHER ORDERED, that the corporate charter of James G. Metcalfe, Inc. be and it hereby is dissolved and the Clerk of this Court shall certify same forthwith to the Maryland Department of Assessments and Taxation; and it is

FURTHER ORDERED, that John F. Hall qualify as Receiver by posting a bond with an approved surety in the amount of \$5,000.00, the amount of said bond subject to being increased by further Order of this Court; and it is

FURTHER ORDERED, that James G. Metcalfe, Inc., upon the execution of this Order, turn over all of its books, assets, records, Minute Books, stock ledger and lists of accounts payable and accounts receivable and all other books and records and assets of whatever nature of the Corporation to John F. Hall, Receiver, and it is

17 MAR 555

17 556

FURTHER ORDERED, that John F. Hall, Receiver, upon execution of this Order, be granted immediate possession to enter the premises of James G. Metcalfe, Inc. and to secure same in any reasonable manner, including the changing of locks and taking whatever steps are necessary to protect same; and it is

FURTHER ORDERED, that James G. Metcalfe, Inc., its Officers and Directors, are ordered to file within fifteen (15) days from the date hereof a schedule of its properties and debts pursuant to Maryland Rules of Civil Procedure, Rule BP(2).


J U D G E

1957 SEP 13 AM 10:57
ST. MARY'S COUNTY

Equity # 6727

RECEIVER'S BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, John F. Hall

as Principal, and THE AETNA CASUALTY AND SURETY COMPANY, a corporation organized and existing under the laws of the State of Connecticut, as Surety, are hereby jointly and severally held and firmly bound unto the State of Maryland, in the sum of Five Thousand - - - - - Dollars

(\$ 5,000.00), to be paid to the said State of Maryland, to which payment, well and truly to be made the said Principal and said Surety hereby bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

Signed with their names and sealed with their seals this 27 day of May, 1981.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, whereas, the above named John F. Hall (was/~~were~~) on the 18 day of September, 1980, appointed Receiver(s) in the case pending in Circuit Court for Queen Annes County

(Court) and the said John F. Hall (has/~~have~~) accepted said trust with all the duties and obligations pertaining thereto.

NOW, THEREFORE, if the said John F. Hall, as aforesaid, shall obey such orders as said Court may make in relation to said trust, and shall faithfully and truly account for all the moneys, assets, and effects of the estate which shall come into (his/their) hands and possession, and shall in all respects faithfully perform all the official duties as Receiver(s), then this obligation to be void; otherwise, to remain in full force and virtue.

Signed and sealed in the presence of:

Jane E. Butler

John J. Hall (SEAL)

Laura P. Baynard

THE AETNA CASUALTY AND SURETY COMPANY
By: Matthew B. LaMotte (SEAL)
Matthew B. LaMotte
Attorney-in-fact

CLERK
1981 JUN -3 AM 10:17
COUNTY 3 AM 10:17
B-117 QUEEN ANNES COUNTY

APPROVED AND BOND THIS 30 Jan 3 1981



THE AETNA CASUALTY AND SURETY COMPANY
Hartford, Connecticut 06115

POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL MEN BY THESE PRESENTS, THAT THE AETNA CASUALTY AND SURETY COMPANY, a corporation duly organized under the laws of the State of Connecticut, and having its principal office in the City of Hartford, County of Hartford, State of Connecticut, hath made, constituted and appointed, and does by these presents make, constitute and appoint **Barclay H. Trippe, Jr., Richard R. Robbins, Francis T. Willis, Matthew B. Lamotte or Reeve B. Baynard - -**

of **Easton, Maryland**, its true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, or, if the following line be filled in, within the area there designated, the following instrument(s):
by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any and all consents incidents thereto **not exceeding the sum of FIVE HUNDRED THOUSAND (\$500,000.00) DOLLARS -**

and to bind THE AETNA CASUALTY AND SURETY COMPANY, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of THE AETNA CASUALTY AND SURETY COMPANY, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Company which Resolutions are now in full force and effect:

VOTED: That each of the following officers: Chairman, Vice Chairman, President, Any Executive Vice President, Any Senior Vice President, Any Vice President, Any Assistant Vice President, Any Secretary, Any Assistant Secretary, may from time to time appoint Resident Vice Presidents, Resident Assistant Secretaries, Attorneys-in-Fact, and Agents to act for and on behalf of the Company and may give any such appointee such authority as his certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors may at any time remove any such appointee and revoke the power and authority given him.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the Chairman, the Vice Chairman, the President, an Executive Vice President, a Senior Vice President, a Vice President, an Assistant Vice President or by a Resident Vice President, pursuant to the power prescribed in the certificate of authority of such Resident Vice President, and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary or by a Resident Assistant Secretary, pursuant to the power prescribed in the certificate of authority of such Resident Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact pursuant to the power prescribed in his or their certificate or certificates of authority.

This Power of Attorney and Certificate of Authority is signed and sealed by facsimile under and by authority of the following Standing Resolution voted by the Board of Directors of THE AETNA CASUALTY AND SURETY COMPANY which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: Chairman, Vice Chairman, President, Any Executive Vice President, Any Senior Vice President, Any Vice President, Any Assistant Vice President, Any Secretary, Any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, THE AETNA CASUALTY AND SURETY COMPANY has caused this instrument to be signed by its **Assistant Vice President**, and its corporate seal to be hereto affixed this **8th** day of **February**, 19 **80**



THE AETNA CASUALTY AND SURETY COMPANY
By R. T. Rippe
Assistant Vice President

State of Connecticut }
County of Hartford } ss. Hartford

On this **8th** day of **February**, 19 **80**, before me personally came **R. T. RIPPE** to me known, who, being by me duly sworn, did depose and say: that he/she is **Assistant Vice President** of THE AETNA CASUALTY AND SURETY COMPANY, the corporation described in and which executed the above instrument; that he/she knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; and that he/she executed the said instrument on behalf of the corporation by authority of his/her office under the Standing Resolutions thereof.



Johanna M. Deegan
My commission expires March 31, 19 **84**. Notary Public

CERTIFICATE

I, the undersigned, **Secretary** of THE AETNA CASUALTY AND SURETY COMPANY, a stock corporation of the State of Connecticut, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney and Certificate of Authority remains in full force and has not been revoked; and furthermore, that the Standing Resolutions of the Board of Directors, as set forth in the Certificate of Authority, are now in force.

Signed and Sealed at the Home Office of the Company, in the City of Hartford, State of Connecticut, Dated this **27** day of **May**, 19 **81**



[Signature]
By **Secretary**

FREDERICK HALL

Plaintiff

vs.

JAMES G. METCALFE, INC.

Defendant

*
*
*
*
*

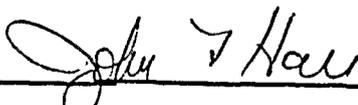
IN THE
CIRCUIT COURT FOR
QUEEN ANNE'S COUNTY
IN EQUITY
Chancery No. 6727

SCHEDULE OF PROPERTY AND DEBTS
OF JAMES G. METCALFE, INC., DEBTOR

John F. Hall, Receiver, alleges:

1. By Order of this Honorable Court on September 18, 1980, this Court appointed John F. Hall a receiver to liquidate the business and affairs of James G. Metcalfe, Inc.
2. That said debtor having failed to file the schedule within the time provided for in section (a) of Rule BP2, Maryland Rule of Procedure, said Receiver petitioned for an Order directing Robert D. Orem, the President of the debtor, to appear before a Master in Chancery to be examined by said Master and by said Receiver. By Order dated October 16, 1980, this Court referred the matter to Edward S. Turner, Examiner.
3. Subsequent thereto, the said Robert D. Orem delivered to said Receiver all of the books of the corporation, obviating the need for such examination. However, the schedule having not been filed by the debtor, the Receiver hereby does so, as directed by Rule BP2(b), Maryland Rule of Procedure.
4. The principal place of business of James G. Metcalfe, Inc., a body corporate of the State of Maryland, was Massey Avenue, Price, Queen Anne's County, Maryland.
5. The corporation was engaged in the business of the purchase and sale of agricultural products at Massey Avenue, Price, Maryland.
6. Schedules A - D annexed contain a full and true statement of all information available to the Receiver required by the pertinent provisions of Maryland Rule BP2.

CLERK OF COURT
1981 SEP 15 AM 9:40
QUEEN ANNE'S COUNTY


John F. Hall, Receiver
17-559

17-560

STATE OF MARYLAND, COUNTY OF CAROLINE, to wit:

I HEREBY CERTIFY that on this 14th day of September, 1981, personally appeared before me John F. Hall, the Receiver, and made oath in due form of law that the statements contained herein and the information listed in the annexed schedules are true.

AS WITNESS my hand and Notarial Seal.

Jane E. Butler
Notary Public

My Commission Expires:

July 1, 1982.

SCHEDULE A

PROPERTY OF DEBTOR

<u>Type of Property General Description</u>	<u>Nature and Location</u>	<u>Estimated value of Debtor's interest</u>
Cash in Bank	Checking account - Centreville National Bank	\$4,409.66
Real Property	Real Estate consisting of one acre on the west side of Massey Avenue, Price, Maryland, described in a deed January 22, 1976 and April 25, 1980 recorded at Liber M.W.M. No. 163, folio 622, Land Records of Queen Anne's County	unknown
Business fixtures and supplies	(a) Desk, chairs, filing cabinets. On information received, your Receiver avers that all such items have been removed by Robert D. Orem and converted to his own use. (b) On information received, your Receiver avers that a storage shed located on the premises contained a variety of tools and electric motors but that all such tools and electric motors were removed	value unknown

<u>Type of Property General Description</u>	<u>Nature and Location</u>	<u>Estimated value of Debtor's interest</u>
	by Robert D. Orem before your Receiver was appointed.	value unknown

SCHEDULE B

DEBTS

ALL DEBTS WILL BE TREATED BY THE RECEIVER AS DISPUTED UNTIL FURTHER NOTICE

<u>Creditor - Residence or Place of business</u>	<u>Consideration</u>	<u>Amount due as claimed</u>
Secured creditors	Not applicable	None
Unsecured Creditors		
Creditors having priority		
Internal Revenue Service P.O. Box 57 Cornwall Heights, PA 19020	Penalty for payroll taxes; Penalty for employment taxes.	\$ 24.40 \$ 7.75
William H. Tolson Treasurer P.O. Box 267 Centreville, MD 21617	1980-1981 real estate taxes 1981-1982 real estate taxes	\$ 601.94 \$ 374.75
Creditors not having priority		
Delmarva Power & Light Company (Successor to Centreville Electric Plant) P.O. Box 159 Centreville, MD 21617	Electricity furnished	\$ 74.00
Perdue Farms, Inc. P.O. Box 1537 Salisbury, MD 21801	Soybeans purchased on a "Basis", the advance against which exceeded the sales price	\$1,528.06
O. A. Newton & Son Co. P.O. Box 397 Bridgeville, DE 19933	repair and parts to electric motor	\$1,408.97

The following are claims for agricultural products sold or stored by producers with the debtor:

G. Raymond Bostic
Church Hill, MD 21623

Charles M. Cahall
Church Hill, MD 21623

Howard Cook
Centreville, MD 21617

Frederick Hall
Sudlersville, MD 21668

James F. Hall, Jr.
Church Hill, MD 21623

Gary P. Hollingsworth
Centreville, MD 21617

John E. Larrimore
Centreville, MD 21617

Charles Leager, II
Centreville, MD 21617

Donald L. Leager
Centreville, MD 21617

F. Reed Leaverton
Centreville, MD 21617

J. Bernard Merrick
Crumpton, MD 21628

Helen Pardee
Church Hill, MD 21623

James J. Price
9918 Grayson Avenue
Silver Spring, MD 20901

William H. Stant
Church Hill, MD 21623

SCHEDULE C

TRANSFERS

Your Receiver has no knowledge of any transfers, other than in the ordinary course of business, within four months of the date of the appointment of a Receiver, and the checkbook maintained by the debtor does not reveal that any such transfers were made. Your Receiver has no knowledge of whether or not transfers within a period of three years immediately preceding such appointment were made, but, from information before him, has no reason to believe that such were made, and has no reason to believe that further investigation of such matters is necessary.

SCHEDULE D

PROPERTY CLAIMED AS EXEMPT

Not applicable to a statutory involuntary dissolution of a corporation, since a corporation may be a body corporate of a state, but can never be a resident thereof.

FREDERICK HALL,
Plaintiff
vs.
JAMES G. METCALFE, INC.,
Defendant

* IN THE
* CIRCUIT COURT FOR
* QUEEN ANNE'S COUNTY
* IN EQUITY
* Chancery No. 6727

REPORT OF SALE

TO THE HONORABLE JUDGE OF THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

The Report of Sale of John F. Hall, Receiver of James G. Metcalfe, Inc., appointed as such by statutory receiver decree in the above entitled cause dated September 18, 1980, respectfully shows that, after giving bond with security for the faithful discharge of his fiduciary duties, which was duly approved, and having given notice of the time, place, manner and terms of sales, by advertisements inserted in The Queen Anne's Record Observer, a weekly newspaper published in Queen Anne's County for more than three successive weeks preceding the day of sale, viz, on September 2, 1981, September 9, 1981 and September 16, 1981, said Receiver did, pursuant to said notice on September 19, 1981 at 11:00 a.m. o'clock attend on the premises and then and there sold the real estate of James G. Metcalfe, Inc., the ownership of which was reported in a Schedule of Property and Debt of James G. Metcalfe, Inc., Debtor, filed in these proceedings on September 15, 1981 to Charles M. Marsteller, Jr., 1107 Spring Street, Silver Spring, Maryland 20910, at and for the sum of Twelve Thousand Seven Hundred (\$12,700.00) Dollars, he being the highest bidder therefore.

John F. Hall

John F. Hall, Receiver

1981 SEP 24 11:43 AM
QUEEN ANNE'S COUNTY

[17 564]

STATE OF MARYLAND, CAROLINE COUNTY, to wit:

I HEREBY CERTIFY that on this ^{23rd} day of September, 1981, before me, the Subscriber, a Notary Public of the State of Maryland, personally appeared John F. Hall, Receiver, and made oath that the facts stated in the foregoing Report of Sale are true and correct, as therein set forth, and that the sale thereby reported was fairly made.

AS WITNESS my hand and Notarial Seal.

Jane E. Butler

My Commission Expires:

July 1, 1982.

RECORDED
CLEAN COPY
1981 SEP 24 AM 10:11
QUEEN ANNE'S COUNTY

FREDERICK HALL,
Plaintiff
vs.
JAMES G. METCALFE, INC.,
Defendant

* IN THE
* CIRCUIT COURT FOR
* QUEEN ANNE'S COUNTY
* IN EQUITY
* Chancery No. 6727

AFFIDAVIT BY PURCHASER

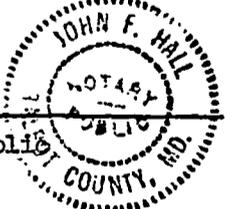
STATE OF MARYLAND :
COUNTY OF Talbot : to wit

I HEREBY CERTIFY that on this 19th day of September, 1981, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Jama Elma Thompson Jr and made oath in due form of law as follows:

1. That he is the purchaser of certain real property described in a deed from Rebecca Aldridge Metcalfe, et al to James G. Metcalfe, Inc., dated January 22, 1976 and recorded among the Land Records of Queen Anne's County at Liber M.W.M. No. 163, folio 622, which property was offered for sale at a public auction on Saturday, September 19, 1981 at the property in Price, Maryland;

2. That he purchased said property as agent for C.M. Mansteller, Jr [as principal and not an agent for anyone else].

3. That neither he nor anyone connected with him [or with his principal] directly or indirectly discouraged anyone from bidding for the said property.

John F. Hall
Notary Public


My Commission Expires:
July 1, 1982.

CLERK OF THE COURT
1981 SEP 24 AM 10:11
QUEEN ANNE'S COUNTY

\$12,700

17 PAGE 585

17 566

ORDER NISI ON SALE

FREDERICK HALL

VS.

JAMES G. METCALFE, INC.

In the Circuit Court
for Queen Anne's County
In Equity

Cause No. 6727

ORDERED, this 24th day of September, 19 81, that the sale of the real property, made and reported in this cause by John F. Hall, Receiver, be ratified and confirmed, on or after the 26th day of October, 19 81, unless cause to the contrary thereof be previously shown; provided a copy of this order be inserted in some newspaper published in Queen Anne's County, Maryland, once in each of three successive weeks before the 19th day of October, 19 81.

The report states the amount of sales to be \$ 12,700.00.

Marquerite W. Mankin Clerk

Filed September 24, 1981

Centreville, Md. 9-28 19 81

We Hereby Certify

That the annexed advertisement of
Receiver's Sale

was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 19th day of September 19 81.

And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER was on the 2nd day of
September 19 81, and the last
insertion on the 16th day of
September 19 81.

Publishers, Record Observer

Per

Margaret Thomas

REC'D
CLERK

1981 OCT 23 AM 10:54

QUEEN ANNE'S COUNTY

JOHN F. HALL
11 South Washington Street
Easton, Maryland 21601
(301) 822-9228

Receiver's Sale

Of
**Commercial
Property**

(James G. Metcalfe, Inc.)
Price, Queen Anne's County, Maryland
M-2 (General Industrial) Zoning
**IMPROVED BY SCALES, SCALE HOUSE
GRAIN BIN and STORAGE SHEDS**
near U.S. Rte. 301

By virtue of a Decree of the Circuit Court for Queen Anne's County, Maryland, Chancery No. 6727, the undersigned was appointed Receiver to take charge of the assets and liquidation of James G. Metcalfe, Inc. subject to the supervision of said Court, by which Decree, pursuant to Section 3-418, "Corporations and Associations Article," Annotated Code of Maryland, the undersigned became vested with full title to all the assets of said corporation, with full power necessary to liquidate the assets of the corporation. In furtherance of duties imposed upon him as such statutory Receiver, the undersigned will sell at public auction.

On

Sat., Sept. 19, 1981
at 11:00 a.m. o'clock,

at the property

ALL those three contiguous lots or parts of lots, now consolidated into one lot, situate on the west side of Massey Avenue, Price, Second Election District, Queen Anne's County, which property is described in a Description by J.R. McCrone, Jr., Inc., Land Surveyors, dated October 31, 1980 as follows:

BEGINNING for the same at a concrete monument found at the intersection of the division line between the lands of Edward Middleton (see T.S.P. 64/293) and the herein described lands, with the northernmost right-of-way line of Massey Avenue,

THENCE, leaving said beginning point so fixed and binding on the aforesaid Massey Avenue, South 72° 49' 59" West 451.00 feet to an iron pipe set;

THENCE, leaving said iron pipe and said Massey Avenue and binding on the division line between the lands of Dorothy M. Holland (see C.W.C. 122/50) and the herein described lands, North 00° 59' 41" West 104.12 feet to an iron pipe set;

THENCE, leaving said iron pipe and binding on the southernmost right-of-way line of the Pennsylvane Railroad, North 72° 49' 59" East 422.00 feet to an iron pipe set at the end of the first mentioned division line between the lands of Middleton and the herein described lands;

THENCE, leaving said iron pipe and said railroad and binding on the aforesaid division line, South 17° 10' 01" East 100.00 feet to the place of beginning. Containing in all 1.002 acres of land, more or less, as surveyed by J.R. McCrone, Jr., Inc., Registered Professional Engineers and Land Surveyors in October of 1980;

BEING Parcel One, with exception, Parcel Two, and Parcel Three of that conveyance from Rebecca Aldridge Metcalfe, Jane Erwin Metcalfe, and James G. Metcalfe, III to James G. Metcalfe, Inc., by deed dated January 22, 1976 and recorded among the Land Record Books of Queen Anne's County, Maryland, in Liber M.W.M. 163, folio 622.

IMPROVED by scales, scale house, grain bin and storage shed. The property is located in an M-2 (General Industrial) zone.

TERMS OF SALE: A deposit of \$1,000.00 at the time of sale, in cash or certified check payable to the undersigned, balance in cash upon final ratification of sale by the Circuit Court for Queen Anne's County. Interest to be paid on unpaid purchase money at the rate of Ten (10%) percent per annum from date of sale to date of settlement. Taxes and all public charges and assessments, payable on an annual basis, to be adjusted to date of sale. Cost of all recording and transfer taxes, and any other charges incident to the recording of the deed to the purchaser shall be borne by the purchaser.

Terms of sale to be completed within ten (10) days after final ratification thereof by the Circuit Court for Queen Anne's County, otherwise the property may be sold at the risk and cost of the defaulting purchaser or purchasers.

The undersigned reserves the right to reject any and all bids.

JOHN F. HALL,
RECEIVER
(301) 822-9228
Ross Rhodes,
Auctioneer

RO-8-2-31-07

17-568

Centreville, Md. 10-15 19 81

We Hereby Certify

That the annexed advertisement of Order Nisi

was published in the RECORD OBSERVER, a newspaper published in Queen Anne's County, Maryland, once in each of 3 successive weeks before the 19th day of October 19 81.

And that the first insertion of said advertisement in the said RECORD OBSERVER was on the 30th day of September 19 81, and the last insertion on the 14th day of September 19 81.

Publishers, Record Observer

Per Margaret Sumner

**ORDER NISI ON SALE
FREDERICK HALL
VS.
JAMES G. METCALFE, INC.
In the Circuit Court
for Queen Anne's County
In Equity
Cause No. 6727**

ORDERED, this 24th day of September, 1981, that the sale of the real property, made and reported in this cause by John F. Hall, Receiver, be ratified and confirmed, on or after the 20th day of October, 1981, unless cause to the contrary thereof be previously shown; provided a copy of this order be inserted in some newspaper published in Queen Anne's County, Maryland, once in each of three successive weeks before the 19th day of October, 1981.

The report states the amount of sales to be \$12,700.00.

Marguerite W. Mankin
Clerk
True Copy, Test:
Marguerite W. Mankin, Clerk
BY: Anne F. Ward,
Deputy Clerk

Filed: September 24, 1981. RO-9-30-31-038

CLERK OF COURT
1981 OCT 23 AM 10:54
QUEEN ANNE'S COUNTY

FREDERICK HALL	*	IN THE CIRCUIT COURT
	*	FOR QUEEN ANNE'S COUNTY
Plaintiff	*	MARYLAND
vs.	*	IN EQUITY
JAMES G. METCALFE, INC.	*	Chancery No. 6727
Defendant	*	

ORDER RATIFYING SALE

ORDERED by the Court, this *1st* day of October, 1982, that the sale made and reported by John F. Hall, Receiver be and the same is hereby finally ratified and confirmed, the exceptions of Charles Marsteller to said sale having been withdrawn, and no other person having shown cause to the contrary, although due notice appears to have been given as required by the Order Nisi passed in said cause.

TILED
OCT 1 1982
CIRCUIT COURT
QUEEN ANNE'S CO.

Wayton C. Carter

Judge

JACK B. DIETRICH, ROBERT P. :
WEBER and ALFRED MacMORAN, :
Box 151, RD #3 :
Phoenixville, Pennsylvania 19460 :

Plaintiffs :

vs :

KENT NARROWS PARTNERSHIP :
Property address: :
Bayside Resort Inn :
Routes 301 & 50 :
Grasonville, Maryland 21638 :
Mailing address: :
Bennett Point Road :
Queenstown, Maryland 21658 :

Defendant :

IN THE

CIRCUIT COURT

FOR QUEEN ANNE'S COUNTY

EQUITY NO. 7056

FEB 10-82 * 2 798 *****60.00

FEB 10-82 A 52 798 *****60.00

PETITION FOR FORECLOSURE

TO THE HONORABLE, THE JUDGES OF SAID COURT:

The Petition of Plaintiffs, Jack B. Dietrich, Robert P. Weber, and Alfred MacMoran, by Thomas F. Comber, 3rd., their attorney, respectfully represents:

That on the 5th day of February, 1979, the defendants executed and delivered to Jack B. Dietrich, Robert P. Weber, and Alfred MacMoran, a note in the amount of \$220,000.00, secured by a mortgage upon certain fee simple property in the County of Queen Anne's, State of Maryland, therein described, to secure the payment of the mortgage debt of \$220,000.00 and interest as therein mentioned, wherein said mortgagors assented to the passage of a decree for the sale of said mortgaged property, to take place at any time after any default in any covenant or condition of said mortgage; all of which will appear from said note and mortgage copies of which are filed herewith as part of this petition, and marked "Petitioner's Exhibits 1 and 2" respectively.

The mortgagors have not made payments on account of the mortgage in accordance with the terms thereof, and said mortgage is now in default, there having been no payments thereon since the October payment of 1981.

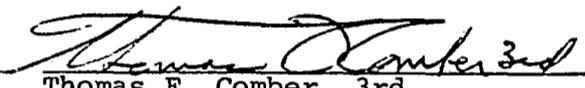
That pursuant to paragraph 10 of the aforesaid mortgage, the within mortgagees, by their attorney, notified the mortgagors of the breach; the action required to cure the breach; a date not

less than 30 days from the date of the notice by which such breach must be cured; and that failure to cure such breach on or before the date specified in the notice letter may result in acceleration of the sums secured by this mortgage and the sale of the property, a copy of which notice is attached hereto as Exhibit "3".

That the mortgagors hereby exercise their option and hereby declare all of the remaining balance of principal and interest due, and all other sums, secured by this mortgage, to be immediately due and payable.

And, your Petitioner prays that a Decree may be passed for the sale of said property in accordance with the terms of said mortgage.

AND AS IN DUTY BOUND, ETC.


Thomas F. Comber, 3rd.
Attorney for Plaintiffs
138 East Main Street
Elkton, Maryland 21921
Tele: (301) 398-1844

MORTGAGE

THIS MORTGAGE is made this 3rd day of February, 1979, between the Mortgagor, KENT NARROWS PARTNERSHIP, a Maryland general partnership, (herein "Borrower"), and the Mortgagee, JACK B. DIETRICH, ROBERT P. WEBER, and ALFRED MacMORAN, whose address is Box 151, RD #3, Phoenixville, Pennsylvania 19460 (herein "Lender").

WHEREAS, Borrower is indebted to the Lender in the principal sum of Two Hundred Twenty Thousand Dollars (\$220,000.00), which indebtedness is evidenced by Borrower's note of even date herewith (herein "Note"), providing for installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on March 31, 1998;

TO SECURE to Lender (a) the repayment of the indebtedness evidenced by the Note, with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower herein contained, and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 12 hereof (herein "Future Advances"), Borrower does hereby mortgage, grant and convey to Lender, with power of sale, the following described property, to wit:

ALL that lot or parcel of ground situate, lying and being in the Fifth Election District of Queen Anne's County, State of Maryland, near the Town of Grasonville, and described as follows, that is to say:

BEGINNING for the same at the point of intersection of the centerline of a thirty (30) foot wide right of way leading into the herein described lands and the Westerly line of the State Road lands at the entrance to "Jackson Road", and running (1) thence by and with the line of the State Road right of way the two following courses and distances, South 57° 44' West 75.10 feet to a concrete monument and North 68° 45' West 1313.20 feet to a point on the easterly division line of the J. Rodney King lands (see NBW No. 5, Folio 178); (2) thence by and with the said J. Rodney King lands, North 00° 55' East 475 feet, more or less, to the center line of Muddy Creek, (a tributary of the Chester River); (3) thence by and with the center line of Muddy Creek to a point where the centerline of a forty (40) foot wide canal projected North 69° 07' West intersects the centerline of the aforementioned Muddy Creek; (4) thence by and with the aforementioned projected center line of said Canal, South 69° 07' East to a hub set in the Easterly end of the canal; (5) thence with the division line, South 72° 57' East 44.50 feet to a concrete monument; thence continuing the same course for a distance of 240.00 feet (total distance 284.50 feet) to a concrete monument; (6) thence continuing with a division line South 13° 23' West 716.00 feet

to a point on the center line of the aforementioned thirty (30) foot wide right of way leading into the herein described lands; (7) thence by and with the centerline of the road South 55° 07' East 378.80 feet, to the point of beginning. Containing in all 22.00 acres of land, more or less.

BEING the same property that was conveyed from BEF, Inc., et al, unto KENT NARROWS PARTNERSHIP by deed of even date herewith and intended to be recorded immediately prior to.

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage, and especially a right of ingress and egress over the northerly portion of the hereinbefore described thirty (30) foot wide way leading into the herein described land that extends from the entrance of Jackson Road north 55° 07' west for a distance of 378.80 feet, more or less, for the use thereof in common with others; and all of the foregoing, together with said property are herein referred to as the "Property".

Borrower covenants that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, that the Property is unencumbered, and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any easements and restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Borrower's interest in the Property.

UNIFORM COVENANTS. BORROWER AND LENDER COVENANT AND AGREE AS FOLLOWS:

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Mortgage.

2. Charges; Liens. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage. Borrower shall promptly discharge any lien which has priority over this Mortgage; provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

3. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such

17-174

coverage exceed that amount of coverage required to pay the sums secured by this Mortgage.

4. Preservation and Maintenance of Property; Leaseholds; Condominiums. Borrower shall keep the property in good repair and shall not commit waste, impairment, or deterioration of the Property.

5. Remedies Cumulative. All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

6. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 9 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

7. Notice. Any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by certified mail addressed to Borrower at the property address stated below, except for any notice required under paragraph 10 hereof to be given to Borrower in the manner prescribed by applicable law. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower when given in the manner designated herein.

8. Borrower's Copy. Borrower shall be furnished a conformed copy of this Mortgage at the time of execution or after recordation hereof.

9. Transfer of the Property; Assumption. If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Lender may, at Lender's option, declare all the sums secured by this Mortgage to be immediately due and payable. Lender shall have waived such option to accelerate, if prior to the sale or transfer, Lender and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sums secured by this Mortgage shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph 9 and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Borrower from all obligations under this Mortgage and the Note.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 7 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may,

without further notice or demand on Borrower, invoke any remedies permitted by paragraph 10 hereof.

NON-UNIFORM COVENANTS. BORROWER AND LENDER FURTHER COVENANT AND AGREE AS FOLLOWS:

10. Acceleration; Remedies. Except as provided in paragraph 9 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall mail notice to Borrower as provided in paragraph 7 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than thirty days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of the Property. If the breach is not cured on or before the date specified in the notice, Lender at Lender's option may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may invoke the power of sale, file a petition to foreclose this Mortgage pursuant to a decree to which Borrower hereby declares his assent, or invoke any other remedies permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph 10, including, but not limited to, reasonable attorney's fees.

If Lender invokes the power of sale, Lender shall cause Robert R. Price, Jr. (herein "the agent", whom Borrower hereby authorizes to act on behalf of Lender) to mail written notice of sale to Borrower in the manner prescribed by applicable law. The agent shall give notice of sale by public advertisement for the time and in the manner prescribed by applicable law and, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in such order as the agent may determine. The sale of all or any parcel of the Property may be postponed by public announcement at the time and place of any previously scheduled sale. Lender or Lender's designee may purchase the Property at any sale. The proceeds of the sale shall be applied in the following order: (a) to all costs and expenses of the sale, including, but not limited to, a fee to the party conducting the sale of 1% of the gross sales price, reasonable attorney's fees and costs of title evidence; (b) to all sums secured by this Mortgage; and (c) the excess, if any, to the person or persons legally entitled thereto.

11. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Mortgage, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to five days before sale of the Property pursuant to the power of sale contained in this Mortgage or at any time prior to entry of a judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums which would then be due under this Mortgage, the Note and notes securing Future Advances, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage and in enforcing Lender's remedies as provided in paragraph 10 hereof, including, but not limited to, reasonable attorney's fees; and (d) Borrower takes such action as Lender may

reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

12. Future Advances. Upon request of Borrower, Lender, at Lender's option prior to release of this Mortgage, may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this Mortgage when evidenced by promissory notes stating that said notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of this Note.

13. Release. Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower. Borrower shall pay all costs of recordation, if any.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

KENT NARROWS PARTNERSHIP

By Bertram L. Parr (SEAL)
BERTRAM L. PARR, Partner

KENT NARROWS PARTNERSHIP

By Hugh J. Davis (SEAL)
HUGH J. DAVIS, M.D., Partner

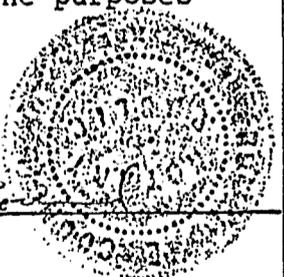
Property Address:
Bayside Resort Inn
Routes 301 & 50
Grasonville, Maryland 21638

STATE OF MARYLAND
COUNTY OF ANNE ARUNDEL, to wit:

I HEREBY CERTIFY, that on this 3rd day of February, 1979, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared BERTRAM L. PARR and HUGH J. DAVIS, M.D., Partners of Kent Narrows Partnership, a Maryland general partnership, known to me or satisfactorily proved to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

Donald E. Conrad
Notary Public



My Commission Expires: July 1, 1982.

STATE OF MARYLAND
COUNTY OF QUEEN ANNE'S, to wit:

I HEREBY CERTIFY, that on this 29th day of June, 1979, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared ROBERT R. PRICE, JR., ESQUIRE, an agent of the party secured by the foregoing Mortgage, and made oath in due form of law that the consideration recited in said Mortgage (\$220,000.00) is true and bona fide as therein set forth and that the amount of the loan secured by the foregoing Mortgage was disbursed by the party or parties secured to the Borrower or to the person responsible for disbursement of funds in the closing transaction or their respective agent at a time no later than the final and complete execution of this Mortgage; and also made oath that he is the agent of the party or parties secured and is duly authorized to make this affidavit.

AS WITNESS my hand and Notarial Seal.



Beverly M. Ruggald
Notary Public

My Commission Expires: July 1, 1982.

THIS IS TO CERTIFY that the within instrument was prepared by or under the supervision of the undersigned, an attorney duly admitted to practice before the Court of Appeals of Maryland.

Ronald E. Council
Ronald E. Council, Attorney

5056A

For value received, we hereby transfer and assign the within and foregoing mortgage and note, thereby secured, unto Robert R. Price, Jr., Attorney-at-Law, for the purpose of collection by foreclosure or otherwise.

Witnessed our hands and seal this 16th day of June, 1980.
Maria S. Kolybabiuk

WITNESS:

Francis E. Nevius
Francis E. Nevius
Francis E. Nevius

MARIA S. KOLYBABIUK
NOTARY PUBLIC, PHILA., PHILA. CO.
My Commission Expires 29th June 1982 151 *****22.00
Jack B. Dietrich (Seal) *****22.00
Robert Weber (Seal)
Alfred MacMoran (Seal)

FOR VALUE RECEIVED, I, hereby transfer and assign the within and foregoing mortgage and note, thereby secured, unto

WITNESS my hand and seal this ___ day of ___, 1980.

(SEAL)
Robert R. Price, Jr.

DOCUMENT NO. 102,514

17-578

separated from
165, folios 288

No. _____
Re. _____ RECEIVED FOR RECORD _____

JUN 20 1980 PM 2:49

WELLS COUNTY

Assignment

JUN 20-80 * 22299 *****7 00
JUN 20-80 A #22299 *****7 00

OF MORTGAGE FROM ^N KENT NARROWS PARTNERSHIP

TO JACK B. DIETRICH, ROBERT P. WEBER & ALFRED MACMORAN AS RECORDED IN

LIBER. MWM NO. 151 FOLIO 603

MAIL TO Place in Chy. 6689

5056A

For value received, we hereby transfer and assign the within and foregoing mortgage and note, thereby secured, unto Robert R. Price, Jr., Attorney-at-Law, for the purpose of collection by foreclosure or otherwise.

Witnessed our hand and seal this 16th day of June, 1980.
Maria S. Kolybabiuk

MARIA S. KOLYBABIUK
NOTARY PUBLIC, PHILA., PHILA. CO.
My Comm. Exp. 2-07-1982 151 *****22.00
JUN 20-79 A #2 (Seal) *****22.00

WITNESS:

Francis E. Nevius
Francis E. Nevius
Francis E. Nevius

Jack B. Dietrich (Seal)
Robert Weber (Seal)
Alfred MacMoran (Seal)

FOR VALUE RECEIVED, I, hereby transfer and assign the within and foregoing mortgage and note, thereby secured, unto

WITNESS my hand and seal this _____ day of _____, 1980.

Robert R. Price, Jr. (SEAL)

8 17-577

MORTGAGE NOTE

\$220,000.00

Grasonville, Maryland

February 5, 1979

FOR VALUE RECEIVED, the undersigned (Borrower) promises to pay to the order of Jack B. Dietrich, Robert P. Weber, and Alfred MacMoran, the principal sum of Two Hundred Twenty Thousand Dollars with interest on the unpaid principal balance from April 1, 1978, until paid, at the rate of seven percent (7%) per annum, in monthly installments of principal and interest in the amount of One Thousand Seven Hundred Five and 66/100 Dollars (\$1,705.66) on the last day of each month, beginning April 30, 1978, and monthly thereafter until the full amount of said principal and interest thereon shall have been paid, except any remaining indebtedness, if not sooner paid, shall be due and payable on March 31, 1998.

This note is secured by a mortgage of even date herewith. Upon any default under this note or the mortgage securing this note, the entire balance of principal and interest shall, at the option of the holder hereof, become immediately due and payable.

The undersigned shall have the right to prepay this note in whole or in part without penalty at any time.

All payments shall be made in lawful money of the United States of America at such place as may be designated in writing by the holder hereof from time to time. All payments shall be applied first to the payment of interest and second to the payment of principal.

As to this note and the mortgage and any other instruments securing it, the undersigned and all endorsers and guarantors severally waive presentment, protest and notice of

Petitioner's Exh. # 2

17-573

17-580

dishonor, and expressly agree that the maturity of this note, or any payment hereunder, may be extended from time to time without in any way affecting the liability of the undersigned or any endorsers or guarantors hereof.

KENT NARROWS PARTNERSHIP

By *Bertram L. Parr* (SEAL)
BERTRAM. L. PARR, Partner

KENT NARROWS PARTNERSHIP

By *Hugh J. Davis* (SEAL)
HUGH J. DAVIS, M.D., Partner

Property Address:
Bayside Resort Inn
Routes 301 & 50
Grasonville, Maryland 21638

5064A

December 28, 1981

Mr. Bertram L. Parr
t/a Kent Narrows Partnership
Bennett Point Road
Queenstown, MD 21658

Dear Mr. Parr:

As you know, I represent Jack Dietrich and his partners concerning the mortgage you and your partnership has on the Bayside Resort Inn in Grasonville, Maryland.

Please accept this letter as formal notice to you and the partnership, pursuant to the mortgage dated February 5, 1979 and recorded June 29, 1979 in the Queen Ann's County mortgage records, that said mortgage is in default for nonpayment of principal and interest since the October payment of 1981.

You are hereby advised that unless all payments of principal and interest are brought current on or before February 1, 1982, including attorneys' fees necessitated by this action (which at the present time are \$250.00), then said mortgage debt shall be fully accelerated and all sums due under the mortgage shall be immediately due and payable. Foreclosure sale of the property will commence immediately thereafter, along with actions for deterioration and disrepair of the property, accounting for moneys received from certain past condemnation proceedings, etc.

You may, of course, avoid this action and the imposition of further attorneys' fees by making full and prompt payment of the amounts due directly to this office.

Very truly yours,

George C. Zumbano

GEZ/czc

CERTIFIED MAIL

RETURN RECEIPT REQUESTED

cc: Mr. Jack Dietrich

Thomas F. Comber, III, Esquire

Mr. Bertram L. Parr - Bayside Resort Inn

bcc: Michael Ragland, Esquire

Exhibit "3"
17 581

17 582

P07 1613563

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO <i>Harris</i>	
STREET AND NO.	
P.O., STATE AND ZIP CODE	
POSTAGE \$	
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE \$ 1.40
	SPECIAL DELIVERY
	RESTRICTED DELIVERY
	OPTIONAL SERVICES
RETURN RECEIPT SERVICE	SHOW TO WHOM AND DATE DELIVERED
RETURN RECEIPT SERVICE	SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY
RETURN RECEIPT SERVICE	SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY
RETURN RECEIPT SERVICE	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY
TOTAL POSTAGE AND FEES \$	
POSTMARK OR DATE	

PS Form 3800, Apr. 1976

P07 1613564

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO <i>Parr</i>	
STREET AND NO.	
P.O., STATE AND ZIP CODE	
POSTAGE \$	
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE \$ 1.40
	SPECIAL DELIVERY
	RESTRICTED DELIVERY
	OPTIONAL SERVICES
RETURN RECEIPT SERVICE	SHOW TO WHOM AND DATE DELIVERED
RETURN RECEIPT SERVICE	SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY
RETURN RECEIPT SERVICE	SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY
RETURN RECEIPT SERVICE	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY
TOTAL POSTAGE AND FEES \$	
POSTMARK OR DATE	

PS Form 3800, Apr. 1976

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

PS Form 3811, Aug. 1978

SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

The following service is requested (check one):
 Show to whom and date delivered.
 Show to whom, date, and address of delivery.
 RESTRICTED DELIVERY.
 Show to whom and date delivered.
 RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery.
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO: *MR. PARR
44 KEOR WAREHOUSE
PHYSIC RESORT RD
RT 3014 #50, GIBSONVILLE, MD 21138*

3. ARTICLE DESCRIPTION: *P07*
 REGISTERED NO. *1613564* CERTIFIED NO. _____ INSURED NO. _____

1. I have received the article described above.
 SIGNATURE *[Signature]* Myself Authorized agent
 (Always obtain signature of addressee or agent)

4. DATE OF DELIVERY *6/12/81* POSTMARK _____

5. ADDRESS: (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: _____
 CLERK'S INITIALS _____

12

JACK B. DIETRICH, ROBERT P. WEBER and ALFRED MacMORAN, Box 151, RD # 3 Phoenixville, Pennsylvania 19460

Plaintiffs

vs

KENT NARROWS PARTNERSHIP Property address: Bayside Resort Inn Routes 301 & 50 Grasonville, Maryland 21638 Mailing address: Bennett Point Road Queenstown, Maryland 21658

Defendant

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY EQUITY NO. 7056

***** STATEMENT OF MORTGAGE DEBT *****

Property: 5th District, Queen Anne's County, Maryland.

Table with 2 columns: Description and Amount. Rows include BALANCE DUE ON PRINCIPAL AS OF OCTOBER 1st, 1981 (\$ 199,966.33), INTEREST FROM OCTOBER 1st, 1981 to FEBRUARY 10th, 1982 (\$ 5,100.55), and BALANCE due as of February 10th, 1982 (\$ 205,066.88).

Per diem charge - \$ 38.35

Signature of Thomas F. Comber, 3rd., Attorney for Plaintiffs, 138 East Main St., Elkton, Md. 21921, Tele: (301) 398-1844

STATE OF MARYLAND, COUNTY OF CECIL, to-wit:

I HEREBY CERTIFY, that on this 9th day of February, 1982, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared THOMAS F. COMBER, 3RD., attorney for Plaintiffs, in the above entitled cause, and made oath that the foregoing is a true statement of the amount of the mortgage claim under the mortgage filed in said cause now remaining due and unpaid. AS WITNESS my hand and Notarial Seal

Signature of Rose A. Simpson, Notary Public

My Commission expires: 7/1/82

JACK B. DIETRICH, ROBERT P. WEBER, and ALFRED MacMORAN,

Plaintiff

VS.

KENT NARROWS PARTNERSHIP

Defendant

IN THE CIRCUIT COURT FOR ~~CECIL~~ COUNTY QUEEN ANNE'S

EQUITY ~~XXXX~~ No. 7256

MILITARY AFFIDAVIT

STATE OF MARYLAND, COUNTY OF CECIL, TO-WIT:

I HEREBY CERTIFY, that on this 9th day of February 19 82 personally appeared before me, the subscriber, a Notary Public of the State of Maryland, in and for the County of Cecil, THOMAS F. COMBER, 3rd., attorney for the Plaintiff in the above entitled cause, and made oath in due form of law, that

- (1) Said Defendant is not in the Military Service of the United States.
(2) Said Defendant is not in the Military Service of any nation allied with the United States.
(3) Said Defendant has not been ordered to report for induction under the Selective Service and Training Act of 1940 as amended.
(4) Said Defendant is not a member of the Enlisted Reserve Corps who has been ordered to report for Military Service.

IN TESTIMONY WHEREOF, I hereunto set my hand and affix my Notarial Seal on the day and date first above written.

Rose A. Simpson

Notary Public

SEAL

My Commission Expires: 7/1/82

DOCUMENT NO. 108,146

17 586
LIBER 182 FOL. 654

ASSIGNMENT OF MORTGAGE

THIS ASSIGNMENT OF MORTGAGE, Made this 3rd day of August, 1981, by and between ROBERT R. PRICE, JR., of Queen Annes County, Maryland, party of the first part, and JACK B. DIETRICH, ROBERT P. WEBER, and ALFRED MacMORAN, of Box 151, R. D. #3, Phoenixville, Pennsylvania 19460, parties of the second part.

WHEREAS, by mortgage dated February 5th, 1979, and recorded among the Land Records of Queen Annes County, Maryland, in Liber M.W.M. No. 151, folio 603, certain property containing 22 acres of land, more or less, was mortgaged by Kent Narrows Partnership, a Maryland general partnership, to Jack B. Dietrich, Robert P. Weber and Alfred MacMoran, the parties of the second part hereto; and

WHEREAS, on or about June 16th, 1980, the aforesaid mortgage was assigned by the said parties of the second part to Robert R. Price, Jr., the party of the first part, for the purpose of collection by foreclosure or otherwise; and

WHEREAS, the aforesaid Robert R. Price, Jr. subsequently filed foreclosure proceedings on the aforesaid mortgage, which foreclosure proceedings were subsequently dismissed so that no foreclosure proceeding is now pending; and

WHEREAS, the parties of the second part are desirous that the said Robert R. Price, Jr. reassign the aforesaid mortgage to them.

NOW, THEREFORE, THIS ASSIGNMENT OF MORTGAGE WITNESSETH: That for and in consideration of the premises and other good and valuable considerations, the receipt whereof is hereby acknowledged, Robert R. Price, Jr. does hereby grant, convey and assign unto Jack B. Dietrich, Robert P. Weber and Alfred MacMoran, all of his

CONSTABLE
ALEXANDER
& DANEKER

FILED

FEB 15 1982

CIRCUIT COURT
QUEEN ANNE'S CO.

right, title and interest as Assignee for the purpose of foreclosure of the aforesaid mortgage from Kent Narrows Partnership to Jack B. Dietrich, Robert P. Weber and Alfred MacMoran, the description of the property covered by said mortgage and this reassignment being more particularly set forth in said mortgage.

AS WITNESS the hand and seal of ROBERT R. PRICE, JR., this 3rd day of Aug., 1981.

WITNESS:

FEB 10-82 * 2 797 *****10 00
FEB 10-82 A #2 797 *****10 00

Mary J. Collin

Robert R. Price, Jr. (SEAL)
ROBERT R. PRICE, JR.

STATE OF MARYLAND,
COUNTY OF QUEEN ANNES, to-wit.:

I HEREBY CERTIFY that on this 3rd day of August, 1981, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared ROBERT R. PRICE, JR. and he acknowledged the foregoing Assignment of Mortgage to be his act.

AS WITNESS my hand and Notarial Seal this 3rd day of August, 1981.

RECEIVED
1982 FEB 10 AM 9:44
QUEEN ANNES COUNTY

Mary J. Collin
NOTARY PUBLIC
My Commission Expires: 7-1-82

CONSTABLE
ALEXANDER
& DANEKER

LIBER 182 PAGE 555

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber MWM No. 182, folio 654, a Land Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 16th day of February, 1982.

Marguerite W. Mankin
Marguerite W. Mankin, Clerk of
the Circuit Court for Queen Anne's County.

CCC:mfe:2/11/82

JACK B. DIETRICH,	:	IN THE CIRCUIT COURT
ROBERT P. WEBER and	:	FOR QUEEN ANNE'S COUNTY,
ALFRED MacMORAN	:	SITTING IN EQUITY
Plaintiffs	:	
vs.	:	NO. 7056
KENT NARROWS PARTNERSHIP	:	
Defendant	:	

DECREE FOR SALE OF MORTGAGED PREMISES

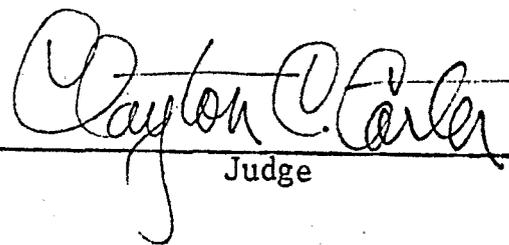
The Petition, Exhibits, Statement of Mortgage Debt and Military Affidavit in the above cause having been submitted, the proceedings therein were by the Court read and considered:

IT IS THEREUPON, this 16th day of February, in the year nineteen hundred and eighty-two, by the Circuit Court for Queen Anne's County, Sitting in Equity, ADJUDGED, ORDERED and DECREED, that the mortgaged property in the proceedings mentioned be sold; that Thomas F. Comber, 3rd be and he is hereby appointed Trustee to make said sale, and that the course and manner of the proceedings shall be as follows: (1) before making a sale of the mortgaged property, (a) he shall file with the Clerk of this Court, a bond to the State of Maryland, approved pursuant to Md. Rule H2, to abide by any court order which may be made in relation to the sale of the mortgaged property, or the proceeds thereof, and (b) he shall give notice of the time, place and terms thereof by advertisement pursuant to Md. Rule W74 2 (b); (2) as soon as practicable after any such sale, and in no event more than 30 days after the date thereof, the Trustee shall render to this Court a full and particular account of the proceedings relative to the sale, with an affidavit of the fairness of the sale and of the truth of the report annexed thereto; (3) after complying with Md. Rule BR6 b. 3. and obtaining the Court's ratification of the sale, and on payment of the whole purchase

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CLERK OF COURT

17 500

money, and not before, the said Trustee shall by a good and sufficient deed, to be executed, acknowledged and recorded, according to law, convey to the purchaser or purchasers, the property and estate sold, free, clear and discharged from all claim of the parties hereto and those claiming by, from or under them, or either of them; and (4) the said Trustee shall bring into this Court the money arising from said sale, to be distributed under the direction of this Court, after the papers in the proceeding have been referred to the Auditor of this Court to state an account, pursuant to Md. Rules W 74 e. and BR 6 b. 5.


Judge

17 592

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

I HEREBY CERTIFY, that the aforegoin is truly taken and copied from
Liber MWM No. 3, folio 225, a Bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe
my name and affix the Seal of the Circuit
Court for Queen Anne's County, this 8th
day of March, 1982.

Marguerite W. Mankin
Clerk of the Circuit Court for Queen Anne's
County

Jack B. Dietrich,
Robert P. Weber and
Alfred MacMoran
Plaintiffs

vs

Kent Narrows Partnership
Defendant

:
: IN THE CIRCUIT COURT
:
: FOR QUEEN ANNE'S COUNTY
:
: EQUITY NO. 7056
:

Mr. Clerk:

Please file the attached Consent Order in the above-entitled case.


Thomas F. Comber, 3rd
Attorney for Plaintiffs
138 E. Main Street
Elkton, Md. 21921
(301) 398-1844

CLERK OF THE COURT
1982 AUG 11 AM 10:26
QUEEN ANNE'S COUNTY

17 594

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND

IN RE: :
BERTRAM LARRY PARR : BANKRUPTCY NO. 82-2-0538
BERT PARR t/a BAYSIDE MOTEL :
BERT PARR t/a KENT NARROWS : ADVERSARY NO. 82-0642

* * * * *
CONSENT ORDER

A Complaint having been filed herein by Jack B. Dietrich, et al, seeking relief from the Automatic Bankruptcy Stay and leave to proceed with a foreclosure sale of certain property of the Bankrupt located in Queen Anne's County, Maryland; and

The testimony of the Bankrupt having been taken at the First Meeting of Creditors, and it appearing therefrom that the bankrupt has no equity in the subject property, the balance due on the subject mortgage being in excess of \$205,000, which amount is substantially in excess of the present market value of the subject property, as per the appraisal filed herein, the improvements upon which have been substantially destroyed and/or vandalized, and there being over Fifty Thousand Dollars (\$50,000.00) due and owing on a second mortgage to the Small Business Administration; and

The Bankrupt having agreed at the First Meeting of Creditors that he has no equity in the subject property, and

The Trustee, having reviewed the Bankruptcy schedules, and taken the testimony of the Bankrupt at the First Meeting of Creditors, and having examined pictures of the present damaged state of the subject property, has endorsed his consent to the within order;

IT IS this ^{6th} day of ^{August} ~~June~~, 1982, by the UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF MARYLAND, ORDERED, that the Automatic Stay pursuant to Title 11 of the U.S.C., be and it is hereby terminated with respect to the motel and 22 acre property located in Queen Anne's County, Maryland and more particularly

I hereby certify that the foregoing is a true copy of the original thereof now on file in this office.

Dated this 9th day of August, 1982
[Signature]

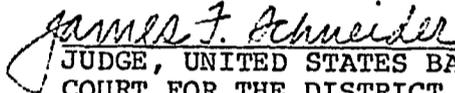
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CLERK, U.S. BANKRUPTCY COURT
1982 AUG 11 AM 10:26

Clerk of the District Court for the District of Maryland
QUEEN ANNE'S COUNTY

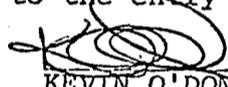
described in a mortgage from Kent Narrows Partnership to Jack B. Dietrich, Robert P. Weber and Alfred MacMoran, dated February 5, 1979 and recorded among the Land Records of Queen Anne's County, Maryland in Liber 151, folio 603; and

IT IS FURTHER ORDERED, that the aforesaid mortgagees be and they are hereby authorized to sell the aforesaid motel and 22 acre property at foreclosure sale pursuant to the jurisdiction of the Circuit Court for Queen Anne's County, Maryland; and

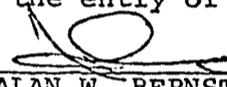
IT IS FURTHER ORDERED, that the aforesaid mortgagees file a Report of Sale in the within Bankruptcy case, with a copy to the Trustee and a copy to the bankrupt and/or bankrupts attorney.


JUDGE, UNITED STATES BANKRUPTCY
COURT FOR THE DISTRICT OF MARYLAND

I HEREBY CONSENT to the entry of the foregoing Order.


KEVIN O'DONNELL, Esquire
Trustee in Bankruptcy for
Bertram Larry Parr t/a Kent
Narrows Partnership

I HEREBY CONSENT to the entry of the foregoing Order.


ALAN W. BERNSTEIN, Esquire
P. O. Box 591
Annapolis, Maryland 21404
Attorney for Debtor

JACK B. DIETRICH,
ROBERT P. WEBER and
ALFRED MacMORAN
Plaintiffs

vs.

KENT NARROWS PARTNERSHIP

*
IN THE CIRCUIT COURT
*
FOR QUEEN ANNE'S COUNTY
*
EQUITY NO. 7056
*
*

REPORT OF SALE

TO THE HONORABLE, THE JUDGES OF SAID COURT:

The Report of Thomas F. Comber, 3rd, Trustee, shows that after giving Bond, with security, for the faithful discharge of the trust, and after advertising in the Queen Anne's Record-Observer, a newspaper printed and published in Queen Anne's County, for three successive weeks, the last publication having been not more than one week prior to sale, the time, place, manner and terms of sale, he did, pursuant to said notice attend the place of sale on the 14th day of September, 1982 at 1:30 P.M, and then and there proceeded to sell the property mentioned in said advertisement, and more particularly described as follows:

All that lot or parcel of ground situate, lying and being in the Fifth Election District of Queen Anne's County, State of Maryland, near the Town of Grasonville, and described as follows, that is to say: BEGINNING for the same at the point of intersection of the centerline of a thirty (30) foot wide right of way leading into the herein described lands and the Westerly line of the State Road lands at the entrance to "Jackson Road", and running (1) thence by and with the line of the State Road right of way the two following courses and distances, South 57 degrees 44 minutes West 75.10 feet to a concrete monument and North 68 degrees 45 minutes West 1313.20 feet to a point on the easterly division line of the J. Rodney King lands (see NBW No. 5, folio 178); (2) thence by and with the said J. Rodney Kings lands, North 00 degrees 55 minutes East 475 feet, more or less, to the centerline of Muddy Creek, (a tributary of the Chester River); (3) thence by and with the centerline of Muddy Creek to a point where the centerline of a forty (40) foot wide canal projected North 69 degrees 07 minutes West intersects the centerline of the aforementioned Muddy Creek; (4) thence by and with the aforementioned projected centerline of said Canal, South 69 degrees 07 minutes East to a hub set in the Easterly end of the canal; (5) thence

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1982 SEP 30 AM 10:28

QUEEN ANNE'S COUNTY

with the division line, South 72 degrees 57 minutes East 44.50 feet to a concrete monument; thence continuing the same course for a distance of 240.00 feet (total distance 284.50 feet) to a concrete monument; (6) thence continuing with a division line South 13 degrees 23 minutes West 716.00 feet to a point on the centerline of the aforementioned thirty (30) foot wide right of way leading into the herein described lands; (7) thence by and with the centerline of the road South 55 degrees 07 minutes East 378.80 feet, to the point of beginning; CONTAINING in all 22.00 ACRES of land, more or less. "Saving and excepting all that portion thereof containing 0.2712 acre, more or less, and more particularly described in a deed and partial release of mortgage dated December 13, 1979 from Kent Narrows Partnership, et al., to County Commissioners of Queen Anne's County, which deed is recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 161, folio 615."

IMPROVEMENTS CONSIST OF a cement block one-story shell (designed to be a 22-Unit Motel when completed), known as Bayside Resort Inn, with Restaurant, and Swimming Pool.

LOCATED AT Route 301/Md. 50 at Grasonville, Kent Island Narrows. Zoned for general business.

BEING the same land which was conveyed unto Kent Narrows Partnership by deed of BEF, Inc. et al, dated February 5th, 1979 and recorded among the Land Records of Queen Anne's County in M.W.M. No. 51, folio 600.

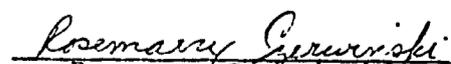
AND sold the same to Jack B. Dietrick as agent for Jack B. Dietrich, Robert P. Weber, and Alfred MacMoran, a partnership, he being then and there the highest bidder therefore, at and for the sum of TWO HUNDRED THOUSAND DOLLARS (\$200,000.00), and said purchasers have complied with the terms of the sale, as per copy of Agreement of Sale attached hereto as Exhibit A and as per Affidavit as to the fairness of said sale, a copy of which is likewise attached hereto as Exhibit B.


Thomas F. Comber, 3rd, Trustee

STATE OF MARYLAND, COUNTY OF CECIL, to wit:

I HEREBY CERTIFY, that on this 28th day of September, 1982, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Thomas F. Comber, 3rd, Trustee, named in the within Report of Sale, and made oath in due form of law, that the matters and things stated in the foregoing Report of Sale are true to the best of his knowledge, information and belief, and that the sale was fairly made.

AS WITNESS my hand and Notarial Seal.


Rosemary Czerwinski
Notary Public
My Commission expires: 7/1/86

REAL ESTATE CONTRACT OF SALE

17 338

This Agreement of Sale, made this 14th day of September

nineteen hundred and Eighty-Two between Thomas F. Comber, 3rd, Trustee named in Decree for Sale of Mortgaged Premises, in Equity No. 7056, Circuit Court for Queen Anne's County, dated February 16th, 1982, Seller, and

Buyer

Witness that the said Seller does hereby bargain and sell unto the said Buyer, and the latter does hereby purchase from the former the following described property, situate and lying in the Fifth Election District of Queen Anne's County, State of Maryland, near the Town of Grasonville, being more particularly described in deed to KENT NARROWS PARTNERSHIP as recorded among the Land Records of Queen Anne's County in M.W.M. No. 51, folio 600, together with improvements thereon, and saving & excepting 0.2712 acre, +, as conveyed in Liber M.W.M. 161/115 to County Commissioners of Queen Anne's County, together with improvements located thereon (being sole in an as in condition), said property containing approximately 22 acres of land, more or less.

Subject to conditions, restrictions, easements, rights of way, and agreements of record affecting the same.

at and for the price of Two Hundred Thousand

Dollars (\$ 200,000.00)

of which Ten Thousand Dollars (\$ 10,000.00)

have been paid prior to the signing hereof, and the balance to be paid as follows: in cash or by certified check upon final ratification of sale by the Circuit Court for Queen Anne's County, and to bear interest at the rate of 7 per cent per annum for date of sale to date of settlement, which is to be on or before 10 business days following final ratification of sale by the Circuit Court of Queen Anne's County, unless said period is extended by the Trustee named, his successors or assigns, for good cause shown. Said sale to be pursuant to terms of sale set forth in attached copy of Foreclosure Sale ad which terms are adopted and made part hereof.

Time is the essence of this transaction.

RECEIVED
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QUEEN ANNE'S COUNTY
1982 SEP 30 AM 10:28

AND upon payment as above provided of the unpaid purchase money, a deed for the property shall be executed at the Buyer's expense by the Seller, which shall convey the property by a good and merchantable title to the Buyer, free of liens and encumbrances except as specified herein; but subject, however, to all applicable restrictions, easements, laws, ordinances, regulations, charges, taxes and assessments, if any.

Ground rent, rent, water rent, taxes and other public charges against the premises shall be apportioned as of date of settlement, at which time possession shall be given; and the said parties hereto hereby bind themselves, their heirs, executors and administrators, for the faithful performance of this agreement.

It is also understood and agreed that the Seller shall immediately have all of the insurance policies on the property so endorsed as to protect all parties hereto, as their interests may appear, and continue said insurance in force during the life of this Contract.

This Contract contains the final and entire Agreement between the parties hereto, and neither they nor their Agents shall be bound by any terms, conditions or representations not herein written; time being of the essence of this Agreement. Cost of all documentary stamps and of transfer, recording, conveyancing and other similar taxes when applicable and where required by law, shall be borne by the Buyers.

*Md. Transfer tax

Witness in duplicate the hands and seals of the parties hereto the day and year first above written.

Witness AS TO SELLER'S SIGNATURE

Thomas F. Comber 3rd (SEAL) SELLER'S SIGNATURE

Witness AS TO SELLER'S SIGNATURE

(SEAL) SELLER'S SIGNATURE

Witness AS TO BUYER'S SIGNATURE

Buyer's Signature (SEAL) BUYER'S SIGNATURE

Witness AS TO BUYER'S SIGNATURE

Agent for T. & K. B. District, (SEAL) BUYER'S SIGNATURE
Robert T. Weber and Alfred McMoran

JACK B. DIETRICH,
ROBERT P. WEBER and
ALFRED MacMORAN
Plaintiffs

: IN THE CIRCUIT COURT
: FOR QUEEN ANNE'S COUNTY

vs
KENT NARROWS PARTNERSHIP

: EQUITY NO. 7056

* * * * *

I HEREBY CERTIFY, that on this 14th day of September, 1982
before me, the subscriber, a Notary Public of the State of Maryland,
in and for the County of Baltimore, personally appeared
Jack B Dietrich

Purchaser(s) at the sale in this cause, and made oath in due form
of law that ~~(s)he (they)~~ purchased the same as ~~principal(s) and~~
~~not as agent, and his principal(s) is (are)~~ as agent for
Jack B Dietrich, Robert P. Weber, and Alfred Mac Moran
and no others are interested as principal(s) ~~(that)~~

~~is also interested~~
~~as principal~~), and that he has ~~(have)~~ not directly or
indirectly discouraged anyone from bidding for the said parcel of
land mentioned in the said Advertisement of Sale in the above-
entitled cause.

Jack B Dietrich

Purchaser(s)

AS WITNESS my hand and Notarial Seal the day and year
first herein written.

Thomas Fowler, 3rd
Notary Public

My Commission expires: 7/1/86

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CLERK, CIRCUIT COURT
1982 SEP 30 AM 10:28
QUEEN ANNE'S COUNTY

17 000

JACK B. DIETRICH,
ROBERT P. WEBER and
ALFRED MacMORAN
Plaintiffs

vs.

KENT NARROWS PARTNERSHIP

*
* IN THE CIRCUIT COURT
* FOR QUEEN ANNE'S COUNTY
* EQUITY NO. 7056
*

AFFIDAVIT OF COMPLIANCE

STATE OF MARYLAND

COUNTY OF CECIL, to wit:

I HEREBY CERTIFY, that on this 28th day of September, 1982, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared THOMAS F. COMBER, 3RD, Trustee in the above entitled matter, and he made oath in due form of law that on September 3, 1982, he sent, by certified mail, a notice to the mortgagor, at the mortgagor's last known address, a notice of the time, place, and terms of sale, a copy of said letter and of the receipt for certified mailing being hereto attached.

Thomas Comber 3rd
Thomas F. Comber, 3rd

SWORN TO AND SUBSCRIBED before me, a Notary Public of the State and County aforesaid, this 28th day of September, 1982.

Rosemary Czerwinski
Rosemary Czerwinski
Notary Public
My Commission expires: 7/1/86

SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.	
1. The following service is requested (check one): <input checked="" type="checkbox"/> Show to whom and date delivered..... <input type="checkbox"/> Show to whom, date and address of delivery..... <input type="checkbox"/> RESTRICTED DELIVERY Show to whom and date delivered..... <input type="checkbox"/> RESTRICTED DELIVERY. Show to whom, date, and address of delivery \$.....	
(CONSULT POSTMASTER FOR FEES)	
2. ARTICLE ADDRESSED TO: KENT NARROWS PARTNERSHIP c/o Mr. Bertram Larry Parr Bennett Point Rd Queenstown Maryland 21658	
3. REGISTERED NO. <u>455585</u> CERTIFIED NO. <u>1025</u> INSURED NO.	(Always obtain signature of addressee or agent) I have received the article described above. SIGNATURE <i>[Signature]</i> <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent
4. DATE OF DELIVERY <u>9/17/82</u> POSTMARK	6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS
5. ADDRESS (Complete only if requested)	

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CLERK CIRCUIT COURT
1982 SEP 30 AM 10:28
QUEEN ANNE'S COUNTY

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

LAW OFFICES

CONSTABLE, ALEXANDER, DANEKER & SKEEN

1000 MARYLAND TRUST BUILDING
CALVERT AND REDWOOD STS.
BALTIMORE, MARYLAND 21202
(301) 539-4174
(301) 535-5060
TELEX 710-234-2483 CALDAS
September 3, 1982

WM BERTER CONSTABLE
1832-1876
PHILIP O BOACH
1916-1976

ELKTON OFFICE
115 E. MAIN ST.
ELKTON, MD. 21821
(301) 396-1044

TOWSON OFFICE
THE CHESAPEAKE BLDG.
305 W. CHESAPEAKE AVE.
TOWSON, MD 21204
(301) 828-9202

THOMAS A. ALEXANDER
GEORGE H. GORDON-ABLE
LESTER W. FALCNER
ROBERT H. SKEEN, JR.
WILLIAM A. SUTHER
THOMAS F. CONNOR, JR.
LESLIE H. DANER
JAMES J. O'NEIL
DAVID C. DANER, JR.
JAMES W. CONSTABLE
DAVID J. DANER
DAVID W. SKEEN
LESLIE THOMAS HOWARD
FRANKLIN HOLLIF
CAROL M. DANER
JAMES D. SKEEN
K. DANIEL DANER
LESLIE A. DANER

Also sent:
c/o Hugh J. Davis
2 E. Highfield Rd.
Baltimore, Md. 21218

PLEASE REPLY TO: Elkton

KENT NARROWS PARTNERSHIP
c/o Mr. Bertram Larry Parr
Bennett Point Road
Queenstown, Maryland 21658

Re: Trustee's Sale, Jack B. Dietrich,
et al, In the Circuit Court for
Queen Anne's County in Equity
No. 7056
Our File: PE-81-3251

Gentlemen:

In accordance with Rule W74 22(c) of the Maryland Rules of Procedure, I am herewith giving you notice that pursuant to a Consent Order of the United States Bankruptcy Court and as Trustee appointed by the Circuit Court for Queen Anne's County in the matter of Jack B. Dietrich, et al vs. Kent Narrows Partnership (Equity No. 7056), I will sell at foreclosure sale on Tuesday, September 14, at 1 P.M. the property owned by Kent Narrows Partnership, containing approximately 22 acres and located on Rts 301 and 50 in Grasonville, Queen Anne's County, Maryland, which property is more particularly described in a mortgage from Kent Narrows Partnership to Jack B. Dietrich, et al, dated 2/5/79 and recorded among the Land Records of said county in Liber M.W.M. No. 51, folio 603, etc.

The terms of sale as advertised are as follows:

Cash, Cashier's or Certified check only. Deposit of \$10,000 is required at the time of sale. Balance of the purchase price is to be paid in cash at settlement, which must occur within ten (10) business days following final ratification of sale by the Circuit Court of Queen Anne's County, unless said period is extended by the Trustee named below, his successors or assigns, for good cause shown. Time is of the essence of this transaction. Interest as stated in mortgage is to be paid on the unpaid purchase price from date of sale to date of settlement. Documentary stamps, transfer tax and all recording costs and cost of transfer are to be paid by the buyer. Taxes and other public or governmental charges and assessments against the premises, which are or may be payable on an annual basis (including Metropolitan District, Sanitary Commission or other benefit charges, assessments, liens or encumbrances for sewer, water, drainage or

ORDER NISI ON SALE

JACK B. DIETRICH, ROBERT P. WEBER
and ALFRED MacMORAN

vs.

KENT NARROWS PARTNERSHIP

In the Circuit Court
for Queen Anne's County
In Equity

Cause No. 7056

ORDERED, this 30th day of September, 1982, that the sale of the real property, made and reported in this cause by Thomas F. Comber, 3rd, Trustee, be ratified and confirmed, on or after the 1st day of November, 1982, unless cause to the contrary thereof be previously shown; provided a copy of this order be inserted in some newspaper published in Queen Anne's County, Maryland, once in each of three successive weeks before the 25th day of October, 1982.

The report states the amount of sales to be \$ 200,000.00.

Marguerite S. Markie Clerk

Filed September 30, 1982

32

ORDER NISI ON SALE

JACK B. DIETRICH, ROBERT P. WEBER
and ALFRED MacMORAN

vs.

KENT NARROWS PARTNERSHIP

In the Circuit Court
for Queen Anne's County
In Equity

Cause No. 7056

ORDERED, this 7th day of October, 1982, that the sale of the real property, made and reported in this cause by Thomas F. Comber, 3rd, Trustee, be ratified and confirmed, on or after the 8th day of November, 1982, unless cause to the contrary thereof be previously shown; provided a copy of this order be inserted in some newspaper published in Queen Anne's County, Maryland, once in each of three successive weeks before the 1st day of November, 1982.

The report states the amount of sales to be \$ 200,000.00 (Two hundred thousand dollars and no cents)

Marguerite S. Markie Clerk

Filed October 7, 1982

33

17 603

17-604

JACK B. DIETRICH, ROBERT P. WEBER
and ALFRED MacMORAN

IN THE CIRCUIT COURT
FOR QUEEN ANNE'S COUNTY

VS

KENT NARROWS PARTNERSHIP

EQUITY NO. 7056

It is hereby requested that the ORDER NISI ON SALE, dated September 30, 1982, stating the amount of sale to be Two Hundred Thousand Dollars and No Cents (\$200,000.00), and being published in the Queen Anne's Record Observer on October 6, 1982 showing the amount of sale to be Two Million Dollars and No Cents (\$2,000,000.00) be withdrawn.

ORDER NISI
ON SALE
JACK B. DIETRICH
ROBERT P. WEBER
and
ALFRED MacMORAN
vs.
KENT NARROWS
PARTNERSHIP
In The Circuit Court
for
Queen Anne's County
In Equity
Cause No. 7056

ORDERED, this 30th day of September, 1982, that the sale of the real property, made and reported in this cause by Thomas F. Comber, 3rd, Trustee, be ratified and confirmed, on or after the 1st day of November, 1982, unless cause to the contrary thereof be previously shown; provided a copy of this order be inserted in some newspaper published in Queen Anne's County, Maryland, once in each of three successive weeks before the 25th day of October, 1982.

The report states the amount of sales to be \$2000,000.00.

Marguerite W. Mankin
Clerk

True copy, Test:
Marguerite W. Mankin
Clerk

By: Betty M. Comegys
Deputy Clerk

Filed September 30, 1982
RO-10-6-31-07

Marguerite W. Mankin
MARGUERITE W. MANKIN, CLERK

34

JACK B. DIETRICH,
ROBERT P. WEBER and
ALFRED MacMORAN
Plaintiffs

vs.
KENT NARROWS PARTNERSHIP

*
IN THE CIRCUIT COURT
*
FOR QUEEN ANNE'S COUNTY
*
EQUITY NO. 7056
*

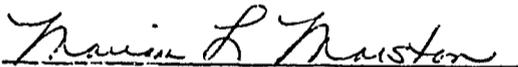
AUCTIONEER'S AFFIDAVIT

I HEREBY CERTIFY that at the request of the Trustee appointed in the captioned proceedings that I offered the property described in the annexed advertisement of sale at public auction at the premises on U. S. Routes 50 and 301, near Grasonville, Maryland in Queen Anne's County on September 14, 1982 at 1 P. M. and sold the same to Jack B. Dietrich as agent for Jack B. Dietrich, Robert P. Weber, and Alfred MacMoran, at and for the sum of Two Hundred Thousand Dollars (\$200,000.00), said buyer being at that price the highest bidder therefor, and that I have not paid and will not pay, directly or indirectly, any sum for consideration for employing me or for aiding to employ me to make such sale.

SUBSCRIBED AND SWORN TO
Before me a Notary Public of
the State of Md. ^{Queen Anne's Co.}
This /st day of ~~Sept.~~ 1982

By


Auctioneer


Notary Public

My Commission Expires: 7/1/86

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1982 OCT -8 AM 10:56
QUEEN ANNE'S COUNTY

17-606

Centreville, Md. 9/8 19 82

We Hereby Certify

That the annexed advertisement of Dietrich v. Kent Narrows was published in the RECORD OBSERVER, a newspaper published in Queen Anne's County, Maryland, once in each of 3 successive weeks before the 14th day of Sept. 19 82

And that the first insertion of said advertisement in the said RECORD OBSERVER was on the 25th day of Aug. 19 82, and the last insertion on the 8th day of Sept. 19 82.

Publishers, Record Observer

Per

[Signature]

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CLERK, CIRCUIT COURT

1982 NOV -3 AM 11:54

QUEEN ANNE'S COUNTY

36

THOMAS F. COMBER, 3rd., TRUSTEE
138 East Main Street
Elkton, Maryland 21921
(301) 393-1844

Trustee's Sale of

Valuable Commercial
Property In Fee Simple

Under and by virtue of a Decree of the Circuit Court for Queen Anne's County, dated February 16th, 1982, in the case entitled JACK B. DIETRICH, ROBERT P. WEBER and ALFRED MacMORAN vs. KENT NARROWS PARTNERSHIP (Decree for Sale of Mortgaged Premises), Case No. 7056, in Equity, the undersigned Trustee will sell at public auction, on the premises, on

Tues., Sept. 14, 1982

at 1:00 p.m.

All that lot or parcel of ground situate, lying and being in the Fifth Election District of Queen Anne's County, State of Maryland, near the Town of Grasonville, and described as follows, that is to say: BEGINNING for the same at the point of intersection of the centerline of a thirty (30) foot wide right of way leading into the herein described lands and the westerly line of the State Road lands at the entrance to "Jackson Road", and running (1) thence by and with the line of the State Road right of way the two following courses and distances, South 57 degrees 44 minutes West 75.10 feet to a concrete monument and North 68 degrees 45 minutes West 1313.20 feet to a point on the easterly division line of the J. Rodney King lands (see NBW No. 5, folio 178); (2) thence by end with the said J. Rodney Kings lands, North 00 degrees 55 minutes East 475 feet, more or less, to the centerline of Muddy Creek, (a tributary of the Chester River); (3) thence by and with the centerline of Muddy Creek to a point where the centerline of a forty (40) foot wide canal projected North 69 degrees 07 minutes West intersects the centerline of the aforementioned Muddy Creek; (4) thence by and with the aforementioned projected centerline of said Canal, South 69 degrees 07 minutes East to a hub set in the Easterly end of the canal; (5) thence with the division line, South 72 degrees 57 minutes East 44.50 feet to a concrete monument; thence continuing the same course for a distance of 240.00 feet (total distance 284.50 feet) to a concrete monument; (6) thence continuing with a division line South 13 degrees 23 minutes West 716.00 feet to a point on the centerline of the aforementioned thirty (30) foot wide right of way leading into the herein described lands; (7) thence by end with the centerline of the road South 55 degrees 07 minutes East 378.80 feet, to the point of beginning; CONTAINING in all 22.00 ACRES of

land, more or less. "Saving and excepting all that portion thereof containing 0.2712 acre, more or less, and more particularly described in a deed and partial release of mortgage dated December 13, 1979 from Kant Narrows Partnership, et al., to County Commissioners of Queen Anne's County, which deed is recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 161, folio 615."

IMPROVEMENTS CONSIST OF A CEMENT BLOCK ONE-STORY SHELL (DESIGNED TO BE A 22-UNIT MOTEL WHEN COMPLETED), KNOWN AS BAYSIDE RESORT INN, WITH RESTAURANT, AND SWIMMING POOL.

LOCATED AT ROUTE 301/MD. 50, at Grasonville, Kent Island Narrows. Zoned for general business.

BEING the same land which was conveyed unto KENT NARROWS PARTNERSHIP by deed of JEF, Inc., et al., dated February 5th, 1979 and recorded among the Land Records of Queen Anne's County in M.W.M. No. 51, folio 600.

THIS PROPERTY will be sold subject to conditions, restrictions, easements, rights of way, and agreements of record affecting the same.

TERMS OF SALE: Cash, Cashier's or certified check only. Deposit of \$10,000.00 is required at the time of sale. Balance of the purchase price is to be paid in cash at settlement, which must occur within ten (10) business days following final ratification of sale by the Circuit Court of Queen Anne's County, unless said period is extended by the Trustee named below, his successors or assigns, for good cause shown. Time is of the essence of this transaction. Interest as stated in mortgage is to be paid on the unpaid purchase price from date of sale to date of settlement. Documentary stamps, transfer tax and all recording costs and cost of transfer are to be paid by the buyer. Taxes and other public or governmental charges and assessments against the premises, which are or may be payable on an annual basis (including Metropolitan District, Sanitary Commission or other benefit charges, assessments, liens or encumbrances for sewer, water, drainage or other public improvements, completed or commenced on or prior to the date of sale, or subsequent thereto, whether assessments have been levied or not) are to be adjusted and apportioned as of the date of sale and are to be paid thereafter by the purchaser. PROPERTY BEING SOLD IN AN "AS IS" CONDITION.

THOMAS F. COMBER, 3rd., TRUSTEE

JOSEPH A. JACKSON, JR.

Auctioneer.

INQUIRIES may be made to THOMAS F. COMBER, 3rd., TRUSTEE, at (301) 338-1844 of interested parties may also arrange for an inspection by calling the auctioneer at (301) 364-5463.

RO-8-25-31-044

1030

17-607

17 608

Centreville, Md. 10/27 19 82

We Hereby Certify

That the annexed advertisement of
Order Nisi - Cause No. 7056
 was published in the RECORD
 OBSERVER, a newspaper published
 in Queen Anne's County, Maryland, once
 in each of 3 successive weeks before
 the 8th day of Nov. 19 82
 And that the first insertion of said ad-
 vertisement in the said RECORD
 OBSERVER was on the 13th day of
Oct. 19 82, and the last
 insertion on the 27th day of
Oct. 19 82.

Publishers, Record Observer
 Per Betty M. Comegys

RECEIVED
 CLERK, CIRCUIT COURT
 Filed September 30, 1982
 RO-10-13-3r-015

QUEEN ANNE'S COUNTY

**ORDER NISI
 ON SALE
 JACK B. DIETRICH
 ROBERT P. WEBER
 and
 ALFRED MacMORAN
 vs.
 KENT NARROWS
 PARTNERSHIP
 In The Circuit Court
 for
 Queen Anne's County
 In Equity
 Cause No. 7056**

ORDERED, this 7th day
 of October, 1982, that the
 sale of the real property,
 made and reported in this
 cause by Thomas F.
 Comber, 3rd, Trustee, be
 ratified and confirmed, on
 or after the 8th day of
 November, 1982, unless
 cause to the contrary
 thereof be previously
 shown; provided a copy of
 this order be inserted in
 some newspaper published
 in Queen Anne's County,
 Maryland, once in each of
 three successive weeks
 before the 1st day of
 November, 1982.

The report states the
 amount of sales to be
 \$200,000.00 (Two hundred
 thousand dollars and no
 cents)

Marguerite W. Mankin
 Clerk

True copy, Test:
 Marguerite W. Mankin
 Clerk

By: Betty M. Comegys
 Deputy Clerk

SALE RATIFIED AND CONFIRMED

JACK B. DIETRICH, ROBERT P. WEBER

and ALFRED MacMORAN

VS.

KENT NARROWS PARTNERSHIP

IN THE CIRCUIT COURT
FOR QUEEN ANN'S COUNTY

No. ... 7056 EQUITY

ORDER OF RATIFICATION

ORDERED BY THE COURT, This 8th day of November 1982,
that the sale made and reported by the ... Trustee ...
hereby finally RATIFIED AND CONFIRMED, no cause to the contrary having been shown, although due notice appears to
have been given as required by the Order Nisi passed in said cause; and the ... Trustee ...
allowed the usual commissions and such proper expenses as he shall produce vouchers for to the Auditor.

Clayton C. Carter
JUDGE

-RECEIVED
CLERK, CIRCUIT COURT
1982 NOV -9 AM 11:15
QUEEN ANNE'S COUNTY

Law Offices
Bernstein & Feldman, P.A.

Station Plaza West
126 West Street
P. O. Box 591

Annapolis, Maryland 21404

Alan W. Bernstein
Jerome I. Feldman

Telephone
(301) 267-9010 Annapolis
(301) 269-1031 Baltimore
(301) 261-2926 Washington

November 29, 1982

John W. Sause, Jr., Esquire
204 N. Commerce Street
Centreville, Maryland 21617

Re: Kent Narrows Partnership

Dear Mr. Sause:

This office represents Bertram L. Parr who is the general partner in the Kent Narrows Partnership. Mr. Parr is currently in bankruptcy but has filed a petition to dismiss the bankruptcy.

I am in receipt of a suggested audit by Mr. Comber. I feel that it is important to call to your attention that the mortgagees have already received approximately \$160,000 in insurance proceeds for damage to the property. The audit does not disclose this credit against the debt and therefore is not accurate. I would like to be notified when you prepare your audit as if it does not reflect the credit for the insurance claim, I will file exceptions.

Your cooperation is appreciated.

Very truly yours,


Alan W. Bernstein

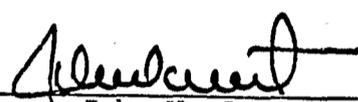
AWB:glS

1 17 612 0

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

JACK B. DIETRICH, et al. :
 v. : Chancery #7056
 KENT NARROWS PARTNERSHIP :
 : : : : :

The Auditor's Hearing scheduled for Monday, December 13, 1982, has been continued to December 15, 1982, at 3:00 p.m., at 204 North Commerce Street, Centreville, Maryland 21617.



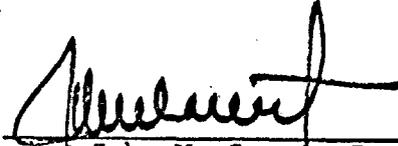
 John W. Sause, Jr.
 Auditor

RECEIVED
 CLERK, CIRCUIT COURT
 1982 DEC -8 AM 11:22
 QUEEN ANNE'S COUNTY

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

JACK B. DIETRICH, et al. :
v. : Chancery #7056
KENT NARROWS PARTNERSHIP :
: : : : :

The hearing in this matter which was rescheduled for December 15, 1982, has been generally continued. A new hearing date will be set at the convenience of Alan Bernstein, attorney for the Mortgagor, and Robert R. Price, Jr., attorney for Jack B. Dietrich.



John W. Sause, Jr.
Auditor

Copies to: Alan W. Bernstein, Esquire
Thomas F. Comber, III, Esquire
Robert R. Price, Jr., Esquire

FILED

DEC 1 1982

CIRCUIT COURT
QUEEN ANNE'S CO.

JACK B. DIETRICH, ET AL
Plaintiff
v.
THE KENT NARROWS PARTNERSHIP
Defendant

* IN THE
* CIRCUIT COURT
* FOR
* QUEEN ANNE'S COUNTY
* CHANCERY NO. 7056
*

PETITION FOR PAYMENT OF CLAIM

Small Business Administration, an Agency of the United States Government, by its attorney, M. J. Dausch III, Acting District Counsel, Baltimore District Office, petitions the Court for payment against the surplus arising out of the foreclosure sale in this case and for reason states:

1. That Bertram L. Parr and Anne S. Parr T/A Bayside Motel executed and delivered to Small Business Administration, Petitioner, a certain interest-bearing Promissory Note dated January 26, 1980 in the original principal amount of Fifty-Eight Thousand One Hundred Dollars (\$58,100.00). A machine copy of said Note is attached hereto and filed herewith as part of this Petition and Exhibit "A"; and the provisions of the Note are made a part hereof as fully set forth therein.

2. That on or about January 26, 1980 Bertram L. Parr and Anne S. Parr executed and delivered to Small Business Administration, Petitioner, a Guaranty of the payment of said Note. A machine copy of said Guaranty is attached hereto and filed herewith as part of this Petition and Exhibit "B"; and the provisions of the Guaranty are made a part hereof as fully set forth therein.

3. That The Kent Narrows Partnership executed and delivered to Small Business Administration, Petitioner, a Deed of Trust dated January 26, 1980 and recorded February 13, 1980 among the Land Records of Queen Anne's County, Maryland in Liber 161, Folio 449 upon real estate located at Routes 301 and 50, Grasonville, Maryland and described in said Deed of Trust and the

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CLERK, CIRCUIT COURT
1982 DEC 20 AM 11:48
QUEEN ANNE'S COUNTY

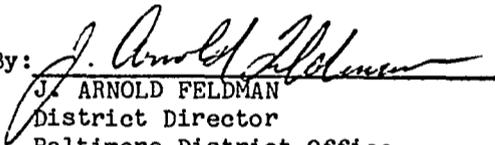
subject of the above-referenced foreclosure action. The real estate described in said Deed of Trust is subject only to a prior mortgage in the original amount of \$213,000.00 in favor of Jack B. Dietrich and is the real estate which is the subject of this foreclosure action. A machine copy of said Deed of Trust is attached hereto and filed herewith as part of this Petition as Exhibit "C".

4. That default has occurred in the covenants and conditions of said Deed of Trust by way of foreclosure of the aforesaid prior mortgage.

5. Petitioner avers that Defendant owes Small Business Administration the sum of \$59,913.97 (\$57,607.62 principal and \$2,306.35 accrued interest on the unpaid balance due on said Note computed at the rate of 5% per annum to December 16, 1982); and interest to accrue at the daily rate of \$8.00 from and after December 16, 1982 until paid.

WHEREFORE, Petitioner prays that this Court pass an Order awarding Petitioner surplus funds, if any, arising from the foreclosure sale in this case.

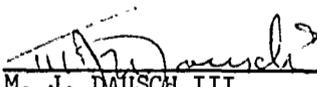
SMALL BUSINESS ADMINISTRATION

By: 

J. ARNOLD FELDMAN
District Director
Baltimore District Office
630 Oxford Building
8600 LaSalle Road
Towson, Maryland 21204
Telephone: 962-2054

OF COUNSEL:

J. FREDERICK MOTZ
United States Attorney
BY: LYNNE A. BATTAGLIA
Assistant U. S. Attorney
U. S. Courthouse, 8th Floor
101 West Lombard Street
Baltimore, Maryland 21201
Telephone: 962-4822


M. J. DAUSCH III
Acting District Counsel
Baltimore District Office
Small Business Administration
630 Oxford Building
8600 LaSalle Road
Towson, Maryland 21204
Telephone: 962-2474

I 17 010

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 17th Day of December 1982, a copy of the foregoing Petition for Payment of Claim was mailed to John W. Sause, Esquire, 204 North Commerce Street, Centreville, Maryland 21617, Court Auditor and to Thomas F. Comber III, Esquire, 138 East Main Street, Elkton, Maryland 21921, Trustee.


M. J. DAUSCH III
Assistant District Counsel
Baltimore District Office
Small Business Administration

SBA LOAN NUMBER

DLB258866 20 01 BALT

NOTE

(FOR DISASTER LOANS ONLY)

Baltimore, Maryland

(City and State)

\$ 58,100.00

(Date) January 26, 19 80

For value received, the undersigned promises to pay to the order of

SMALL BUSINESS ADMINISTRATION

(Payee)

at its office in the city of P.O. Box 360, Denver, State of Colorado

or at holder's option, at such other place as may be designated from time to time by the holder

FIFTY-EIGHT THOUSAND ONE HUNDRED

(Write out amount)

dollars,

with interest on unpaid principal computed from the date of each advance to the undersigned at the rate of FIVE percent

per annum, payment to be made in installments as follows:

\$ 342.00 (THREE HUNDRED FORTY-TWO DOLLARS), including principal and interest, payable monthly, beginning

five (5) months from the date hereof; the balance of principal and interest to be paid in full

TWENTY-FIVE (25) year(s) from the date hereof; with the further provision that each said installment

shall be applied first to interest accrued from the receipt of said installment, and the balance, if any, to principal.

If payment of the indebtedness evidenced by this Note, or any part thereof, shall not be made when due and at maturity by acceleration or otherwise, the undersigned hereby authorize and empower any attorney of any Court of Records within the United States to appear for the undersigned in any Court, or before any Clerk thereof, and confess judgment against the undersigned either jointly or severally in favor of the Holder of this Note for the amount then due thereon, with the interest thereon aforementioned and the cost of suit and attorney's fees of fifteen per cent (15), hereby waiving and releasing all errors and all rights of exemption, appeal, stay of execution, inquisition and extension upon any levy on real estate, or personal property to which the undersigned may otherwise be entitled under the laws of any State or possession of the United States now in force or which may hereafter be passed. If this Note is referred to any attorney for collection, and payment is obtained without the entry of a judgment, then the undersigned shall pay to Holder attorney's fees in the amount aforesaid. If there be more than one undersigned, their liability shall be joint and several, any use of the singular herein may also refer to the plural and vice versa, and the use of any gender shall be applicable to all genders.

Payment of any installment of principal or interest owing on this Note may be made prior to the maturity date thereof without penalty.

The term "indebtedness" as used herein shall mean the indebtedness evidenced by this Note, including principal, interest, and expenses, whether contingent, now due or hereafter to become due and whether heretofore or contemporaneously herewith or hereafter contracted. The term "Collateral" as used in this Note shall mean any funds, guaranties, or other property or rights therein of any nature whatsoever or the proceeds thereof which may have been, are, or hereafter may be, hypothecated, directly or indirectly by the undersigned or others, in connection with, or as security for, the indebtedness or any part thereof. The Collateral, and each part thereof, shall secure the indebtedness and each part thereof. The covenants and conditions set forth or referred to in any and all instruments of hypothecation constituting the Collateral are hereby incorporated in this Note as covenants and conditions of the undersigned with the same force and effect as though such covenants and conditions were fully set forth herein.

The indebtedness shall immediately become due and payable, without notice or demand, upon the appointment of a receiver or liquidator, whether voluntary or involuntary, for the undersigned or for any of its property, or upon the filing of a petition by or against the undersigned under the provisions of any State insolvency law or under the provisions of the Bankruptcy Act of 1898, as amended, or upon the making by the undersigned of an assignment for the benefit of its creditors. Holder is authorized to declare all or any part of the indebtedness immediately due and payable upon the happening of any of the following events: (1) Failure to pay any part of the indebtedness when due; (2) nonperformance by the undersigned of any agreement with, or any condition imposed by, Holder or Small Business Administration (hereinafter called "SBA"), or either of them, with respect to the indebtedness; (3) Holder's discovery of the undersigned's failure in any application of the undersigned to Holder or SBA to disclose any fact deemed by Holder to be material or of the making therein or in any of the said agreements, or in any affidavit or other documents submitted in connection with said application or the indebtedness, of any misrepresentation by, on behalf of, or for the benefit of the undersigned; (4) the reorganization (other than a reorganization pursuant to any of the provisions of the Bankruptcy Act of 1898, as amended) or merger or consolidation of the undersigned (or the making of any agreement therefor) without the prior written consent of Holder; (5) the undersigned's failure duly to account, to Holder's satisfaction, at such time or times as Holder may require, for any of the Collateral, or proceeds thereof, coming into the control of the undersigned; or (6) the institution of any suit affecting the undersigned deemed by Holder to affect adversely its interest hereunder in the Collateral or otherwise. Holder's failure to exercise its rights under this paragraph shall not constitute a waiver thereof.

EXHIBIT "A"

17 618

SBA LOAN NO.
DLB258866 20 01 BALT

SMALL BUSINESS ADMINISTRATION (SBA)
GUARANTY

Guaranty 26 1980

In order to induce S.B.A. (hereinafter called "Lender") to make a loan or loans, or renewal or extension thereof, to (SBA or other Lending Institution)

Bertram L. Parr and Anne S. Parr, T/A Bayside Motel

(hereinafter called the "Debtor"), the Undersigned hereby unconditionally guarantees to Lender, its successors and assigns, the due and punctual payment when due, whether by acceleration or otherwise, in accordance with the terms thereof, of the principal of and interest on and all other sums payable, or stated to be payable, with respect to the note of the Debtor, made by the Debtor to Lender, dated 1/26/80 in the principal amount of \$58,100.00 with interest at the rate of five per cent per annum. Such note, and the interest thereon and all other sums payable with respect thereto are hereinafter collectively called "Liabilities." As security for the performance of this guaranty the Undersigned hereby mortgages, pledges, assigns, transfers and delivers to Lender certain collateral (if any), listed in the schedule on the reverse side hereof. The term "collateral" as used herein shall mean any funds, guaranties; agreements or other property or rights or interests of any nature whatsoever, or the proceeds thereof, which may have been, are, or hereafter may be, mortgaged, pledged, assigned, transferred or delivered directly or indirectly by or on behalf of the Debtor or the Undersigned or any other party to Lender or to the holder of the aforesaid note of the Debtor, or which may have been, are, or hereafter may be held by any party as trustee or otherwise, as security, whether immediate or underlying, for the performance of this guaranty or the payment of the Liabilities or any of them or any security therefor.

The Undersigned waives any notice of the incurring by the Debtor at any time of any of the Liabilities, and waives any and all presentment, demand, protest or notice of dishonor, nonpayment, or other default with respect to any of the Liabilities and any obligation of any party at any time comprised in the collateral. The Undersigned hereby grants to Lender full power, in its uncontrolled discretion and without notice to the undersigned, but subject to the provisions of any agreement between the Debtor or any other party and Lender at the time in force, to deal in any manner with the Liabilities and the collateral, including, but without limiting the generality of the foregoing, the following powers:

- (a) To modify or otherwise change any terms of all or any part of the Liabilities or the rate of interest thereon (but not to increase the principal amount of the note of the Debtor to Lender), to grant any extension or renewal thereof and any other indulgence with respect thereto, and to effect any release, compromise or settlement with respect thereto;
- (b) To enter into any agreement of forbearance with respect to all or any part of the Liabilities, or with respect to all or any part of the collateral, and to change the terms of any such agreement;
- (c) To forbear from calling for additional collateral to secure any of the Liabilities or to secure any obligation comprised in the collateral;
- (d) To consent to the substitution, exchange, or release of all or any part of the collateral, whether or not the collateral, if any, received by Lender upon any such substitution, exchange, or release shall be of the same or of a different character or value than the collateral surrendered by Lender;
- (e) In the event of the nonpayment when due, whether by acceleration or otherwise, of any of the Liabilities, or in the event of default in the performance of any obligation comprised in the collateral, to realize on the collateral or any part thereof, as a whole or in such parcels or subdivided interests as Lender may elect, at any public or private sale or sales, for cash or on credit or for future delivery, without demand, advertisement or notice of the time or place of sale or any adjournment thereof (the Undersigned hereby waiving any such demand, advertisement and notice to the extent permitted by law), or by foreclosure or otherwise, or to forbear from realizing thereon, all as Lender in its uncontrolled discretion may deem proper, and to purchase all or any part of the collateral for its own account at any such sale or foreclosure, such powers to be exercised only to the extent permitted by law.

The obligations of the Undersigned hereunder shall not be released, discharged or in any way affected, nor shall the Undersigned have any rights or recourse against Lender, by reason of any action Lender may take or omit to take under the foregoing powers.

In case the Debtor shall fail to pay all or any part of the Liabilities when due, whether by acceleration or otherwise, according to the terms of said note, the Undersigned, immediately upon the written demand of Lender, will pay to Lender the amount due and unpaid by the Debtor as aforesaid, in like manner as if such amount constituted the direct and primary obligation of the Undersigned. Lender shall not be required, prior to any such demand on, or payment by, the Undersigned, to make any demand upon or pursue or exhaust any of its rights or remedies against the Debtor or others with respect to the payment of any of the Liabilities, or to pursue or exhaust any of its rights or remedies with respect to any part of the collateral. The Undersigned shall have no right of subrogation whatsoever with respect to the Liabilities or the collateral unless and until Lender shall have received full payment of all the Liabilities.

The obligations of the Undersigned hereunder, and the rights of Lender in the collateral, shall not be released, discharged or in any way affected, nor shall the Undersigned have any rights against Lender; by reason of the fact that any of the collateral may be in default at the time of acceptance thereof by Lender or later; nor by reason of the fact that a valid lien in any of the collateral may not be conveyed to, or created in favor of, Lender; nor by reason of the fact that any of the collateral may be subject to equities or defenses or claims in favor of others or may be invalid or defective in any way; nor by reason of the fact that any of the Liabilities may be invalid for any reason whatsoever; nor by reason of the fact that the value of any of the collateral, or the financial condition of the Debtor or of any obligor under or guarantor of any of the collateral, may not have been correctly estimated or may have changed or may hereafter change; nor by reason of any deterioration, waste, or loss by fire, theft, or otherwise of any of the collateral, unless such deterioration, waste, or loss be caused by the willful act or willful failure to act of Lender.

The Undersigned agrees to furnish Lender, or the holder of the aforesaid note of the Debtor, upon demand, but not more often than semiannually, so long as any part of the indebtedness under such note remains unpaid, a financial statement setting forth, in reasonable detail, the assets, liabilities, and net worth of the Undersigned.

The Undersigned acknowledges and understands that if the Small Business Administration (SBA) enters into, has entered into, or will enter into, a Guaranty Agreement, with Lender or any other lending institution, guaranteeing a portion of Debtor's Liabilities, the Undersigned agrees that it is not a coguarantor with SBA and shall have no right of contribution against SBA. The Undersigned further agrees that all liability hereunder shall continue notwithstanding payment by SBA under its Guaranty Agreement to the other lending institution.

The term "Undersigned" as used in this agreement shall mean the signer or signers of this agreement, and such signers, if more than one, shall be jointly and severally liable hereunder. The Undersigned further agrees that all liability hereunder shall continue notwithstanding the incapacity, lack of authority, death, or disability of any one or more of the Undersigned, and that any failure by Lender or its assigns to file or enforce a claim against the estate of any of the Undersigned shall not operate to release any other of the Undersigned from liability hereunder. The failure of any other person to sign this guaranty shall not release or affect the liability of any signer hereof.

THIS GUARANTY INCLUDES THE CONFESSION OF JUDGMENT CLAUSE ON THE REVERSE HEREOF.

Bertram L. Parr (SEAL)
 Bertram L. Parr
Anne S. Parr (SEAL)
 Anne S. Parr (SEAL)

NOTE—Corporate guarantors must execute guaranty in corporate name, by duly authorized officer, and seal must be affixed and duly attested; partnership guarantors must execute guaranty in firm name, together with signature of a general partner. Formally executed guaranty is to be delivered at the time of disbursement of loan.

EXHIBIT "B"
(LIST ON REVERSE SIDE COLLATERAL SECURING THE GUARANTY)

SBA FORM 148 (8-71) REF ND 510-1A PREVIOUS EDITIONS AND SBA FORMS 148A AND 148B ARE OBSOLETE.

DOCUMENT NO. 101,306

Maryland
Real Estate

DEED OF TRUST

THIS DEED OF TRUST, Made this 20th day of January, 1980

by and between The Kent Narrows Partnership

Party of the First Part, hereinafter referred to as "First Party", and
Raymond T. Handy of Baltimore County, State of Maryland, and
L..C. Aaronson of Howard County, State of Maryland,

Trustees, as hereinafter set forth, either or both with power to act, and
hereinafter referred to as "Trustee", Party of the Second Part; and
Small Business Administration (an agency of the U. S. Government)

holder of the Note, hereinafter referred to as "Holder";

WHEREAS, in consideration of a loan in the amount of Fifty-eight
thousand one hundred dollars----- (\$ 58,100.00-----)

or any part thereof, made by Holder to Bertram L. Parr and Anne S. Parr,
T/A Bayside Motel

with interest as hereinafter set forth on the unpaid balance owing from time
to time on said Loan and for which Loan Bertram L. Parr and Anne S. Parr,
T/A Bayside Motel has signed and delivered a certain

promissory Note on SBA Form 147B bearing even date herewith, in the principal
amount of Fifty-eight thousand one hundred dollars-----

(\$ 58,100.00--), with final maturity date 25 years from date of Note,
with interest on unpaid principal computed from the date of each advance to
the undersigned, at the rate of Five Percent (5%) per annum.

payment to be made as follows:

Installments, including principal and interest, each in the amount of Three hundred
forty-two dollars (\$342.00) payable monthly beginning FIVE (5) months from date of
NOTE, with the provision that each said monthly installment, or any portion thereof,
shall be applied first to interest accrued to the date of receipt of said installment
and the balance, if any, to principal.

EXHIBIT "C"

AND WHEREAS, Bertram L. Parr and Anne S. Parr, are partners in The Kent Narrows Partnership; they have agreed, as an inducement, to Holder to make said loan, to execute this Deed of Trust to secure their Guaranty.

AND WHEREAS, Holder and First Party and Bertram L. Parr and Anne S. Parr, T/A Bayside Motel have agreed that \$5,000.00 of the loan proceeds (which are allocated to repair/replace real estate and inventory damaged by flood) will be disbursed immediately, and the balance of the loan proceeds may be disbursed from time to time, all in accordance with written Authorization of the Small Business Administration dated December 19, 1979.

AND WHEREAS, First Party desires to secure the prompt payment of the principal and interest now and which may hereafter be owing upon said Note, when and as the same shall become due and payable, and all costs and expenses incurred in respect thereto, including reasonable counsel fees incurred or paid by the said Party of the Second Part or substituted Trustee, or by any person hereby secured, on account of any litigation at law or in equity which may arise in respect to this trust or the property hereinafter mentioned, and of all money which may be advanced as provided herein, with interest on all such costs and advances from the date thereof, and further to secure the strict performance of all the covenants and agreements in this Deed of Trust and in said Note contained and made by the First Party.

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That the First Party, in consideration of the premises and the sum of One Dollar (\$1.00) lawful money of the United States of America, to it in hand paid by the Party of the Second Part, the receipt of which, before the sealing and delivery of these presents, is hereby acknowledged, has bargained, sold, conveyed, granted, and assigned, and does hereby bargain, sell, convey, grant, and assign unto the Party of the Second Part, as Trustee, his successors and assigns, all the real estate, together with all the buildings and improvements thereon and all the rights, ways, roads, waters, privileges, and appurtenances thereunto belonging or in anywise appertaining, described as follows:

ALL that lot or parcel of ground situate, lying and being in the Fifth Election District of Queen Anne's County, State of Maryland, near the Town of Grasonville, and described as follows, that is to say:

BEGINNING for the same at the point of intersection of the centerline of a thirty (30) foot wide right of way leading into the herein described lands and the westerly line of the State Road lands at the entrance to "Jackson Road", and running (1) thence by and with the line of the State Road right of way the two following courses and distances, South $57^{\circ} 44'$ West 75.10 feet to a concrete monument and North $68^{\circ} 45'$ West 1313.20 feet to a point on the easterly division line of the J. Rodney King lands (see NBW No. 5, Folio 178); (2) thence by and with said J. Rodney King lands, North $00^{\circ} 55'$ East 475 feet, more or less, to the center line of Muddy Creek, (a tributary of the Chester River); (3) thence by and with the center line of Muddy Creek to a point where the centerline of a forty (40) foot wide canal projected North $69^{\circ} 07'$ West intersects the center line of the aforementioned Muddy Creek; (4) thence by and with the aforementioned projected center line of said Canal, South $69^{\circ} 07'$ East to a hub set in the Easterly end of the canal; (5) thence with the division line, South $72^{\circ} 57'$ East 44.50 feet to a concrete monument; thence continuing the same course for a distance of 240.00 feet (total distance 284.50 feet) to a concrete monument; (6) thence continuing with a division line South $13^{\circ} 23'$ West 716.00 feet to a point on the center line of the aforementioned thirty (30) foot wide right of way leading into the herein described lands; (7) thence by and with the centerline of the road South $55^{\circ} 07'$ East 378.80 feet, to the point of beginning. Containing in all 22.00 acres of land, more or less.

(Add pages 2A, 2B,
etc. if required)

(CONTINUED)

(CONTINUED)

BEING the same property conveyed to The Kent Narrows Partnership by deed dated February 5, 1979 and recorded in the land records of Queen Anne's County in Book 151, Page 598.

-2A-

50 LIBEL 161 PAGE 451

17 APR 621

TO HAVE AND TO HOLD the aforesaid real estate unto the party of the Second Part, his successors and assigns absolutely.

IN AND UPON THE TRUSTS, NEVERTHELESS, hereinafter declared, that is to say: IN TRUST to permit said First Party, or assigns, to use and occupy, manage and control, the said described real estate for its sole use and benefit, until default be made in the payment of any manner of indebtedness hereby secured, and any extension or renewal thereof, or in the performance of any of the covenants as hereinafter provided.

AND upon the full payment of all of said Note and the interest thereon, and all moneys advanced or expended as herein provided, and all other proper costs, charges, commissions, half-commissions, and expenses, at any time before the sale hereinafter provided for to release and reconvey the said described real estate unto the said First Party or assigns, at the cost of First Party. -

AND UPON THIS FURTHER TRUST, upon any default being made in the payment of the said Note (and any extension or renewal thereof) or of any installment of principal and interest as therein provided, or in the payment of any of the sums for taxes, special assessments, fire or other hazard insurance, all as hereinafter provided, or upon any default in payment on demand of any money advanced by Holder on account of any proper cost, charge, commission, or expenses in and about the same, or on account of any tax or assessment or insurance or expense of litigation, with interest thereon at the same rate(s) as specified on Page 1 hereof from date of such advance (it being hereby agreed that on default in the payment of any tax, or assessment, or insurance premium or any payment on account thereof, or in the payment of any of said cost, expense of litigation, as aforesaid, Holder may pay the same and all sums so advanced with interest as aforesaid, shall immediately attach as a lien hereunder, and be payable on demand), or upon failure or neglect faithfully and fully to keep and perform any of the other conditions or covenants herein provided; then upon any and every such default being so made as aforesaid, the said Party of the Second Part, or the Trustee acting in the execution of this Trust, whether under the assent to a decree, the power of sale, by equitable foreclosure, or otherwise, shall have power and it shall be his duty to sell the trust res, upon written request of Holder secured hereby and in case of any default of any purchaser, to resell, at public or private sale, for cash or otherwise, as a whole or in parcels, upon such terms and conditions as the Trustee, in the Trustee's discretion deem advisable, at such time and place, and after such previous public advertisements as the Party of the Second Part, or the Trustee acting in the execution of this Trust, shall deem advantageous and proper to convey the same upon compliance with the terms of sale, to, and at the cost of, the purchaser or purchasers thereof, who shall not be required to see to the application of the purchase money; and shall apply the proceeds of said sale or sales; Firstly, to pay all proper costs, charges and expenses, including all attorney's and other fees and costs herein provided for, and all moneys advanced for costs or expenses, or expense of litigations as aforesaid, or taxes, or assessments, or insurance with interest thereon as aforesaid, and all taxes, general and special, and assessments, due upon said real estate at time of sale, and to retain as compensation a commission of 2% on the amount of the said sale or sales; Secondly, to pay whatever may then remain unpaid on said Note, whether the same shall be due or not, and the interest thereon to date of payment, it being agreed that said Note shall, upon such sale being made before the maturity of said Note, be and become immediately due and payable at the election of the Holder thereof; and, Lastly, to pay the remainder of said proceeds, if any there be, to First Party, its successors or assigns, upon the delivery and surrender to the purchaser, his, her, or their heirs or assigns, or possession of the real estate as aforesaid, sold and conveyed, less the expense, if any, of obtaining possession.

AND First Party, in order more fully to protect the security of this Deed of Trust, covenants and agrees as follows:

1. That it will pay the indebtedness as hereinbefore provided, with the privileges and right to anticipate the payment of the same at any time upon payment of the full amount due in accordance with the terms of this Deed of Trust, and in the event of any default in any of the covenants of this Deed of Trust First Party does hereby (a) declare its assent to the passage of a decree for the sale of the property and (b) authorizes the Trustee or Trustees acting to sell the property. Any such sale, whether under the assent to a decree, power of sale, equitable foreclosure, or otherwise, may be made by the Trustee or Trustees acting as an entirety or in such separate parcels and on such terms and at such places and in such manner as the Trustee or Trustees acting may deem advisable.

2. That it will pay all taxes, assessments, and other governmental or municipal charges, fines or impositions, and payments (including principal and interest) due upon any prior and superior mortgage, deed of trust, lien or other encumbrance, if any, upon the aforesaid property and will promptly deliver the official receipts therefor to the Holder of the Note; and in default of such payment by First Party, Holder may pay the same, and any sum or sums so paid by Holder shall be added to the debt hereby secured, shall be payable on demand, shall bear full legal interest and shall be secured by this Deed of Trust.

3. That it will keep the said real estate in as good order and condition as they are now and will not commit or permit any waste thereof, reasonable wear and tear expected.

4. That it will keep said real estate and improvements thereon insured as may be required from time to time by Holder against loss by fire and other hazards, casualties and contingencies in such amounts and for such periods as may be required by Holder and will pay promptly, when due, any premiums on such insurance. All insurance shall be carried in companies approved by Holder and the policies and renewals thereof shall be held by Holder and have attached thereto loss payable clauses, without contribution, in favor of and in form acceptable to Holder. In event of loss, it will give immediate notice by mail to Holder, who may make proof of loss if not made promptly by First Party, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Holder instead of to First Party and Holder jointly, and the insurance proceeds, or any part thereof, may be applied by Holder at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this Deed of Trust or other transfer of title to the said real estate in extinguishment of the indebtedness secured hereby, all right, title and interest of First Party in and to any insurance policies then in force shall pass to the purchaser or grantee.

5. That if the said property shall be advertised for sale as herein provided, and not sold, the Trustee or Trustees acting shall be entitled to one-half the commission above provided, to be computed on unpaid balance of the debt hereby secured, and the same is hereby secured in like manner as other charges and expenses attending the execution of this trust, and shall bear full legal interest.

6. That if it is necessary to refer this matter to an attorney, or if any suit, action or proceeding whatsoever shall be commenced or prosecuted for the collection of the notes or any part of any note secured hereby, or any petition be filed in bankruptcy or otherwise for the collection of the notes or any part of any note secured hereby, or if any action be taken or proceedings or suit filed for the enforcement of any endorsement or endorsements thereof, or guaranties thereof, or for the purpose of realizing on any collateral hereby secured, or in reference to the execution of the trust hereby created, or any of the trust or property or funds which may become part thereof, it will pay all costs and charges and expenses of the same including all counsel and attorney's fees and charges, together with all collection fees and charges which shall also be deemed a charge attending the execution of this Trust, be secured hereby as such, and bear full legal interest.

7. That it specially warrants the property herein conveyed and that it will execute such further assurances thereof as may be required.

8. First Party hereby consents and agrees that the indebtedness secured by this Deed of Trust, or any part thereof, or the Note issued hereunder and secured hereby, may be renewed or extended beyond maturity as often as may be desired by agreement between Holder and First Party, its successors and assigns, and no such renewal or extension shall in any way affect the responsibility of First Party, either as surety or otherwise.

9. First Party covenants that it will not create or permit to occur any debt, lien or charge, including any tax lien or otherwise, which would be prior to or on a parity with the lien of this Deed of Trust upon the property conveyed hereunder, and further agrees to comply with all statutes, ordinances, and regulations with respect to the property hereby conveyed.

10. First Party covenants that it will not transfer, convey, sell or assign First Party's interest in the property conveyed hereunder, not permit any other mortgage, deed of trust, lien or other encumbrance to be created on or upon the property conveyed hereunder, without the prior written consent of Holder.

11. In the event of foreclosure of sale, judicial or otherwise, by a prior or superior mortgagee or lienor of said property, all of First Party's right, title and interest in and to any moneys, collateral or other property which may be remaining after satisfaction of said prior mortgage or lien is hereby assigned to Holder for application on the indebtedness secured hereby.

12. First Party agrees that upon commencement of any judicial proceeding to enforce any right under this Deed of Trust, the court in which such proceeding is brought, at any time thereafter, without notice to First Party, or any party claiming under him (such notice being hereby expressly waived) and without reference to the then value of the said property or to the solvency or insolvency of any person liable for any of said indebtedness, or other grounds for extraordinary relief, may appoint a receiver with power to take immediate possession of the said real estate, manage, rent, and collect the rents issues and profits thereof: and such rents, issues and profits, when collected, may be applied toward the payment of any indebtedness then due and secured hereby, and the costs, taxes, insurance, or other items necessary for the protection and preservation of the said property, including the expenses of such receivership; and in connection with the aforesaid proceedings, or if the Trustee and/or Holder hereby secured shall bring or defend any other action to protect or establish any of their rights hereunder, the First Party will pay, in addition to costs and disbursements allowed by law, the reasonable costs of bringing or defending any such action, including reasonable attorney's fees, all of which shall be added to the indebtedness secured hereby.

THE TRUSTEE may, from time to time, until default as above provided release from the lien of this Deed of Trust any property conveyed hereunder at the expense of First Party, provided, however, that the Trustee shall first obtain the written consent thereto of Holder. The Trustee shall be fully protected in relying upon said written consent and upon any conditions, provisions or agreements in said written consent contained, and shall not be required to see to the application or disposition of the proceeds thereof,

The Trustee may resign and be discharged from the trusts created hereunder by giving written notice to First Party, and to Holder at least thirty days prior to the effective date thereof, or such shorter time as may be accepted by both First Party and Holder as such notice.

Holder shall have the right, in its discretion and without giving notice, to remove at any time the Trustee named herein.

In the event, as above provided, that the Trustee resigns or is removed, Holder is hereby authorized and empowered to appoint a successor or successors in trust, by written instrument executed by it and delivered to such successor or successors, and recorded in the office in which this Deed of Trust is admitted to Record, and such successor or successors in trust appointed hereunder shall become vested with identically the same title to said property with the same rights and powers, subject to the same duties as the Trustee hereunder.

The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective successors and assigns of the parties hereto. Whenever used the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

WITNESS THE FOLLOWING SIGNATURES AND SEALS, on the day and year first above written.

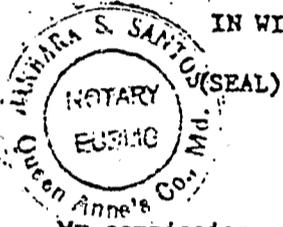
Witness: Barbara S. Satch The Kent Narrows Partnership
Bertram L. Parr (SEAL)
Bertram L. Parr

Witness: Barbara S. Satch Anne S. Parr (SEAL)
Anne S. Parr

STATE OF MARYLAND
County of Queen Anne's To Wit:

On this 26th day of January, 1980, before me, the undersigned officer, personally appeared Bertram L. Parr and Anne S. Parr, his wife known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within instrument and acknowledged that They executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



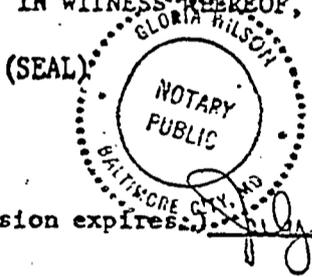
Barbara S. Santos
Notary Public

My commission expires: July 1, 1982

STATE OF MARYLAND
City of Baltimore To Wit:

I HEREBY CERTIFY that on this 24th day of February, 1980, before me, the undersigned officer, a Notary Public of the State of Maryland, personally appeared T.S. Mc Fadden AND made oath in due form of law that he is the Agent of the Small Business Administration and that the consideration set forth in the foregoing Deed of Trust is true and bona fide as therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



Gloria Wilson
Notary Public

My commission expires: July 1, 1982

1980 FEB 13 AM 10:24
QUEEN ANNE'S COUNTY

FEB 13-80 * 28159 *****25 00
FEB 13-80 A #28159 *****25 00

JACK B. DIETRICH, et al.	:	IN THE CIRCUIT COURT
Plaintiff	:	
vs.	:	FOR QUEEN ANNE'S COUNTY,
	:	SITTING IN EQUITY
THE KENT NARROWS PARTNERSHIP	:	NO. 7056
Defendant	:	

ORDER

Upon the foregoing Petition and Exhibits thereto, it is this 21st day of December, 1982, by the Circuit Court for Queen Anne's County, Sitting in Equity,

ORDERED, that any surplus of the proceeds of sale made by Thomas F. Comber, 3rd, Trustee, after payment to the mortgagee of his claim and expenses, paid over to the Petitioner, Small Business Administration, an agency of the United States Government, or so much thereof as will satisfy his claim and to which it is equitably entitled; subject to the usual exceptions to the audit stated by the Court Auditor pursuant to Md. Rule W74 e.

Cayton C. Carter

 Judge

Distribution:

Original: Court File

Photocopies:

- Robert R. Price, Jr., Esq.
- John W. Sause, Jr., Court Auditor
- Thomas F. Comber, 3rd, Trustee
- M. J. Dousch, III, Esq.
- Alan W. Bernstein, Esq.

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 1982 DEC 23 PM 3:27
 QUEEN ANNE'S COUNTY

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

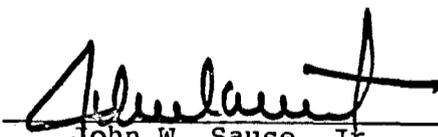
JACK B. DIETRICH, et. al. :
v. : Chancery #7056
KENT NARROWS PARTNERSHIP :

: : : : : :

NOTICE OF AUDITOR'S HEARING

An Auditor's Hearing will be held in accordance with Maryland Rule 595 at 11:00 a.m. on April 6, 1983, at 204 North Commerce Street, Centreville, Maryland, for the purposes stated in Rule 595 d and for the purpose of receiving testimony with respect to the letter of Alan W. Bernstein, Esquire, dated November 29, 1982.

IF ANY PARTY WISHES TO HAVE A COURT REPORTER PRESENT TO RECORD THE PROCEEDINGS IN ACCORDANCE WITH THE RULE, PLEASE NOTIFY THE UNDERSIGNED AT LEAST 5 DAYS BEFORE THE HEARING. Otherwise, the presence of a stenographer will be considered to have been waived.


John W. Sause, Jr.
Auditor

758-0970

Date: March 18, 1983

copies to: Thomas F. Comber, Esquire
Alan W. Bernstein, Esquire
Robert R. Price, Jr., Esquire
M. J. Dausch, III, Esquire

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CLERK, CIRCUIT COURT
1983 MAR 21 AM 11:42
QUEEN ANNE'S COUNTY

[17-628]

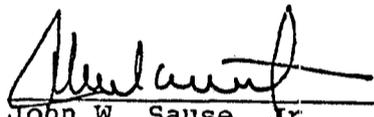
IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

JACK B. DIETRICH, et. al. :
v. : Chancery #7056
KENT NARROWS PARTNERSHIP :

: : : : : :

REQUEST FOR ADDITIONAL COMPENSATION

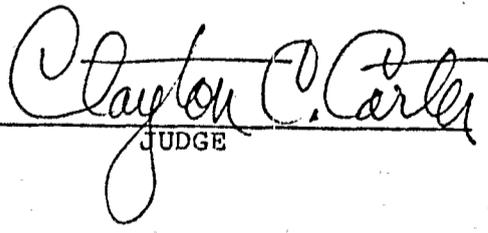
The above-entitled cause having been referred to the Auditor in accordance with Maryland Rule W74 e, the Auditor respectfully requests the allowance of extra compensation for the services performed by him for the reasons that he has been required, in addition to his customary and usual duties, to hold a hearing with respect to controverted issues, to postpone several prospective hearing dates, to arrange the services of a court stenographer, to undertake extensive legal research, and to prepare a lengthy Special Report setting forth the matters at issue and the basis upon which it is proposed that they be resolved.


John W. Sause, Jr.
Auditor

ORDER

The foregoing Application having been read and considered, and it appearing that the Auditor has performed duties other than the customary and usual duties performed in an audit, it is this 28th day of April, 1983, by the Circuit Court for Queen Anne's County, *Sitting in Equity,*

ORDERED, that the Auditor is allowed a total fee of \$ 1200.00, together with out of pocket traveling and other expenses allowed by Second Circuit Rule 12 b, such fee and expenses to be paid from funds of the estate, subject to the right of any interested person to file exceptions to this allowance in the manner provided by Maryland Rule 595 g.


JUDGE

CLERK OF COURT
1983 APR 28 PM 3:35
QUEEN ANNE'S COUNTY

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

JACK B. DIETRICH, et. al. :
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 v. : Chancery #7056
 KENT NARROWS PARTNERSHIP :
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AUDITOR'S ACCOUNT

PROCEEDS OF FORECLOSURE SALE			
Sale Price, as reported		\$ 200,000.00	
Interest on \$200,000.00 at 7%			
from 09/14/82 to 11/23/82			
70 days @ \$38.360 per day		2,699.20	
Real property taxes			
1981/82 fiscal year	\$ 829.91-		
1982/83 fiscal year: \$991.79			
from 07/01 to 09/14/82,			
as allowed at settlement	<u>203.87-</u>	<u>1,033.78-</u>	
GROSS AMOUNT FOR DISTRIBUTION			\$ 201,665.42
COMMISSIONS, payable to Fiduciary		\$ 2,000.00	
ATTORNEY FEES & COSTS			
Fees			
Constable, Alexander,			
Danaker & Skeen	\$ 1,292.50		
David C. Bryan	75.00		
Appraisal for Bankruptcy Court	75.00		
Other expenses	<u>89.11</u>	1,531.61	
EXPENSES OF SALE			
Court costs	\$ 267.50		
Advertising			
Notices of sale			
Sale of 3/26/82 (cancelled)	245.70		
Sale of 9/14/82	300.20		
Report of sale	55.44		
Bond premium	400.00		
Auctioneer's fee (maximum)	200.00		
Certified mail	<u>10.90</u>	1,479.74	
AUDITOR'S FEE AND COSTS			
Fee for audit, per Order	\$ 1,200.00		
Gore Bros. Reporting Service	100.00		
Postage & xerox	<u>15.00</u>	<u>1,315.00</u>	<u>6,326.35-</u>
NET AMOUNT FOR DISTRIBUTION			\$ 195,339.07

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 1983 MAY -2 PM 3:39
 QUEEN ANNE'S COUNTY

17-630

INDEBTEDNESS DUE UNDER MORTGAGE

Principal, per Statement of Debt		\$ 199,966.33	
Interest @ 7%			
10/1/81 to 2/10/82,			
per Statement	\$ 5,100.55		
2/10/82 to 11/05/82			
268 days at \$38.35	<u>10,277.80</u>	<u>15,378.35</u>	\$ 215,344.68.
Less: Proceeds of insurance			160,000.00-
Interest on \$55,344.68 @ 7%			
11/6/82 to 11/13/82			
8 days at \$10.61			<u>84.88</u>
TOTAL DUE UNDER MORTGAGE			\$ 55,429.56 =====

DISTRIBUTION

To MORTGAGEES: Jack B. Dietrich, Robert P. Weber,
and Alfred MacMoran \$ 55,429.56

SURPLUS, as follows:

1. Small Business Administration, per Claim & Order of 12/21/82			
Principal	\$ 57,607.62		
Interest to 12/15/82 @ 5%	2,306.35		
Interest from 12/16/82 to 4/6/83: 111 days @ \$8.00	<u>888.00</u>		60,801.97 *
2. Kent Narrows Partnership and/or its Trustee in bankruptcy, as their interests may appear upon the filing of satisfactory evidence of the rights and status of the Trustee			
Balance as of 4/6/83			<u>79,107.54 *</u>
TOTAL DISTRIBUTION			\$ 195,339.07

* The amount shown as due Small Business Administration is to be increased at the rate of \$8.00 per day for each day after April 6, 1983, until the claim is paid; and the distribution under Item 2 is to be reduced at that rate

NOTICE

The attached Account and Special Report were filed on the 2nd day of May, 1983. Exceptions to the Account must be filed within fifteen (15) days of that date. If no exceptions are filed within that fifteen (15) day period, the Account may thereupon be ratified.

CERTIFICATE OF AUDITOR

I hereby certify that I have examined the suggested Account, together with the receipts, vouchers, statements, suggested distribution and affidavit submitted by the Fiduciary in Chancery Cause #7056 and the evidence produced at the hearing before me on April 6, 1983. On the basis of the facts which appear upon the face of the proceedings and proofs submitted to me, it is my opinion that the claims set forth in the foregoing Auditor's Account have been established and are properly allowable by law in the amounts there set forth.

I further certify that on the 2nd day of May, 1983, copies of the Auditor's Account, Special Report and Notice conforming to the requirements of Maryland Rule 595 g and Second Circuit Rule 12 d were mailed to the following:

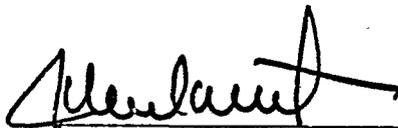
Thomas F. Comber, Esquire
118 East Main Street
Elkton, Maryland 21921

Alan W. Bernstein, Esquire
Post Office Box 591
Annapolis, Maryland 21401

Robert R. Price, Jr., Esquire
103 Lawyers Row
Centreville, Maryland 21617

Michael J. Dausch, III, Esquire
630 Oxford Building
8600 LaSalle Road
Towson, Maryland 21204

George W. Liebmann, Esquire
The Keyser Building
207 East Redwood Street
Baltimore, Maryland 21202



John W. Sause, Jr.
Auditor

17 APR 6 32

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

JACK B. DIETRICH, et al. :
 :
 v. : Chancery #7056
 KENT NARROWS PARTNERSHIP :
 :
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SPECIAL REPORT OF AUDITOR

This Special Report is filed in order to present the facts and law relied upon in stating the attached Account.

The Mortgage and its Foreclosure

On February 5, 1979, Bertram L. Parr and Hugh J. Davis executed a Mortgage ("the Mortgage") on behalf of Kent Narrows Partnership, described as "a Maryland general partnership" ("the Mortgagor"). The mortgagees were Jack B. Dietrich, Robert P. Weber and Alfred MacMoran ("the Mortgagees"). The mortgage secured indebtedness due under a promissory note of that date in the principal amount of \$220,000.00, and interest at the rate of 7% from April 1, 1978, in monthly installments of \$1,705.66. The indebtedness was payable in full on March 31, 1998. The property encumbered by the mortgage was 22 acres of land, bordering Muddy Creek, near Grasonville.

The instrument was recorded on June 29, 1979. On June 20 of the following year, it was assigned by the mortgagees to "Robert R. Price, Jr., Attorney-at-Law, [who was also named in the original instrument as the "agent" authorized to conduct foreclosure under its power of sale provisions] for the purpose of collection by foreclosure or otherwise." On February 10, 1982, the mortgagees, by their attorney, Thomas F. Comber, 3rd., instituted this proceeding in which they sought a decree for sale of the property "in accordance with the [assent to decree] terms of said mortgage." The Court passed its Decree on February 6th; and Mr. Comber, who was appointed Trustee, filed his bond on March 8, 1982.

The record in this case falls silent until August 11, when Mr. Comber, as attorney for the mortgagees, filed a Consent Order of the United States District Court for the District of Maryland, lifting the automatic stay in a bankruptcy proceeding captioned "In Re: Bertram Larry Parr, Bert Parr t/a Bayside Motel, Bert Parr, t/a Kent Narrows".

Sale was thereafter made by the Trustee on September 14, 1982. The property was described in the advertisement of sale as "a cement block one-story shell (designed to be a 22-Unit Motel when completed) known as Bayside Resort Inn, with Restaurant, and Swimming Pool." The purchaser at the public auction sale held on that date was reported to be "Jack B. Dietrick [sic] as agent for Jack B. Dietrich [sic], Robert P. Weber, and Alfred MacMoran, a partnership" (i.e. the Mortgagees) for \$200,000.00. The sale was ratified on November 8, 1982.

Proceedings after referral

The Suggested Account filed by the Trustee in accordance with Second Circuit Rule 12 c and Maryland Rule 595

f contained what was in most respects a conventional list of debits and credits, its only distinctive features being:

1. Some additional expenses occasioned by the bankruptcy proceeding;

2. Revelation of the fact that the Trustee had allowed \$216,715.53 (the amount of principal and interest which he computed to be due under the Mortgage) as a credit against \$202,799.51 which he found to be due under the terms of sale (Hearing Exhibit 1). Thus, at the present time, the trustee holds no money with which to pay either expenses or surplus found to be due; and, according to his reckoning, the Mortgagees-Purchasers, in their former capacity, are still due \$12,882.24.

While the matter was under review, a letter was received from Alan W. Bernstein, Esquire, indicating that he represented "Bertram L. Parr who is the general partner in the Kent Narrows Partnership." Mr. Bernstein stated that he had received a copy of the Suggested Account and felt that "it is important to call to your attention that the Mortgagees have already received approximately \$160,000.00 in insurance proceeds for damage to the property", which the Suggested Account did not reflect.

Based upon the fact that such communication generated issues for which a hearing is required under Maryland Rule 595 d, notices were sent on December 3, 1982, for a hearing to be held on December 13, 1982. Mr. Bernstein's letter was attached to the notices and is filed in the record, as are subsequent notices continuing the hearing to April 6, 1983.

On December 20, the Small Business Administration, an agency of the United States of America, filed a Petition for allowance of its claim against any surplus on the basis of a Deed of Trust dated January 26, 1980, and recorded among the Land Records on February 13, 1980. The Court passed an Order on December 21, 1982, provisionally allowing the claim.

The Hearing

The following persons were present at the hearing on April 6, 1983:

Thomas J. Comber, Esquire, the Trustee

Jerome I. Feldman, Esquire, who indicated that he represented Bertram L. Parr "personally"

Michael J. Dausch, III, Esquire, attorney for Small Business Administration

Robert R. Price, Jr., Esquire, representing the Mortgagees

Jack B. Dietrich, one of the Mortgagees

Robert P. Weber, one of the Mortgagees

The proceeding was recorded stenographically by Gore Brothers Reporting Service but, by agreement of those present, is not to be transcribed unless requested after filing of the Account. The 3 exhibits received without objection

at the hearing have been filed as prescribed by Rules 580 n and 595 f.

Because there was no dispute as to any material fact, it was unnecessary to receive formal sworn testimony. In on-the-record discussion, there was unanimity among those present with regard to the allowance of all items shown on the attached Account, with two exceptions:

1. Mr. Feldman objected to the basis upon which the Trustee had computed his commissions; and

2. Mr. Feldman and Mr. Dausch insisted that certain insurance proceeds received by the Mortgagees should be credited against the amounts due under the Mortgage, while Mr. Price and his clients insisted that no such credit was warranted.

With those exceptions, the allowances and amounts shown in the Account are undisputed.

Two weeks after the hearing, a letter was received from George W. Liebmann, Esquire, who announced himself to the "recently . . . appointed [sic] Substituted Trustee in bankruptcy for Bertram L. Parr." Mr. Liebmann and the other counsel were notified of my opinion that no further hearing was necessary, in that his communication did little more than align the bankruptcy trustee in the camp of the Mortgagee and the second mortgagee -- a fact which might have been otherwise assumed. Mr. Liebmann's letter and its enclosure have been filed with the hearing exhibits, although it was not, of course, considered as such.

Commissions

In addition to "such of the expenses of the fiduciary as are not personal", Second Circuit Rule BR8 provides for commissions to the fiduciary at the rate of 10% of the first \$3,000.00 of the gross sale price and 5% of the balance "unless fixed by the instrument pursuant to which the sale is conducted." The "NON-UNIFORM COVENANTS" of the subject Mortgage provide, inter alia, that:

The proceeds of the sale shall be applied in the following order: (a) to all costs and expenses of the sale, including, but not limited to, a fee to the party conducting the sale of 1% of the gross sales price, reasonable attorney's fees and costs of title evidence; (b) to all sums secured by this Mortgage; and (c) the excess, if any, to the person or persons legally entitled thereto [emphasis supplied].

The Trustee here seeks commissions equal to 1.5% of the sales price for the mortgaged property. At the hearing he indicated that he considered this to be a voluntary waiver of a part of the commissions to which he was entitled under the Rule and that he had made such deduction based upon his concern that the Mortgagees had bid \$200,000 for the property after an initial (and the only other) bid of what he recalled as \$40,000 by a third party. He stated very frankly that he had not even considered the 1% figure stated in the Mortgage but urged that, even so, this provision only applies if foreclosure proceedings are instituted under the "power of sale" provisions of the Mortgage and that this proceeding is manifestly one under the provisions of the

Mortgage which relate to assent to decree. See Maryland Rules W73 and W74.

In order to avoid any possible connotation of over-reaching by the Trustee, I am constrained to add that what he considered to be a voluntary reduction in commissions was not the only example of his strict adherence to high professional standards. It was also shown that his firm had submitted bills totaling \$1,750 prior to June 1, 1982, and numerous charges subsequent to that date for services rendered in connection with the foreclosure. Only \$1,292.50 of these charges were included in his Suggested Account, because of his stated belief that the other charges involved "trustee's services, which are to be compensated from the commissions to be allowed in this case." In light of the construction given by the Court of Appeals to provisions relating to the allowance of counsel fees upon foreclosure, such as are expressly stated at two places in the Mortgage, it is likely that the Trustee was overly conservative. See, Weiner v. Swales, 217 Md. 123, 126; Gaither v. Tolson, 84 Md. 637, 642.

The above-quoted covenant of the Mortgage appears as the final sentence under provisions, which are divided into two physical paragraphs, following the caption "10. Acceleration; Remedies." It is to be recognized that the Mortgage specifically provides elsewhere that "captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof"; but no violence is done to that injunction by observing that the general subject of the paragraphs is the effect of a default by the Mortgagors. The 8 sentences of the two paragraphs may be summarized as follows:

1. Notice required following "Borrower's breach of any covenant or agreement";
2. The Mortgagees' rights to accelerate future payments and "invoke the power of sale, file a petition to foreclose this Mortgage pursuant to a decree to which Borrower hereby declares his assent, or invoke any other remedies permitted by applicable law";
3. The Mortgagees' rights "to collect all reasonable costs and expenses incurred in pursuing [those] . . . remedies, including, but not limited to, reasonable attorney's fees";
4. The appointment of Robert R. Price, Jr., as "the agent", whom Borrower hereby authorizes to act on behalf of Lender" and his duty to sent notices;
5. Requirements for the notice of sale and the rights of the "agent" as to the manner of sale;
6. Provisions regarding postponement of the time of sale;
7. The right of the Mortgagees to purchase at any sale;
8. The above-quoted provision relating to the manner of distributing the proceeds of sale.

The contention of the Trustee seems to be based upon the arrangement of these sentences into two paragraphs -- the latter paragraph beginning with the fourth sentence, which deals solely with the "agent" exercising a power of sale.

In Lakrest Dev. Co. v. Iselle, 258 Md. 45, 48, it was noted that "in the absence of a binding provision in a mortgage or Deed of Trust covering the payment of commissions, no commissions are payable on the sale of the property"; and in Dorsey v. Omo, 93 Md. 74, 77-80, the Court very clearly indicated that in the matter of commissions (as in the related matter of attorney fees) no allowance may be made in a foreclosure proceeding unless the sale was conducted in the mode under which such fees were authorized. Therefore if, as the Trustee urges, the instant Mortgage prescribes commissions of 1% only in the case of power of sale, he is not entitled to any commissions at all, since the Mortgage makes no reference to the payment of commissions in the event of this sale, which was ordered under the "assent" provisions.

An interesting question arises as to whether a court may award commissions to a Trustee appointed by it notwithstanding the absence of any provision in the mortgage. The cases cited in the Lakrest opinion all relate to foreclosures under a power of sale; and Dorsey v. Omo seems to recognize a distinction. 93 Md. at 79. In my opinion, a resolution of that question is not necessary here.

As part of his argument, Mr. Feldman insisted that the quoted provision of the subject Mortgage applied to a sale conducted under either the assent to decree or the power of sale provisions despite the fact that it appears in a paragraph, whose first two sentences relate solely to the power of sale. The point, it seems to me, is well taken.

A fair reading of all provisions of Paragraph 10 of the Mortgage does not suggest that the general provisions relating to default are specifically or by any reasonable implication confined to one mode of foreclosure, if only because there is no conceivable reason why the provisions of the last four sentences which relate to notices and postponement of sale, the Mortgagees' right to purchase (cf. Real Property Article, §7-105 (e)) and the amount of commissions would be dependent upon the mode of foreclosure. Blind adherence to strict rules of grammatical construction might produce the result urged by the Trustee, but would do so at the expense of an ordinary, common sense reading of the instrument. See, Laurel Race Course v. Regal Constr., 274 Md. 142, 153; Illian v. Northwestern Ins. Co., 215 Md. 507, 516; Frostburg Mut. Build. v. Brace, 51 Md. 508, 511; Stanbalt Realty v. Commercial Credit, 42 Md.App. 538, 542-544. "Mala grammatica non vitiat." 51 Md. at 511.

Commissions of "1% of the gross sales price" have been allowed in the Account, as authorized by the Mortgage.

Insurance proceeds

At the hearing, there was unanimous agreement as to the virtually all facts, certainly all operative facts, concerning the insurance proceeds paid to the Mortgagees. They may be summarized as follows.

The mortgage covenant. The Mortgage contains the following among its "Uniform Covenants":

4. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage.

The policy. On or about December 4, 1979, New Hampshire Insurance Company issued a "Motel Protector" policy covering the mortgaged premises (Hearing Exhibit 2). "Bertram L. Parr & Ann S. Parr T/A Kent Narrows Partnership & Bayside Resort Inn" were the "Named Insured" and "Jack Dietrich" was listed in the Declaration under "Section IV: other coverages applicable: Item 6a. Mortgage Clause." By endorsements bearing the same date as the policy, coverage of \$150,000.00 was applicable to buildings and additional coverage of \$10,000.00 was applicable to "outbuildings" -- for a total of \$160,000.00. The policy period extended from December 4, 1979, to December 4, 1982, and provided for a total premium of \$4,442.00 payable in annual installments of \$1,474.00. On January 23, 1980, an endorsement was issued by which the Small Business Administration was added as "Second Mortgagee".

The Loss. On or about March 31, 1982 (which was five days after the first sale had been cancelled due to the institution of the bankruptcy proceeding), the Mortgagees reported a loss to the insurance company. Shortly thereafter Mr. Dietrich was advised of "the termination of the insurance policy on the 28th day of July, 1980" (Hearing Exhibit 3). For that reason and "because of the circumstance of this alleged windstorm loss" (the only evidence at the hearing of the nature of the loss), the insurer indicated that it was "reserving the rights afforded both you and the company under [the] policy" and required that Mr. Dietrich sign a "non-waiver" in order that "the investigation may continue and any possible compromise settlements may be made and that any eventual litigation can be accomplished without prejudice to the rights of any party to the policy." The reason for the "termination" referred to in Exhibit 3 was not revealed at the hearing.

Insurer's denial of liability. Mr. Dietrich stated at the hearing that on September 27, 1982, he had received a communication from the insurer by which liability was denied, apparently on the basis of the alleged "termination" of the policy on July 28, 1980. It is to be noted that this communication was received 13 days after the foreclosure sale at which Mr. Dietrich and the other Mortgagees were the purchasers for \$200,000.00. It is a fair if not compelling inference that the conduct of the Mortgagees-Purchasers at the sale was not based upon any certainty that there would be any recovery under the policy.

Payment of insurance. Mr. Dietrich continued his efforts to convince the insurer that the termination of the policy was ineffective as to the Mortgagees because they had received no notice of the termination and had a special right to such notice under provisions on the reverse side of the Declarations page and the "Mortgage Clause" appearing on Page 3 of the policy (Exhibit 2). The specifics of that contention (or the claimed corollary that the Small Business Administration occupied no such position because it was

named in an endorsement rather than in the Declarations) were not elaborated upon at the hearing, probably for the reason that they were unimportant to the ultimate fact that on October 21, 1982, the insurer reversed its position, recognized liability to the Mortgagees, and on November 5, 1982, transmitted to Mortgagees a check in the amount of \$160,000.00. This represented the full amount of the policy. It is not without significance that the foreclosure sale was finally ratified three days later, on November 8.

Contentions of the Mortgagee

The contention of the Mortgagees is, purely and simply, that they are not required to apply any part of the insurance proceeds to the reduction of principal and interest due under the Mortgage note. Legalities aside, the practical result is striking, in that it would result in the Mortgagees, who had extended credit of \$220,000, being entitled (exclusive of interest collected prior to foreclosure) to an amount in excess of \$395,000:

Principal repaid prior to fore- closure	\$ 20,033.67
Principal due at foreclosure	199,966.33
Insurance proceeds	160,000.00
Interest to 11/13/82	<u>15,685.15</u>
	\$ 395,685.15

The Mortgagees counter the apparent incongruity of the situation by pointing out that (1) actual damages to the buildings exceeded \$270,000, leaving an uncompensated loss of \$110,000; (2) the property was appraised at only \$98,000 in the bankruptcy proceeding, presumably after the loss; and (3) as purchasers of the property, they are now faced with restoring it with only \$160,000 in insurance proceeds.

While it undoubtedly gives emotional thrust to their contentions, there is no suggestion by the Mortgagees that their role as purchasers at the foreclosure gives them any special legal status with regard to the insurance proceeds. In addition to the fact that the alleged loss occurred at least 6 months prior to the time when they assumed the latter role, the policy did not purport to insure their new interest. See, Royal Insur. Co. v. Drury, 150 Md. 211, 221-230. It is not a factor in our determination.

Neither insurance nor a duty to insure is inherent in the legal relationship of mortgagor and mortgagee (Booth v. Baltimore Steam Packet Co., 63 Md. 39, 52), but both are directly related to the very purpose of the transaction. As stated in the early case of Thomas v. Vonkapff, 6 G.&J. 246, 251:

The parties evidently looked to the mortgaged estate, if it remained without deterioration, as sufficient to satisfy the debt, which it was taken to secure [However] it was foreseen that the security might be lessened by the calamity which actually befell it, and the design of the covenant was, by the insurance, always to have a fund for re-establishing the premises; so that the security should not be in any manner diminished

Covenants relating to insurance are therefore the rule rather than the exception in mortgage contracts but, as special attributes of the contract, vary both in form and in the function which the insurance was to play. For example, in Thomas, supra, the provision "stipulate[d] in case of loss by fire, that the sum insured shall immediately be applied to the rebuilding, replacing, and refitting the property, in the like good order, that the same was in at that time; so that in case of loss by fire, the mortgagee might be benefited by such insurance, or participate in the benefit thereof to the extent of his lien." A covenant more like that involved in the subject situation was present in Hadjis v. Anderson, 260 Md. 30, 32: "to keep the buildings on the premises insured against loss by fire and windstorm and all hazards for the benefit of the Mortgagee . . . in some company acceptable to [the mortgagee] . . . to the extent of its lien thereon, and to deliver the policy and all renewal receipts to [the mortgagee]." 260 Md. at 32.

Under the very specific provisions involved in Thomas, the mortgagee "was entitled to have [the proceeds of any insurance] applied to the rebuilding of the premises . . . and it cannot be questioned but that such an application of it might have been coerced . . . [by] a Court of equity" (6 G.&J. at 379); but if "the expenditure of [the insurance proceeds] upon the premises, would have enhanced their value beyond the lien, then to the extent of such enhancement, the fund would be for the benefit of [the mortgagor]." At 380. Under less explicit provisions, the Court has held (260 Md. at 35-36):

We do not question [the mortgagee's] right to retain the insurance proceeds. It was an insured named in the policy and had the right to retain such of the proceeds as did not exceed the amount of the mortgage debt [citations omitted]. If the proceeds were to be applied to restoration, this would have had to be done by agreement between [the mortgagor and the mortgagee], since no procedure was spelled out in the mortgage.

But, see Cottman Co. v. Trust Co., 169 Md. 595, where the mortgagor was given insurance proceeds as reimbursement for repairs which it had made.

The important point is that the insurable interests of the mortgagor and the mortgagee are distinct. Hanover Fire Ins. Co. v. Brown, 74 Md. 64, 77; Nat. Fire Ins. Co. v. Crane, 16 Md. 260, 293. As stated in Frontier Mtge. Corp. v. Heft, 146 Md. 1, 13:

The mortgagor and mortgagee may each insure his own interest; the first insures the property, which he may do for its full value as the owner thereof; the latter, to the extent of his debt and no farther. The first, notwithstanding the incumbrance on his property, is entitled to recover the full amount of his loss, within the limits of the insurance; the latter, if the premises are destroyed by fire before the extinguishment of the mortgage, has the right to be paid his debt by the insurers, if not more than the insurance .

Where the insurance is plainly distinct, rights to the proceeds of the policy following a loss do not involve the mortgage relationship at all:

1. If only the mortgagor is insured, he may apply the proceeds to repair or reconstruction of the property, to repayment of the mortgage debt or for whatever purpose he chooses. The mortgagee has no interest in the proceeds Rent-A-Car Co. v. Fire Ins. Co., 158 Md. 169, 175; Heller v. Marine Bank, 89 Md. 602, 621.

2. Similarly, where only the mortgagee is insured, "There is no privity in law or fact between the mortgagor and mortgagee . . . and the mortgagor can take no advantage of the policy of the mortgagee for his debt." Frontier Mtge. Corp. v. Heft, supra, 146 Md. at 13.

Because of distinct interests, "the mortgagor and the mortgagee may insure their several interests in separate and distinct policies of insurance, by the same or different insurers, at one or different times" or "they may insure their several interests . . . by a single policy." Rent-A-Car Co. v. Fire Ins. Co., supra, 158 Md. at 177. Most of the cases have involved the situation of a single policy. The rule of those cases, stated generally, is that "If . . . the mortgagee insures the property on account of the mortgagor, or by his request, or at his expense, because the latter fails to comply with his covenant to insure, the proceeds of the policy must be applied to the mortgage debt." Seidewitz v. Sun Life Ins. Co., 144 Md. 508, 514. As stated in more detail in Rent-A-Car Co. v. Fire Ins. Co., supra, 158 Md. at 179:

. . . the circuitry of the method illustrated in the event of there being a separate contract of indemnity for the mortgagor and mortgagee is avoided through a stipulation that the loss is payable to the assured according to their respective and ascertained interests. As between the mortgagor and mortgagee, the interest of the mortgagee, being that of the legal owner of the subject-matter, is paramount to the interest of the mortgagor, whose interest is equitable and is called the equity of redemption. Accordingly, the insurer will be allowed as a credit, against the mortgagor's demand, the amount of loss paid or payable to the mortgagee on account of his unsatisfied mortgage debt, and thus the payment of the loss liquidates both demands against the insurer . . . In other words, the object and effect of the special form of policy adopted was to insure to a limited maximum the amount of loss by fire occasioned to the insurable interests of both the mortgagor and the mortgagee at the time of the happening of the contingency against which indemnity was provided; and to agree that this single sum should . . . be divisible, and be payable to the mortgagee to the extent of his interest, which would be the amount of the mortgage debt secured by the legal title granted by the mortgagor, and the residue, if any, to the mortgagor, who owned the equity of redemption; or, if the mortgagee's interest had theretofore been determined by the payment or release of the mortgage debt, that the entire loss should be payable to the owner as having regained an interest in severalty through the extinction of the mortgagee's interest.

Virtually all of the cases involve the latter rule. Hadjis v. Anderson, supra, 260 Md. at 38 (holding that a mortgagee had no right to foreclose a mortgage where insurance proceeds which it was holding exceeded the amount of debt then in default); Trice v. Fleming, 167

Md. 452, 460-461 (holding that the facts showed that the policy had been taken out to protect all parties to a foreclosure proceeding and that the insurer had no right of subrogation because the mortgagee was estopped to deny those facts); Federal Land Bank v. Cosimano, 165 Md. 333, 341 ("acceptance [by the mortgagee] of . . . more than the amount of the then existing debt must be regarded as a discharge of its mortgage, and . . . it could not revive the mortgage by the subsequent negotiations resulting in the return [to the mortgagor] . . . of part of the payment which had been accepted"); Seidewitz v. Sun Life Ins. Co., supra, 144 Md. at 516 (indicating that it would be "unjust and inequitable" for a mortgagee to be allowed to retain insurance proceeds in addition to what it was allowed in the audit of a foreclosure proceeding); Farmers' Fire Ins. Co. v. Baker, 94 Md. 545, 562 (establishing the right of the mortgagee to sue the insurer without joining the mortgagor as a party); Callahan v. Linthicum, 43 Md. 97, 103 (holding that proceeds of insurance, received after the debt was satisfied) were received by the mortgagee in trust for a mortgagor, even though the latter no longer owned the property). See also, Heinz v. German Bldg. Assn., 95 Md. 160, 169.

It is not without significance that the Court has on occasion strained to reach the conclusion that the insurance was placed for the mutual benefit of both mortgagor and mortgagee. E.g. Trice v. Fleming, Seidewitz v. Sun Life Ins. Co., Callahan v. Linthicum, all supra.

As a result, it is now fairly well settled that in the presence of a provision such as that in the subject Mortgage, insurance proceeds are to be applied by the mortgagee to extinguishment of so much of the debt as is then due: that is, the amount in default at the time when the insurance is paid. Hadjis v. Anderson, Federal Land Bank v. Cosimano, Seidewitz v. Sun Life Ins. Co., Thomas v. Vonkapff, all supra. By agreement with the mortgagor, the proceeds received which exceed the amount of the debt then due may be used to prepay the mortgage (Seidewitz v. Sun Life Ins. Co.), or, without agreement, may be applied to future payments as they fall due (Hadjis v. Anderson). Only in somewhat ill-defined circumstances may the mortgagor seek the proceeds as reimbursement for repairs made to the mortgaged property. Compare, Hadjis v. Anderson and Cottman Co. v. Trust Co., both supra. See also, Thomas v. Vonkapff, supra.

The Mortgagees here contend that this line of cases does not control the instant situation for the reason that, notwithstanding the covenant in the Mortgage, at the time of the loss the insurance was in effect only as to them. An analogous situation was present in Rent-A-Car Co. v. Fire Ins. Co., supra, where it appeared that the mortgagor, a named insured, had set the fire which resulted in the loss. However, the question there did not involve the distribution of the proceeds as between mortgagor and mortgagee, but whether the policy covered the mortgagee, who had been innocent of any wrongdoing; and it was held that "payment to the mortgagee is on account of his insurable interest, which is a separate and distinct right that is not derivative from the owner", the Court also noting a distinction between policies creating a mere direction to pay any loss to a mortgagee and those where the mortgagor and mortgagee were to be paid "as their interests may appear." 158 Md. at 183-184.

A distinct situation was presented in the Frontier Mtge. case, upon which the mortgagees here

place almost sole reliance. It there appeared that Frontier, upon receiving an assignment of a second mortgage, had placed insurance on the mortgaged premises. The mortgage contained a covenant requiring the mortgagor "to keep the property insured for the benefit of the mortgagee and its assigns" (146 Md. at 5) but the policy issued to the original mortgagee was not assigned to Frontier. Frontier had the new policy issued in the name of the mortgagor, with a clause that "Loss or damage, if any . . . shall be payable to Frontier Mortgage Corporation . . . assignee of second mortgage (or trustee), as interest may appear . . ." 146 Md. at 6.

However, at the time when the policy was issued, the mortgagor had already conveyed his interest to third parties. The insurance company successfully contended that this transfer barred the mortgagor from any recovery under the policy by reason of a clause which provided that it was to be void "if the interest of the insured be other than unconditional and sole owner; or if the subject of insurance be a building or ground not owned by the insured in fee simple"; and the Court held that "The only possible interest which they [the mortgagors] had at the date of the contract and time of the fire was liability to the mortgagee on the mortgage notes." 146 Md. at 18.

The Court expressly held that "it is not necessary to decide that this insurance was, or was not, solely on the interest of the mortgagee . . ." (146 Md. at 16), since "From the time of forfeiture [by reason of the mortgagors having no interest in the property] the liability of the insurer to the mortgagor ceased, the contract continues for the benefit of the mortgagee alone, and the insurer is subrogated to the the rights of the mortgagee upon its paying the mortgagee the mortgage debt. The parties are in the same position and have the same legal rights as if the interest of the mortgagee had alone been insured." 146 Md. at 17. It is important to contrast the almost identical situation in Callahan, supra, where the policy did not contain the specific exception present in Frontier.

The Mortgagees here capitalize upon their allegation that the policy had been cancelled as to the Mortgagor. This, they contend, not only brings the matter four-square within the Frontier holding, but entitles them to recovery under the policy to the exclusion of the Mortgagor and those claiming under it.

To begin with, there is a large question as to whether the Mortgagees established at the hearing the fact that the policy had actually been cancelled as to the Mortgagor. Further, unlike the situation in the case upon which they rely, it seems that the Mortgagor was the one who placed the insurance and that, although the policy continued as to them, the Mortgagees do not suggest that they at any time paid all or any part of a premium. Thus, in a very real sense, when the insurance was placed it was, in conformity with the provisions of the Mortgage, for the benefit of both the Mortgagor and the Mortgagee -- in distinction to the situation in Frontier where the policy at all times only "nominally" insured the mortgagors. 146 Md. at 16. And, the mere fact that the insurance lapsed as to the Mortgagor does not logically or legally bring the matter within the scope of a rule which is frequently stated in terms of a mortgagee insuring his own interest.

But, as in Frontier, it is not necessary to decide whether or not the policy was or was not solely on the interest of the Mortgagees, for the Mortgagees overlook the

plain fact that the payment by the insurer to them had the effect of a payment of a part of the mortgage debt and the subrogation of the insurer to the rights of the Mortgagee (146 Md. at 17):

. . . the insurer is subrogated to the rights of the mortgagee upon its paying the mortgagee the mortgage debt. [Emphasis supplied]

In other words, "The mortgagor derives no benefit from a policy covering the interest of the mortgagee alone, but is bound to pay the mortgage debt to the insurers when they become his substituted creditors." 146 Md. at 13.

Such rule long predates this holding. Quoting from an early Supreme Court case to which it has repeatedly returned in later cases, the Court of Appeals said in Callahan v. Linthicum, supra, 43 Md. at 101:

. . . if the premises are destroyed by fire before any payment or extinguishment of the mortgage, the underwriters are bound to pay the amount of the debt to the mortgagee, if it does not exceed the insurance. But, then, upon such payment, the underwriters are entitled to an assignment of the debt from the mortgagor, and may recover the same amount from the mortgagor, either at law or in equity, according to the circumstances; for the payment of the insurance by the underwriters does not, in such case, discharge the mortgagor from the debt, but only changes the creditor.

The rule has consistently been stated in terms of not only a payment to the mortgagee but also a pro tanto subrogation of the mortgagee's rights to the insurer. Trice v. Fleming, supra, 167 Md. at 458; Fire Ins. Co. v. Dilworth, 167 Md. 232, 239; Fire Ins. Co. v. Nat. Bank, 164 Md. 441, 446-447; Federal Land Bank v. Cosimo, supra, 165 Md. at 341; Rent-A-Car Co. v. Fire Ins. Co., supra, 158 Md. at 178.

Therefore, the unspoken part of the Mortgagees contention is that they should be allowed that which, by the law which they assert, belongs to another. In the very words of the case upon which the Mortgagees rely, "The payment of the insurance does not destroy the mortgagor from the debt, but the insurers become his creditors and have a right to an assignment of the mortgage debt from the mortgagee." 146 Md. at 13.

There is not the slightest doubt in my mind about the fact that the payment to the Mortgagees in this case was in legal contemplation a receipt by the mortgagees of a payment on their mortgage debt. Credit to that effect allowed in the audit as of November 5, 1982.

Distribution

A more vexing problem lies in the status, perhaps more properly the "non-status", of the insurer. Manifestly, it is not possible to regard the insurer as a "party" to the proceeding, since it has not (as it should have done if it claims rights by subrogation) taken any steps to make itself a party plaintiff. See, Maryland Rule 203, which is plainly applicable to foreclosure proceedings (Rule 1 a 1) and Maryland Rules W70 a 2 and W71 a 2. See also, Maryland Rule 243, applicable only to actions at law.

The matter seems of no consequence insofar as the Small Business Administration is concerned. In Fire Ins. Co. v. Dilworth, supra, 167 Md. at 239, it was squarely held that:

The logical, true, and equitable construction of the terms of this contract is that the insurance company, upon the payment to the first mortgagee, is subrogated to the rights of the first mortgagee, as against the mortgagor or owner, but not as against the second mortgagees. Any other construction, in our opinion, would not be equitable, resulting as it would in no loss whatever to the insurance company, and impairment, if not a total destruction, of the value of the second mortgage, which . . . the insurance company contracted should not be invalidated or impaired by any act of the mortgagor or owner, or any subrogation or assignment by the first mortgagee to it.

It is suggested in 3 Md. Law Rev. 201, 209, that the Dilworth holding stems from a general rule that "the right of subrogation is not granted against a superior equity or a legal right", noting that the same Court had ruled two years earlier that a mere judgment creditor had no rights paramount to those of one entitled to subrogation (Fire Ins. Co. v. Nat. Bank, 164 Md. 441). We need not make any distinction here. As earlier noted, the Small Business Administration was named as "Second mortgagee" by the insurer's endorsement dated January 23, 1980 (Exhibit 2); and, as in Dilworth, there is specific language on Page 3 of the subject policy by which "no subrogation shall impair the right of the mortgagee (or trustee) to recover the full amount of his, her or their claim." In my opinion, Dilworth is controlling; and the Small Business Administration has been allowed the full amount of its claim.

After allowance of the balances due the Mortgagees and the Small Business Administration, a surplus remains; and we must return to the question of the person who is entitled to them. It has already been noted that the insurer may not be considered to be a party. With regard to other claimants, Rule W75 provides that:

upon a sale of mortgaged property pursuant to this Subtitle, a person claiming an interest in the equity of redemption may apply to the court ratifying the sale to have the surplus of the proceeds of sale, after payment to the mortgagee of his claim and expenses, paid over to such person, or so much thereof as will satisfy his claim, and the court shall order distribution of such surplus equitably among the claimants thereto [emphasis supplied].

To begin with, we can hardly regard the insurer as being in this class at all, since it has no "interest in the equity of redemption"; its interest, if it exists, is derived from the paramount interest of the Mortgagee in the legal title. Rent-A-Car Co. v. Fire Ins. Co., supra, 158 Md. at 179.

The insurer is scarcely better off were it to be assumed that a "claimant" of another sort might be recognized. In Winn v. Albert, 2 Md.Ch. 169, 177, the Chancellor noted that:

As a general rule, certainly no claim should be stated or noticed by the auditor, unless filed

in the cause in which the fund is to be distributed; that is, he is not to examine the files of other causes for the purpose of finding claims against the party, the proceeds of whose estate he is distributing . . . [except] where he is referred to the claims thus filed in another cause . . . and is instructed to state them

Miller makes it clear that a formal claim is necessary. Equity Jurisprudence, §§539-540. In Brown v. Thomas, 46 Md. 636, a partition proceeding in which the assignee of one of the owners of the land "without the formality of petition, appeared in the cause for the first time, and, describing herself as assignee . . . excepted to the auditor's accounts" (46 Md. at 639), it was held at 641:

With us the practice is of a less formal nature than in England; but such assignee, under our practice, in a case like the present, is required to present his claim by petition, and establish his title by legal and competent evidence, before he can claim an order securing to him the benefit of the assignment the assignment did not prove itself; and being filed in the cause at the time and in the manner it was, no exception is required . . . to exclude it from consideration in this Court.

The short of the matter is that, for whatever reason, the insurer is simply not a part of this proceeding -- indeed, it has not given even the most informal indication of its interest in the foreclosure or the distribution of its proceeds. It may have been overlooked. It may have made a business decision, or reached the legal conclusion, that the matter is not worth pursuing (in this connection it may be noted that it may have now lost such right under the period limitations stipulated in the "Suit" provisions of the policy). In any event, it is possible that the insurer, if its interest exists, is not without remedy. Miller, §540. Cf. Seidewitz v. Sun Life Ins. Co., supra, 144 Md. at 516-517.

There is no reason, however, for conjecture. The distribution must be made on the basis of the parties and record before the Court. The account as stated provides for distribution, after payment of the first and second mortgage claims, to the Mortgagor or its bankruptcy trustee.

A final note may be made of the fact that the Account is something of an anomaly in that it deals with a fund which is non-existent because of the Trustee's allowance of credit to the Mortgagees-Purchasers in the amount which they claim under the Mortgage. While allowance of a proper credit is not unknown or improper (Miller, §514), it would seem that in this as in other instances the Trustee has acted at his own risk in making allowances not sanctioned by the Court. Miller, §515. However, although purchasers ordinarily do not have to look to the application of money paid to a judicial officer (Miller, §514) the proceeds have not in fact been paid in this case; and it may well be that the Trustee has at least something in the nature of a vendor's lien for the amount which should have been, but was not paid by the purchasers.

For those reasons, and because the establishment of the fund involves a determination of the central issue in this Account, the matter has been stated in terms of what in my opinion should have been the settlement between the Trustee and the Mortgagees-Purchasers.

17 MAR 646

JACK B. DIETRICH, et al.

vs.

KENT NARROWS PARTNERSHIP

IN THE CIRCUIT COURT
FOR QUEEN ANNE'S COUNTY
IN EQUITY
No. 7056

NISI RATIFICATION OF AUDIT

ORDERED this 2nd day of May, 19 83,
that the report and account filed in these proceedings by _____
John W. Sause, Jr., Auditor, be ratified on or after the
18th day of May, 19 83, unless cause to the
contrary thereof be previously shown; provided notice is given in
manner provided by Maryland Rule 595 g to persons entitled thereto.

Marguerite H. Martin Clerk

Filed May 2, 1983

VACHEL A. DOWNES, JR.,
ASSIGNEE OF MORTGAGE
115 Lawyers Row
Centreville, Maryland (21617)

IN THE CIRCUIT COURT

FOR

QUEEN ANNE'S COUNTY

VS.

IN EQUITY

LESTER CARPENTER LEONARD, JR.
123 South Commerce Street
Centreville, Maryland (21617)

NO. 7280

and
MADOLYN R. LEONARD

DEC 27-82 * 23108 *****
DEC 27-82 A 23108 *****

* * * * *

ORDER TO DOCKET SUIT

TO: MARGUERITE W. MANKIN, CLERK:

Madam Clerk: You will please docket suit as per the above titling for foreclosure of a mortgage from Lester Carpenter Leonard, Jr. and Madolyn R. Leonard to The Federal Land Bank of Baltimore, dated June 19, 1974, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 85 folio 165, heretofore assigned to Vachel A. Downes, Jr., for purpose of collection by foreclosure, default having occurred in the terms thereof by reason of non-payment of principal and interest payable under the terms of said mortgage after demand therefor was made; and you will file herewith a certified copy of said mortgage and assignment as well as the accompanying affidavit.

Vachel A. Downes, Jr.

VACHEL A. DOWNES, JR.
Assignee of Mortgage
115 Lawyers Row
Centreville, Maryland 21617
Telephone: 301-758-0680

AFFIDAVIT

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S, TO WIT:

I HEREBY CERTIFY, that on this 27th day of December 1982, before me, the subscriber, a Notary Public as aforesaid, personally appeared Vachel A. Downes, Jr., Assignee of Mortgage, and made oath in due form of law to the best of his knowledge, information and belief, that Lester Carpenter Leonard, Jr., and Madolyn R. Leonard are not now in the military service of the United States of America as defined by the Soldier's and Sailor's Civil Relief Act of 1940, with amendments thereto, of Chapter 710

RELE
CLERK.
1982 DEC 27
QUEEN ANNE'S COUNTY

of the Laws of Maryland of 1941, nor have they been in such military service within three months prior hereto. Nor are said defendants in the military service of any nation allied with the United States, nor have said defendants been ordered to report for induction under the Selective Training and Service Act of 1940 as amended, nor are defendants members of the Enlisted Reserve Corps who have been ordered to report for military service.

AS WITNESS my hand and Notarial Seal.

Judith C. Conley
NOTARY PUBLIC

My Commission Expires:

July 1, 1986

MORTGAGE

DOCUMENT NO. 76163

RECEIVED FOR RECORD
RECORDED IN LIBER *CWC*
85 - PAGE 165

1974 JUN 21 AM 11: 25

THIS MORTGAGE, made this 19th day of June

RECORD FOR
QUEEN ANNE'S CO., MD.
CHARLES W. CECIL, CLERK
19 74

between LESTER CARPENTER LEONARD, JR., and MADOLYN R. LEONARD, his wife,

JUN 21-74 * 24712 *****23.00
JUN 21-74 A 24712 *****23.00

of the County of Queen Anne's, State of Maryland, hereinafter called "Mortgagor", and
THE FEDERAL LAND BANK OF BALTIMORE, hereinafter called "Mortgagee".

WITNESSETH: THAT WHEREAS, Mortgagor is indebted to Mortgagee in the principal sum of Three Hundred
Thousand Dollars----- Dollars (\$ 300,000.00--),

this day lent the Mortgagor by the Mortgagee;

AND WHEREAS, Mortgagor has executed and delivered to Mortgagee his promissory note bearing even date herewith,
in the amount of ---Three Hundred Thousand Dollars-----

-----Dollars (\$ 300,000.00--)-

with interest at -----eight----- percent (-----8 %) per annum; provided, however, that the Bank
may increase said interest rate from time to time by giving to the Mortgagor thirty (30) days prior written notice, by ordinary
mail, to the last known address of said Mortgagor; said principal and interest being payable on a repayment plan, the final
installment of which becomes due and payable ---25----- years after the date hereof, and provided that
defaulted payments shall bear interest at the rate of four percent (4%) per annum above the billing rate then in effect, until
paid, and the better to secure the payment of said principal and interest and any extension or renewal thereof, and the
payment of all other sums and performance of all terms, covenants and conditions required of Mortgagor in accordance with
the terms of this mortgage and the note secured hereby, this mortgage is executed and delivered.

NOW THEREFORE, in consideration of the premises and of One Dollar (\$1.00) said Mortgagor hereby grants and
conveys unto said Mortgagee, its successors and assigns, in fee simple, all that certain land situate, lying and being in the

Fourth Election District, Queen Anne's County, Maryland, and

more particularly described as follows:

ALL those lots, tracts or parcels of land, known as "Shipping
Creek Farm", situate, lying and being in the Fourth Election District of
Queen Anne's County, Maryland, described as follows:

BEGINNING for the first thereof at a locust post at the head of
a cove called Goose Harbour; and running thence, north fifty-five degrees
west one hundred and fifty-six perches; thence, south thirty-eight degrees
west thirty and one-quarter perches to the public road; thence, south
seventeen degrees east fifty perches; thence, south four degrees thirty
minutes east twenty-nine perches; thence, south five degrees thirty
minutes west thirty-four and thirteen-twentieths perches; thence, leaving
the road, south thirty-eight degrees east seventy-nine and one fifth
perches to the creek; thence, binding along the waters of said creek,
south seventy-two degrees east ten perches; thence, south thirty-nine
degrees east seventeen perches; thence, south eight perches; thence,
south nineteen degrees east six perches; thence, south forty-nine degrees
forty-five minutes east fourteen perches; thence, south thirty-three
degrees thirty minutes east ~~twenty~~ ^{thence north seventy-three} perches; thence, south fifteen
degrees ~~thirty minutes east nineteen~~ ^{degrees east} perches; thence, south thirty-four degrees
east twelve perches; thence, south seventy-nine degrees east ten perches,

thence, south forty-four degrees east nineteen perches; thence, north four degrees east thirty-eight perches; thence, north fifty-three degrees east sixteen perches; thence, north eighteen degrees east twelve perches; thence, north seventy-four degrees east thirteen perches; thence, north fifteen degrees west sixteen perches; thence, north forty-nine degrees west ten perches; thence, north thirty-three degrees thirty minutes east eleven and one-half perches; thence, south seventy-four degrees east sixteen perches; thence, north sixty-seven degrees thirty minutes east seventeen perches; thence, north sixteen degrees east forty-eight perches; thence, north three degrees west sixteen perches; thence, north forty-five degrees thirty minutes east twelve perches; thence, north one degree thirty minutes east nineteen perches; thence; North forty-five degrees thirty minutes east sixteen perches; thence, north eleven degrees east twenty-five perches; thence, north four degrees east thirty perches; thence, north thirty-four degrees west sixteen perches; thence, north fifty-five degrees west thirty-four perches; thence, north seventy degrees thirty minutes west fifteen perches; thence,

(continued on attached sheet)

Together with all hereditaments and appurtenances thereto belonging and all improvements thereon and all fixtures and accessories now or hereafter annexed or attached thereto.

TO HAVE AND TO HOLD the same unto and to the proper use and benefit of Mortgagee, its successors and assigns forever.

PROVIDED, that if Mortgagor shall well and truly pay, or cause to be paid, said principal sum and all interest thereon, and all other sums payable by Mortgagor in accordance with the terms of this mortgage and the note secured hereby, each at the times and in the manner as herein set forth, and shall otherwise perform all of the terms, covenants and conditions of this mortgage and the note secured hereby, then this mortgage shall be void; otherwise, it is to remain in full force and effect.

WHEREVER used herein the masculine gender shall include the feminine and neuter and the neuter gender shall include the masculine and feminine and the singular form shall include the plural and all the covenants and agreements of Mortgagor shall extend to and bind his heirs, devisees, successors and assigns.

MORTGAGOR covenants and agrees, jointly and severally, with the Mortgagee as follows:

First: That he warrants specially the property hereby conveyed; that he is seized thereof in fee simple and has a right to convey same; that he has done no act to encumber the same; that he will execute such further assurances thereof as may be requisite;

Second: That should the title to the herein mortgaged property be acquired by any person, persons, partnership or corporation, other than the Mortgagor, by voluntary or involuntary grant or assignment, or in any other manner without the Mortgagee's written consent, or should the same be encumbered by the Mortgagor, his heirs, personal representative and assigns, without the Mortgagee's written consent, then the whole of said principal sum shall at the option of the Mortgagee immediately become due and owing as herein provided;

Third: That he will pay or cause to be paid when due said principal sum of the debt hereby secured, and any renewals or extensions thereof, together with all interest thereon, and all other sums payable by him in accordance with the terms of this mortgage and the note secured hereby, or any renewals or extensions, and that he hereby expressly waives the benefit of all exemptions, homestead or otherwise, under the laws of this and any other state and agrees to pay the debt without any offset whatever;

Fourth: That he will pay when due all taxes, liens, judgments or assessments heretofore or hereafter levied, assessed or constituting liens upon the property hereby conveyed;

Fifth: That he will keep all improvements now or hereafter located on the premises in good repair; that he will maintain and work the premises hereby conveyed in good and husbandlike manner; that he will commit no waste and that he will not cut or remove or permit to be cut or removed any wood or timber from said premises except for domestic use without the written consent of the Mortgagee and the Mortgagee shall have the right of injunction or otherwise to prevent the cutting or removal of any wood or timber from said premises irrespective of whether or not the balance of the security is ample to protect the Mortgagee;

Sixth: That he will insure and keep insured buildings and other improvements now or which may hereafter be placed on the said premises against loss or damage by fire, lightning, windstorm or tornado in companies and amounts satisfactory to the Mortgagee, any policy evidencing such insurance to be deposited with and loss thereunder to be payable to the Mortgagee as its interests may appear. At the option of the Mortgagor and subject to general regulations of the Mortgagee sums so received by the Mortgagee may be used to pay for reconstruction of the destroyed improvements or, if not so applied, at the option of the Mortgagee, may be applied in payment of any indebtedness, matured or unmatured, secured by this mortgage; or at the option of the Mortgagee sums so received may be returned to the Mortgagor.

Seventh: That if at any time hereafter the said Mortgagee shall become a party to any suit or legal proceedings instituted by any third party involving the title of the land hereby conveyed, or in any way affecting the validity or integrity of the loan hereby secured, it is hereby covenanted and agreed that said Mortgagee shall have the right to employ attorneys to represent it in such suit or other legal proceedings, and to pay such attorneys reasonable fees for legal services rendered, not in excess of five per centum of the principal of the loan hereby secured, and any sum so paid by the Mortgagee shall become a part of the debt hereby secured and shall be payable on demand; with interest from the date of payment at the rate of four percent (4%) per annum above the billing rate then in effect until paid;

Eighth: That in the event Mortgagor fails to pay when due any taxes, liens, judgments or assessments lawfully assessed or constituting liens against the property herein conveyed, or fails to maintain insurance as hereinbefore provided, the Mortgagee may make such payment or provide such insurance and the amount paid therefor shall become a part of the indebtedness secured hereby and bear interest from the date of payment at the rate of four percent (4%) per annum above the billing rate then in effect, until paid;

south seventy-one degrees west fifty-two perches; thence, south ten degrees forty-five minutes west to the locust post at the place of beginning.

BEING and comprising two hundred and sixty-six acres three roods and five square perches of land, more or less, less so much thereof as may have eroded.

SAVING AND EXCEPTING, however, from the tract of land hereinabove described the parcel of land, containing nineteen acres, which was conveyed by Samuel W. Carter to John T. Norman, by deed dated February 26, 1877, and recorded among the Land Records of Queen Anne's County in Liber JW No. 6, folio 488.

ALSO SAVING AND EXCEPTING from the tract of land hereinabove described the parcel of land contained in a deed dated February 26, 1877, and recorded among the Land Records of Queen Anne's County in Liber JW No. 6, folio 489, was conveyed by Samuel W. Carter and Susanna C. Carter to Mary A. Gardner, containing one acre of land.

ALSO SAVING AND EXCEPTING from the tract of land herein above described, the parcel of land contained in a deed dated December 23, 1955 and recorded among the Land Records of Queen Anne's County in Liber TSP No. 25, folio 464, was granted and conveyed by Charles S. Dewey and Suzette H. Dewey, his wife, to the State Roads Commission of Maryland.

BEGINNING for the second thereof and being an island, or all thereof as may now remain known as "Outer Island of Philpots Point Farm" bordering of Shipping Creek, and being a part of the farm contained in the original description of the lines of the farm known as "Philpots Point Farm".

BEGINNING for the third thereof and being all of the Grantor's right, title and interest in a lot or parcel known as "Old Matapex Post Office Property" or "Porter Property", and containing 2 acres of land, more or less, Saving and Excepting therefrom a parcel of land containing 1/2 acre, more or less, conveyed by Mary E. Porter to William E. H. Porter, by deed dated December 5, 1892 and recorded among the Land Records aforesaid in Liber LD No. 1, folio 272.

FURTHER SAVING AND EXCEPTING THEREFROM, the following two (2) described parcels of land containing 17.00 acres and 5.2324 acres, more or less, respectively.

PARCEL ONE:

Beginning for the same at a pipe set at the southwesternmost corner of the lot herein being described, said pipe also being located N 09° 02' 23" E, 250.16 feet from the beginning of the fifty or N 80° 57' 37" W, 3158.69 foot line of the above described 25 foot wide right-of-way leading to Maryland Route 8, said point also being located on the fourth line of the said 25 foot wide right-of-way; thence, with the said fourth line and binding reversely on N 09° 02' 23" E and passing over pipes set at a distance of 500 feet and 1,000 feet respectively for a total distance of 1,341.70 feet to a point; thence, leaving the aforesaid mentioned right-of-way and running for a line of division as now established through the lands of Peter G. and Katherine F. Sulzer, his wife, S 80° 57' 37" E, 476.80 feet to the mean high water

line of Eastern Bay; thence running in a southerly direction along the mean high water line of Eastern Bay, the following thirty-two (32) courses and distances; viz: S 46° 14' 54" E, 12.29 feet; S 42° 31' 00" E, 150.15 feet; S 66° 19' 13" W, 33.14 feet; S 15° 35' 31" W, 51.90 feet; S 11° 09' 18" E, 52.21 feet; S 07° 18' 53" W, 35.19 feet; S 70° 48' 27" E, 12.20 feet; S 03° 34' 46" E, 46.13 feet; S 17° 37' 03" W, 41.00 feet; S 17° 36' 34" W, 6.41 feet; S 03° 01' 59" W, 50.29 feet; S 04° 54' 39" W, 48.62 feet; S 00° 56' 03" W, 62.77 feet; S 09° 35' 00" E, 44.63 feet; S 01° 10' 40" E, 45.83 feet; S 39° 21' 13" W, 103.61 feet; S 32° 02' 23" W, 78.01 feet; S 40° 52' 17" W, 35.88 feet; S 12° 19' 01" W, 39.67 feet; S 31° 36' 20" W, 16.54 feet; S 31° 25' 47" W, 1.90 feet; S 60° 40' 02" E, 10.00 feet; S 37° 35' 48" W, 82.15 feet; S 15° 23' 34" W, 65.67 feet; S 24° 47' 53" W, 42.06 feet; S 16° 55' 46" W, 52.95 feet; S 02° 47' 18" W, 48.92 feet; S 14° 05' 13" W, 55.01 feet; S 32° 32' 52" W, 34.97 feet; S 06° 41' 08" W, 29.12 feet; S 11° 49' 03" W, 94.03 feet and S 43° 47' 19" E, 9.82 feet; thence, leaving the mean highwater line of Eastern Bay and running for a division as now established through the lands of Peter G. and Katherine F. Sulzer, his wife, N 80° 57' 37" W passing over a pipe set at a distance of 19.21 feet for a total distance of 469.21 feet to the place of beginning, containing 17.00 acres of land, more or less.

The above described 17.00 acre parcel and the 25 foot wide right-of-way are shown on a plat entitled "Plat Showing a Portion of Shipping Creek Plantation" prepared by Van Reuth and Weidner, Inc., Civil Engineers and Surveyors, dated February 4, 1971.

PARCEL TWO

Beginning for the same at a pipe set at the northwesternmost corner of the lot herein being described, said pipe also being located N 09° 02' 23" E, 250.16 feet from the end of the fourth of S 09° 02' 23" W, 1,250.16 foot line of the before described 25 foot wide right-of-way leading to Maryland Route 8; thence, leaving the right-of-way and running for a line of division, as now established, through the lands of Peter G. and Katherine F. Sulzer, his wife, S 80° 57' 37" E, passing over a pipe set at the distance of 450.00 feet for a total distance of 469.21 feet to the mean high water line of Eastern Bay; thence, running along the mean high water line of Eastern Bay the twelve (12) following courses and distances: viz: S 43° 47' 42" E, 1.58 feet; S 33° 36' 15" W, 12.20 feet; S 48° 31' 25" E, 17.42 feet; S 04° 39' 00" E, 15.25 feet; S 43° 49' 11" W, 6.72 feet; S 15° 50' 53" E, 27.00 feet; S 18° 16' 17" W, 36.25 feet; S 24° 40' 07" E, 25.23 feet; S 68° 26' 27" E, 38.52 feet; S 33° 37' 39" W, 32.81 feet; N 74° 05' 02" W, 30.84 feet and S 77° 05' 03" W, 40.69 feet to a point at the end of and on the outboard face of a timber seawall; thence, continuing along the face of said seawall and along the mean high water line of Eastern Bay, the seven (7) following courses and distances: viz: S 19° 44' 52" W, 14.24 feet; S 43° 53' 12" W, 123.69 feet; S 15° 20' 04" W, 17.83 feet; S 31° 53' 14" W, 21.27 feet; S 28° 07' 43" W, 20.09 feet; S 23° 04' 08" W, 21.92 feet and S 10° 32' 06" W, 34.01 feet to the eastern end of the division line between Parcel "A" and Parcel "C" and thence, continuing along the mean high water line of Eastern Bay and the outlines of Parcel "C" as now established, S 11° 07' 18" W, 48.89 feet; S 26° 50' 44" W, 13.71 feet; N 61° 00' 08" W, 19.60 feet; S 19° 34' 57" W, 63.16 feet; S 58° 17' 53" E, 31.82 feet; S 01° 54' 58" W, 13.76 feet and S 37° 43' 03" E, 16.32 feet to a point; thence, leaving the aforesaid line of Eastern Bay and running through the lands of Peter G. and Katherine F. Sulzer N 80° 57' 37" W, 365.72 feet to a point; and N 09° 02' 23" E, 154.07 feet to an iron pipe set at the western end of the division line between Parcel "A" and Parcel "C" thence, continuing the same line

and with the outlines of Parcel "A", N 09° 02' 23" W, 1,250.16 feet line of the aforementioned 25 foot right-of-way leading to Maryland Route 8, thence, running with said line reversely and continuing the same course along the east side of said right-of-way N 09° 02' 23" E, 250.16 feet, to the place of beginning, containing 5.2324 acres of land, more or less, and designated as Parcel "A" and Parcel "C" on a plat dated March 29, 1968, and revised November 16, 1970, prepared by Van Reuth and Weidner, Inc., Civil Engineers and Surveyors.

RESERVING, HOWEVER, unto Peter G. Sulzer and Katherine F. Sulzer, his wife, their heirs and assigns, for use in common with others, a 25 foot wide right-of-way leading from Maryland Route 8 easterly and northerly to the hereinafter described parcels, said right-of-way being particularly described as follows:

Beginning for the same at a pipe set on the east side of Maryland Route 8, 120 feet wide, said pipe being located the three (3) following courses and distances from a pipe set on the east side of Maryland Route 8, at the beginning of the first line in a deed from Edwin A. Porbert to Albert J. Faulhaber and Isabel K. Faulhaber, his wife, dated September 14, 1960, and recorded among the Land Records of Queen Anne's County, Maryland, in Deed Book TSP No. 56, folio 473; S 11° 23' 07" E, 151.05 feet; 1,065.46 feet along the arc of a curve to the right having a radius of 2,324.83 feet and a chord bearing and distance of S 01° 44' 38" W, 1,056.16 feet; and S 14° 52' 23" W, 76.23 feet; thence, leaving Maryland Route 8 and running along the north side of a 25 foot right-of-way as now established through the lands of Peter G. and Katherine F. Sulzer, his wife, S 80° 57' 37" E, 3,131.13 feet to a pipe set; thence, crossing the northern extremity of said right-of-way, S 80° 57' 37" E, 25.00 feet to a point; thence, running along the east side of said right-of-way and parallel with the second line herein described S 09° 02' 23" W, 1,591.86 feet to a pipe set; thence, running along the south side of said 25 foot wide right-of-way and parallel with the first line herein described, N 80° 57' 37" W, 3,158.69 feet to a pipe set on the east side of Maryland Route 8; thence, running and binding along the east side of Maryland Route 8, N 14° 52' 23" E, 25.13 feet to the place of beginning.

BEING the same and all the land granted and conveyed from Lester C. Leonard, Jr., Trustee for the "Shipping Creek Syndicate" to Lester Carpenter Leonard, Jr., by deed dated even date herewith and recorded among the Land Records of Queen Anne's County immediately prior hereto.

The above description as to Parcel #1 is subject to an Indenture and Establishment of a division line, dated March 19, 1968, and made by Ken William Cornell, et. al., recorded among the Land Records of Queen Anne's County in Liber CWC No. 34, folio 129.

The said Madolyn R. Leonard, his wife, joins in the execution of this mortgage and the bond herein described for the purpose of binding themselves (herself), their (her) heirs, personal representatives and assigns upon all the terms, covenants and conditions herein and therein set forth, and especially to better secure the repayment of the aforesaid principal indebtedness together with interest thereon at the times and in the manner set forth waiving notice of all or any extensions of the time or times for the repayment of said installments of principal and/or interest during the continuance of this mortgage or any renewals thereof.

Together with all hereditaments and appurtenances thereto belonging and all improvements thereon and all fixtures and accessories now or hereafter annexed or attached thereto.

TO HAVE AND TO HOLD the same unto and to the proper use and benefit of Mortgagee, its successors and assigns forever.

PROVIDED, that if Mortgagor shall well and truly pay, or cause to be paid, said principal sum and all interest thereon, and all other sums payable by Mortgagor in accordance with the terms of this mortgage and the note secured hereby, each at the times and in the manner as herein set forth, and shall otherwise perform all of the terms, covenants and conditions of this mortgage and the note secured hereby, then this mortgage shall be void; otherwise, it is to remain in full force and effect.

WHEREVER used herein the masculine gender shall include the feminine and neuter and the neuter gender shall include the masculine and feminine and the singular form shall include the plural and all the covenants and agreements of Mortgagor shall extend to and bind his heirs, devisees, successors and assigns.

MORTGAGOR covenants and agrees, jointly and severally, with the Mortgagee as follows:

First: That he warrants specially the property hereby conveyed; that he is seized thereof in fee simple and has a right to convey same; that he has done no act to encumber the same; that he will execute such further assurances thereof as may be requisite;

Second: That should the title to the herein mortgaged property be acquired by any person, persons, partnership or corporation, other than the Mortgagor, by voluntary or involuntary grant or assignment, or in any other manner without the Mortgagee's written consent, or should the same be encumbered by the Mortgagor, his heirs, personal representative and assigns, without the Mortgagee's written consent, then the whole of said principal sum shall at the option of the Mortgagee immediately become due and owing as herein provided;

Third: That he will pay or cause to be paid when due said principal sum of the debt hereby secured, and any renewals or extensions thereof, together with all interest thereon, and all other sums payable by him in accordance with the terms of this mortgage and the note secured hereby, or any renewals or extensions, and that he hereby expressly waives the benefit of all exemptions, homestead or otherwise, under the laws of this and any other state and agrees to pay the debt without any offset whatever;

Fourth: That he will pay when due all taxes, liens, judgments or assessments heretofore or hereafter levied, assessed or constituting liens upon the property hereby conveyed;

Fifth: That he will keep all improvements now or hereafter located on the premises in good repair; that he will maintain and work the premises hereby conveyed in good and husbandlike manner; that he will commit no waste and that he will not cut or remove or permit to be cut or removed, any wood or timber from said premises except for domestic use without the written consent of the Mortgagee and the Mortgagee shall have the right of injunction or otherwise to prevent the cutting or removal of any wood or timber from said premises irrespective of whether or not the balance of the security is ample to protect the Mortgagee;

Sixth: That he will insure and keep insured buildings and other improvements now or which may hereafter be placed on the said premises against loss or damage by fire, lightning, windstorm or tornado in companies and amounts satisfactory to the Mortgagee, any policy evidencing such insurance to be deposited with and loss thereunder to be payable to the Mortgagee as its interests may appear. At the option of the Mortgagor and subject to general regulations of the Mortgagee sums so received by the Mortgagee may be used to pay for reconstruction of the destroyed improvements or, if not so applied, at the option of the Mortgagee, may be applied in payment of any indebtedness, matured or unmatured, secured by this mortgage; or at the option of the Mortgagee sums so received may be returned to the Mortgagor.

Seventh: That if at any time hereafter the said Mortgagee shall become a party to any suit or legal proceedings instituted by any third party involving the title of the land hereby conveyed, or in any way affecting the validity or integrity of the loan hereby secured, it is hereby covenanted and agreed that said Mortgagee shall have the right to employ attorneys to represent it in such suit or other legal proceedings, and to pay such attorneys reasonable fees for legal services rendered, not in excess of five per centum of the principal of the loan hereby secured, and any sum so paid by the Mortgagee shall become a part of the debt hereby secured and shall be payable on demand; with interest from the date of payment at the rate of four percent (4%) per annum above the billing rate then in effect until paid;

Eighth: That in the event Mortgagor fails to pay when due any taxes, liens, judgments or assessments lawfully assessed or constituting liens against the property herein conveyed, or fails to maintain insurance as hereinbefore provided, the Mortgagee may make such payment or provide such insurance and the amount paid therefor shall become a part of the indebtedness secured hereby and bear interest from the date of payment at the rate of four percent (4%) per annum above the billing rate then in effect, until paid;

Ninth: That notwithstanding any other provisions of this mortgage for payment of insurance premiums, taxes and assessments, Mortgagee may at its option require the same to be paid to Mortgagee in installments. That upon exercise of said option by written notice from Mortgagee, by ordinary mail, and in addition to installment payments on the mortgage debt hereby secured, Mortgagor shall pay to Mortgagee until said debt is fully paid, installments of the taxes and special assessments levied or to be levied against the premises covered by this mortgage, and installments of the premium or premiums that will become due and payable to renew such insurance on the premises covered hereby against loss by fire or other hazards, casualties and contingencies as may be reasonably required by the Mortgagee in amounts, for periods, and in a company or companies satisfactory to the Mortgagee. These installments shall be equal to the estimated premium or premiums for such insurance, and taxes and assessments next due (as estimated by the Mortgagee) less all installments already paid therefor, divided by the number of installment payments (whether annual, semi-annual, quarterly or monthly) that are to become due on the debt hereby secured before one month prior to the date when such premium or premiums and taxes and assessments will become delinquent. The Mortgagee shall hold such installments in trust to pay the premium or premiums and taxes and assessments before the same become delinquent;

Tenth: That he will use the proceeds of the loan secured hereby solely for the purposes set forth in his application for said loan;

Eleventh: That he hereby assigns to the Mortgagee as additional collateral all royalties or other monies due or to become due from any surface or subsurface rights or for any right or privilege other than for agricultural purposes in any way affecting or pertaining to the property hereby conveyed and all monies which may become due in any condemnation proceedings affecting the said premises and all sums received may be applied, at the option of the Mortgagee, to the discharge of any part or all of the indebtedness hereby secured, whether or not the same be due and payable or, at the option of the Mortgagee, such sums may be returned to the Mortgagor and the Mortgagor will not grant any surface or subsurface rights without the written consent of the Mortgagee;

Twelfth: That so long as there is no default on the part of Mortgagor in any of the terms, covenants and conditions of this mortgage and the note secured hereby, the Mortgagor shall have the right to the possession and enjoyment of the property hereby conveyed, but upon default in the payment of the whole debt hereby secured or any part thereof as the same shall become due and payable or in the event of a breach of any of the terms, covenants and conditions of this mortgage, or of the note hereby secured, or in the event the Mortgagor should die or file a petition under the Bankruptcy Act or make an assignment for the benefit of creditors or become insolvent or file a petition for an arrangement with creditors, the entire debt secured by this mortgage shall, at the option of the Mortgagee, become immediately due and payable;

Thirteenth: That in the event the Mortgagee, upon default by the Mortgagor, shall take possession of the mortgaged premises as authorized by law, the Mortgagee may operate and manage or lease the same and make any reasonable and proper advances for the operation, maintenance and management of the premises and any sums so advanced shall become part of the debt hereby secured, payable immediately, with interest from the date of payment at the rate of four percent (4%) per annum above the billing rate then in effect, until paid;

Fourteenth: That upon default in the performance of any of the covenants or conditions hereof, the mortgagor hereby assents to the passage of a decree for the sale of the property hereby mortgaged and, upon such default, hereby authorizes the Mortgagee, its successors or assigns, to sell the property described herein and any sale under the said assent to a decree or under the said power of sale, shall be made in accordance with applicable rules of procedures issued by the Court of Appeals of Maryland and the proceeds of such sale shall be applied as follows: (1) to the repayment of all expenses incident to the sale, including a fee of at least \$50.00, plus a commission to the person making the sale in an amount equal to the commission allowed to trustees for making sale of real estate by virtue of a decree of a court exercising equity jurisdiction in Maryland; (2) to the payment of all indebtedness secured hereby, whether matured or unmatured; and (3) any surplus shall be distributed to whomsoever may be legally entitled thereto.

And said Mortgagor hereby covenants and agrees that immediately upon the first insertion of the advertisement or notice of sale as aforesaid under the powers hereby granted, there shall be and become due by him to the party inserting said advertisement or notice all expenses incident to said advertisement or notice, all Court costs and all expenses incident to the foreclosure proceedings under this mortgage and a commission on the total amount of the mortgage indebtedness, principal and interest equal to one-half the percentage allowed as commissions to Trustees making sale under orders or decrees of a Court having equity jurisdiction in the State of Maryland, which said expenses, costs and commissions said Mortgagor does hereby covenant to pay as a part of the indebtedness hereby secured, and said Mortgagee, its successors or assigns, shall not be required to receive the principal and interest only of said mortgage debt in satisfaction thereof unless the same be accompanied by a tender of said expenses, costs and commissions but said sale may be proceeded with unless prior to the day appointed therefor legal tender be made of said principal, interest, costs, expenses and commissions;

Fifteenth: That in the event said property shall be sold under the powers hereby granted, or under a decree or order of any court having jurisdiction to decree or order a sale thereof, all the annual crops pitched or cultivated thereon at the time the Mortgagee makes its election to call the loan, and all the annual crops pitched or cultivated thereon at the time of sale shall pass with the said mortgaged property to the purchaser at any such sale;

Sixteenth: This mortgage is subject to the Farm Credit Act of 1971 and all acts amendatory thereof or supplementary thereto.

WITNESS the hand and seal of said Mortgagor.

WITNESS:

John T. Clark, III

John T. Clark, III

Lester Carpenter Leonard, Jr. (SEAL)

Madolyn R. Leonard (SEAL)

Madolyn R. Leonard (SEAL)

(SEAL)

(SEAL)

17 055

STATE OF MARYLAND
COUNTY OF QUEEN ANNE'S , to wit:

On this the 19th day of June, 1974, before me
• Ruth E. Voshell, the undersigned officer, personally appeared

LESTER CARPENTER LEONARD, JR., and MADOLYN R. LEONARD, his wife,

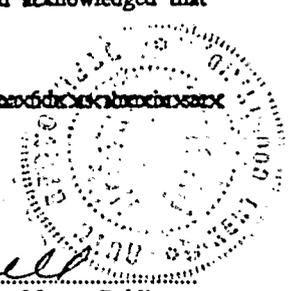
known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged that
the y executed the same for the purposes therein contained; ~~and in the presence of~~

~~and that each of them is of legal age and of sound mind and is not under any legal disability or restraint and that each of them is duly authorized to execute the within instrument for the purposes herein stated.~~

IN WITNESS WHEREOF I hereunto set my hand and official seal

My commission expires 7/1/74

Ruth E. Voshell
Notary Public



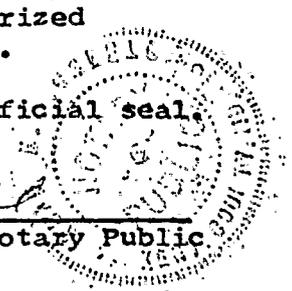
STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

I HEREBY CERTIFY, that on this 21st day of June,
1974, before me, Ruth E. Voshell, the undersigned officer, personally
appeared L. W. SELLERS,
and made oath in due form of law that the consideration set forth
in said mortgage is true and bona fide as therein set forth; further
that the \$282,000.00 of said loan representing purchase money has
been paid over or disbursed to the borrower, or to John T. Clark, III,
the party responsible for the disbursement of funds in the closing
of the transaction, at a time no later than the final and complete
execution of this mortgage; and that he is the duly authorized
agent of the within named Mortgagee to make this affidavit.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

My commission expires: 7/1/74

Ruth E. Voshell
Notary Public



This is to Certify that the within instrument was prepared
by or under the supervision of the undersigned, an Attorney duly
admitted to practice before the Court of Appeals of Maryland.

John T. Clark, III
Attorney

DOCUMENT NO. 110,916

No. RECEIVED
CLERK, CIRCUIT COURT
RECEIVED FOR RECORD

1982 DEC 27 AM 11:15

QUEEN ANNE'S COUNTY

Assignment

DEC 27-82 * 23109 *****12 00
DEC 27-82 A #23109 *****12 00

OF MORTGAGE FROM LESTER CARPENTER LEONARD, JR. & MADOLYN R. LEONARD, HIS WIFE
TO THE FEDERAL LAND BANK OF BALTIMORE AS RECORDED IN

LIBER CWC NO. 85 FOLIO 165

MAIL TO FILE IN EQUITY #7280

Loan No. 11253
Queen Anne's County

ASSIGNMENT OF MORTGAGE FOR FORECLOSURE AND COLLECTION

The Federal Land Bank of Baltimore, a body corporate, does hereby assign to Vachel A. Downes, Jr., attorney for the purpose of foreclosure and collection, the mortgage to it from Lester C. Leonard, Jr. and Madolyn R. Leonard dated June 19, 1974, and recorded among the Land Records of Queen Anne's County, Maryland in Liber 35, Page 165, together with the note secured by same.

IN WITNESS WHEREOF, the said Federal Land Bank of Baltimore has caused its corporate name to be subscribed heretoby P. Robert Dougherty, Sr. Vice President, and its corporate seal to be affixed and attested by Susan P. Rosenberger, its Asst. Secretary, this 8th day of November, 1982.

ATTEST:

THE FEDERAL LAND BANK OF BALTIMORE

Susan P. Rosenberger
Susan P. Rosenberger
Assistant Secretary

By P. Robert Dougherty, Sr.
P. Robert Dougherty, Sr. Vice President

Maryland

LIBER 191 PAGE 485

17-858

VACHEL A. DOWNES, JR.
ASSIGNEE OF MORTGAGE

IN THE CIRCUIT COURT

FOR

VS.

QUEEN ANNE'S COUNTY

LESTER CARPENTER LEONARD, JR.
MADOLYN R. LEONARD

IN EQUITY

NO. 7280

Mrs. Marguerite W. Mankin
Clerk of the Circuit Court
for Queen Anne's County

Madam Clerk:

Please provide a certified copy of a certain mortgage from Lester Carpenter Leonard, Jr. and Madolyn R. Leonard to The Federal Land Bank of Baltimore, dated June 19, 1974, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 85 folio 165, and of the assignment from The Federal Land Bank of Baltimore to Vachel A. Downes, Jr., for purposes of foreclosure, dated November 8, 1982, heretofore recorded among the said Land Records in Liber M.W.M. No. _____ folio _____, and file the same herein.

Vachel A. Downes, Jr.
VACHEL A. DOWNES, JR.
ASSIGNEE OF MORTGAGE

Original to be placed in file

RECEIVED
CLERK OF CIRCUIT COURT
1982 DEC 27 AM 11:07
QUEEN ANNE'S COUNTY

STATEMENT OF MORTGAGE DEBT

Lester C. Leonard, Jr.
FLB Loan No. 1112531-1
Assn/Br. 530-1

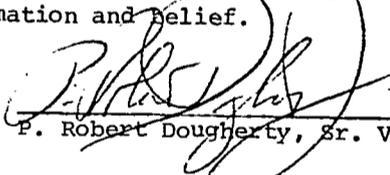
Unmatured balance as of 12/1/81	\$287,521.41
Accrued interest thru 11/7/82	34,422.73
Delinquencies:	
Monthly installments past due	39,841.08
Default interest @ 14.50 thru 11/7/82	<u>5,515.78</u>
TOTAL DEBT AS OF 11/8/82	\$367,301.00

Plus per diem interest of \$115.881016
for each day thereafter

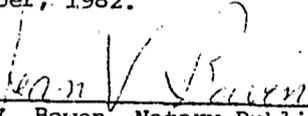
STATE OF MARYLAND

COUNTY OF BALTIMORE, SS:

Before me, Jean V. Bowen, a Notary Public of the State of Maryland, personally appeared P. Robert Dougherty, known to me to be the Sr. Vice President of the Federal Land Bank of Baltimore who being duly sworn, states under oath that he has knowledge that the foregoing amounts of indebtedness are true and correct and represent the sums due under the terms of the mortgage and note to the best of his knowledge, information and belief.


P. Robert Dougherty, Sr. Vice President

Sworn and subscribed to me
before me this 9th day of
November, 1982.


Jean V. Bowen, Notary Public
Baltimore, Maryland

My commission expires July 1, 1986.

RECEIVED
CLERK, CIRCUIT COURT

1982 DEC 27 AM 11:07

QUEEN ANNE'S COUNTY

17 653

#7280

BOND

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S, to wit:

KNOW ALL MEN BY THESE PRESENTS: that we, Vachel A. Downes, Jr., of Queen Anne's County, State of Maryland, as Principal, and the Western Surety Company, a body corporate, duly authorized by its charter to become sole Surety on bonds, are held and firmly bound unto the State of Maryland in the full and just sum of Four Hundred Twenty-Five Thousand Dollars and No Cents (\$425,000.00) current money of the United States of America, to be paid unto the State of Maryland, or its certain attorney, to which payment will and truly to be made and done, we bind ourselves and each of our heirs, executors and administrators, successors and assigns, in the whole and for the whole, jointly and severally, firmly by these presents, sealed with our seals and dated this 24th day of May, 1983.

WHEREAS, by a certain mortgage from Lester Carpenter Leonard, Jr., to The Federal Land Bank of Baltimore, dated June 19, 1974, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 85 folio 165, the Borrower became indebted unto the Lender therein; and

WHEREAS, Vachel A. Downes, Jr., is the assignee of said mortgage for purposes of collection and foreclosure;

WHEREAS, the above bounden, Vachel A. Downes, Jr., assignee of the mortgage, is about to execute the power of sale contained in the above described mortgage by making sale of the property described in and granted and conveyed by the said mortgage, default having occurred in the terms, conditions and covenants of the said mortgage by the reason of the non-payment of the principal mortgage debt named in said mortgage and by reason of the non-payment of the interest covenanted to be paid

CLERK
 1983 MAY 24 AM 10:59
 GULLY ANNE'S COUNTY

*Surety Approved
 and Bond Filed
 May 24, 1983*

CERTIFIED COPY OF POWER OF ATTORNEY ATTACHED

upon the said principal indebtedness by the terms of said mortgage at the times therein provided for the payment.

Now the condition of the above obligation is such, that if the above bounded, Vachel A. Downes, Jr., assignee, does and shall, will and faithfully abide by and fulfill any Order or Decree which shall be made by any Court of Equity in relation to the sale of the said encumbered property, or the proceeds thereof, then the above obligation to be void; otherwise, to be and remain in full force and virtue in law.

SIGNED, SEALED AND DELIVERED

IN THE PRESENCE OF:

Julius C. Bennett

Vachel A. Downes, Jr. (SEAL)

Vachel A. Downes, Jr.

Assignee of Mortgage

ATTEST:

WESTERN SURETY COMPANY

Julius C. Bennett

BY: William M. Freestate

William Freestate

Its Attorney in Fact



STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber MFA No. 3, folio 324, a bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 23rd day of June, 19 83.

Marguerite W. Mankin
Marguerite W. Mankin, Clerk of
the Circuit Court for Queen Anne's County.

3 PAGE 325

17 PAGE 661

personally appeared Vachel A. Downes, Jr., Assignee, and he did make oath in due form of law, under the penalties of perjury, that the matters and facts set forth in the foregoing Report of Sale are true and correct to the best of his knowledge, information and belief, and that such sale was fairly made.

AS WITNESS my hand and Notarial Seal.

Connie L. Hutson
NOTARY PUBLIC

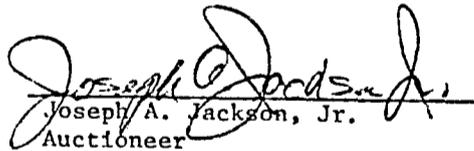
My Commission Expires: 7/1/1986

VACHEL A. DOWNES, JR. : IN THE CIRCUIT COURT
Assignee : FOR
: QUEEN ANNE'S COUNTY
VS. : SITTING IN EQUITY
: NO. 7280
: 600
LESTER CARPENTER LEONARD, JR. :

AFFIDAVIT BY AUCTIONEER

I HEREBY CERTIFY, that on this 24th day of May, 1983,
that the undersigned, did on the 24th day of May, 1983,
sell at public sale the lands of Lester Carpenter Leonard, Jr., known as
Shipping Creek Farm, etc., on Kent Island, Queen Anne's County,
Maryland, unto Philip G. Yost, Agent for Federal Land Bank Of
Baltimore

at and for the sum of \$396,000.00, and I do
further certify that this sale was fairly made.


Joseph A. Jackson, Jr.
Auctioneer

Subscribed and sworn to before me, the undersigned, a Notary Public
of the State of Maryland, in and for the County of ~~xxxxxxx~~ Caroline, this
24th day of May, 1983.

AS WITNESS my hand and Notarial Seal.


NOTARY PUBLIC
My Commission Expires: 7-1-1986

RECEIVED
CLERK. CH. 11 1983
1983 MAY 24 PM 2:35
QUEEN ANNE'S COUNTY

VACHEL A. DOWNES, JR.	:	IN THE CIRCUIT COURT
Assignee	:	FOR
	:	QUEEN ANNE'S COUNTY
VS.	:	SITTING IN EQUITY
	:	NO. <u>7280</u>
LESTER CARPENTER LEONARD, JR.		<i>fine</i>

AFFIDAVIT

I HEREBY CERTIFY, that on this 24th day of May, 1983, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County of Caroline, personally appeared Vachel A. Downes, Jr., assignee, and made oath in due form of law that a title examination of the property in these proceedings disclosed junior encumbrances upon said lands, and/or judgment or similiar lien holders, but no such holder of any such subordinate interest is entitled to notice by the Laws of Maryland or the Maryland Rules of Procedure by and under Rule W 74 (2) (c) (iii).

SUBSCRIBED AND SWORN to before me, the undersigned, this 24th day of May, 1983.

Connie L. Hutson
NOTARY PUBLIC

My Commission Expires: 7/1/1986

RECEIVED
CLERK, CIRCUIT COURT
1983 MAY 24 PM 2:35
QUEEN ANNE'S COUNTY

ORDER NISI ON SALE

VACHEL A. DOWNES, JR., Assignee

vs.

LESTER CARPENTER LEONARD, JR.

In the Circuit Court
for Queen Anne's County
In Equity

Cause No. 7280

ORDERED, this 24th day of May, 1983, that the sale of the real property, made and reported in this cause by Vachel A. Downes, Jr., Assignee, be ratified and confirmed, on or after the 24th day of June, 1983, unless cause to the contrary thereof be previously shown; provided a copy of this order be inserted in some newspaper published in Queen Anne's County, Maryland, once in each of three successive weeks before the 17th day of June, 1983.

The report states the amount of sales to be \$ 396,000.00.

Marguerite H. Mankie Clerk

Filed May 24, 1983

17-0008

VACHEL A. DOWNES, JR. : IN THE CIRCUIT COURT
 Assignee : FOR
 : QUEEN ANNE'S COUNTY
 VS. : SITTING IN EQUITY
 : NO. 7280
 LESTER CARPENTER LEONARD, JR. : 6026

AFFIDAVIT

I HEREBY CERTIFY, that on this 24th day of May, 1983, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Vachel A. Downes, Jr., assignee, and made oath in due form of law that registered mail notice of the time, place and terms of sale in this cause were duly served or attempted to be served by registered mail on Lester Carpenter Leonard, Jr., at his last known residence, being 123 South Commerce Street, Centreville, Maryland (21617), and upon Madolyn R. Leonard at her last known address being 7328 Edmonston Road, College Park, Maryland (20740), and to her attorneys of record Gerald S. Klein and Patricia A. Aluisi, Suite 2110, Charles Center South, 36 South Charles Street, Baltimore, Maryland (21201), and upon Robert S. Hoyert, Receiver, at his law office address of 8901 Annapolis Road, Lanham, Maryland (20706), as prescribed by Rule W 74 (2) (c) (i) and (ii) of the Maryland Rules of Procedure.

SUBSCRIBED and sworn to before me this 24th day of May, 1983.

RECEIVED
 CLERK, CIRCUIT COURT
 1983 MAY 24 PM 2:35
 QUEEN ANNE'S COUNTY

Corinne L. Hutson

NOTARY PUBLIC

My Commission Expires: 7-1-1986

LAW OFFICES
DOWNES AND GREGORY
QUEEN ANNE'S BUILDING
115 LAWYERS ROW
CENTREVILLE, MARYLAND 21617

VACHEL A. DOWNES, JR.
DAVID WESTON GREGORY

(301) 758-0680
(301) 758-0737

May 5, 1983

Mrs. Madolyn R. Leonard
7328 Edmonston Road
College Park, Maryland 20740

Re: Foreclosure, Shipping Creek
Farm, Philpot's Island and
Mattapex Post Office

Dear Mrs. Leonard:

A suit to foreclose the captioned properties has been filed against you by reason of your default of the Federal Land Bank of Baltimore mortgage, dated June 19, 1974, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 85 folio 165.

The foreclosure sale is scheduled for Tuesday, May 24, 1983, at 11:00 o'clock, a.m., in front of the Courthouse Door in the Town of Centreville, Maryland.

I am enclosing copies of the proceedings filed to date, including the Statement of Indebtedness and the advertisement of sale.

Very truly yours,

Vachel A. Downes, Jr.

VADjr/clh
Enclosures
cc. Gerald L. Klein, Chl.

17-070

LAW OFFICES
DOWNES AND GREGORY

QUEEN ANNE'S BUILDING
115 LAWYERS ROW

CENTREVILLE, MARYLAND 21617

VACHEL A. DOWNES, JR.
DAVID WESTON GREGORY

(301) 758-0680
(301) 758-0737

May 5, 1983

Mr. Lester Carpenter Leonard, Jr.
123 South Commerce Street
Centreville, Maryland 21617

Re: Foreclosure, Shipping Creek
Farm, Philpot's Island and
Mattapex Post Office

C

Dear Mr. Leonard:

A suit to foreclose the captioned properties has been filed against you by reason of your default of the Federal Land Bank of Baltimore mortgage, dated June 19, 1974, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 85 folio 165.

O

The foreclosure sale is scheduled for Tuesday, May 24, 1983, at 11:00 o'clock, a.m., in front of the Courthouse Door in the Town of Centreville, Maryland.

I am enclosing copies of the proceedings filed to date, including the Statement of Indebtedness and the advertisement of sale.

P

Very truly yours,

Vachel A. Downes, Jr.

VADjr/clh
Enclosures

Y

LAW OFFICES
DOWNES AND GREGORY
QUEEN ANNE'S BUILDING
115 LAWYERS ROW
CENTREVILLE, MARYLAND 21617

VACHEL A. DOWNES, JR.
DAVID WESTON GREGORY

(301) 758-0680
(301) 758-0737

~~CONFIDENTIAL~~
MAY 5, 1983

Hoyert and Yoho
8901 Annapolis Road
Lanham, Maryland 20706

Re: Shipping Creek Farm
Philpot's Island
Mattapex Post Office

Attention: Robert S. Hoyert, Esq.
Receiver

Dear Mr. Hoyert:

The foreclosure sale of the captioned property is scheduled for public sale on May 24th, 1983 at 11:00 o'clock, a.m., (DST) in front of the Court House Door in the Town of Centreville. A copy of the advertisement of sale is enclosed.

Very truly yours,

Vachel A. Downes, Jr.

VADjr/clh

C

O

P

Y

REGISTERED NO. 2050977145 POSTMARK OF

Rel. Fee \$ <u>3.30</u>	Special Delivery \$
Handling Charge \$	Return Receipt \$ <u>60</u>
Postage \$ <u>20</u>	Restricted Delivery \$

RECEIVED BY TW AIRMAIL MAILING OFFICE

POST OFFICE COMPLETION MAY 5 1983

PS FORM Sept. 1979 3806 RECEIPT FOR REGISTERED MAIL (Customer Copy)

ALL ENTRIES MUST BE IN BALL POINT PEN OR TYPED

CUSTOMER COMPLETION (Please Print)

FULL VALUE \$ 100.00

FROM: Downs + Gregory
P.O. Box 87
Centreville Md ZIP CODE 21617

TO: Gerald S Kline C/O
36 S. Charly St
Baltimore Md ZIP CODE 21201

REGISTERED NO. R-050-977-144 POSTMARK OF

Rel. Fee \$ <u>3.30</u>	Special Delivery \$
Handling Charge \$	Return Receipt \$ <u>60</u>
Postage \$ <u>20</u>	Restricted Delivery \$

RECEIVED BY TW AIRMAIL MAILING OFFICE

POST OFFICE COMPLETION MAY 5 1983

PS FORM Sept. 1979 3806 RECEIPT FOR REGISTERED MAIL (Customer Copy)

ALL ENTRIES MUST BE IN BALL POINT PEN OR TYPED

CUSTOMER COMPLETION (Please Print)

FULL VALUE \$ 100.00

FROM: Downs + Gregory
115 Lawyers Row
Centreville Md. ZIP CODE 21617

TO: Hovert and Yoko
8901 Annapolis Rd.
Leopold, Md. ZIP CODE 20706

REGISTERED NO. 2050977146 POSTMARK OF

Rel. Fee \$ <u>3.30</u>	Special Delivery \$
Handling Charge \$	Return Receipt \$ <u>60</u>
Postage \$ <u>20</u>	Restricted Delivery \$

RECEIVED BY TW AIRMAIL MAILING OFFICE

POST OFFICE COMPLETION MAY 5 1983

PS FORM Sept. 1979 3806 RECEIPT FOR REGISTERED MAIL (Customer Copy)

ALL ENTRIES MUST BE IN BALL POINT PEN OR TYPED

CUSTOMER COMPLETION (Please Print)

FULL VALUE \$ 100.00

FROM: Downs + Gregory
P.O. Box 87
Centreville Md 21617 ZIP CODE

TO: Mrs. Ester C Leonard
123 South Commerce
Centreville Md ZIP CODE 21617

REGISTERED NO. R-050-977-143 POSTMARK OF

Rel. Fee \$ <u>3.30</u>	Special Delivery \$
Handling Charge \$	Return Receipt \$ <u>60</u>
Postage \$ <u>20</u>	Restricted Delivery \$

RECEIVED BY TW AIRMAIL MAILING OFFICE

POST OFFICE COMPLETION MAY 5 1983

PS FORM Sept. 1979 3806 RECEIPT FOR REGISTERED MAIL (Customer Copy)

ALL ENTRIES MUST BE IN BALL POINT PEN OR TYPED

CUSTOMER COMPLETION (Please Print)

FULL VALUE \$ 100.00

FROM: Downs and Gregory
115 Lawyers Row.
Centreville, Md. ZIP CODE 21617

TO: Mrs. Madolyn R. Leonard
7328 Edmonston Rd.
College Park Md. ZIP CODE 20740

PS Form 3811, Jan 1979

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
 Show to whom and date delivered.....
 Show to whom, date and address of delivery.....
 RESTRICTED DELIVERY
 Show to whom and date delivered.....
 RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery \$.....
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
 Hoyert and Kolo
 8901 Annapolis Rd
 Lanham, Md 20760

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 R-050-97744
 (Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent
 Shirl Jones

4. DATE OF DELIVERY: POSTMARK
 MAY 6 1983

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

★GPO : 1979-300-459

PS Form 3811, Jan 1979

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
 Show to whom and date delivered.....
 Show to whom, date and address of delivery.....
 RESTRICTED DELIVERY
 Show to whom and date delivered.....
 RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery \$.....
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
 Lster C Leonard D

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 R-050-97746
 (Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent
 Jamie Burn

4. DATE OF DELIVERY: POSTMARK
 MAY 9 1983

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS
 RRK

★GPO : 1979-300-459

PS Form 3811, Jan 1979

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
 Show to whom and date delivered.....
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 RESTRICTED DELIVERY
 Show to whom and date delivered.....
 RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery \$.....
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
 Cerah S Klein

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 R-050-97745
 (Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent
 C Cerah

4. DATE OF DELIVERY: POSTMARK
 MAY 9 1983

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

★GPO : 1979-300-459

PS Form 3811, Jan 1979

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
 Show to whom and date delivered.....
 Show to whom, date and address of delivery.....
 RESTRICTED DELIVERY
 Show to whom and date delivered.....
 RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery \$.....
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
 Mrs. Madolyn R. Leonard
 7328 Edmonston Rd
 College Park Md. 20740

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 R-050-97743
 (Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent
 Madolyn R Leonard

4. DATE OF DELIVERY: POSTMARK
 MAY 13 1983

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS
 HA

★GPO : 1979-300-459

17 674

#7280

BOND

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S, to wit:

KNOW ALL MEN BY THESE PRESENTS: that we, Vachel A. Downes, Jr., of Queen Anne's County, State of Maryland, as Principal, and the Western Surety Company, a body corporate, duly authorized by its charter to become sole Surety on bonds, are held and firmly bound unto the State of Maryland in the full and just sum of Three Hundred Ninety-Six Thousand Dollars (\$396,000.00) current money of the United States of America, to be paid unto the State of Maryland, or its certain attorney, to which payment will and truly to be made and done, we bind ourselves and each of our heirs, executors and administrators, successors and assigns, in the whole and for the whole, jointly and severally, firmly by these presents, sealed with our seals and dated this 24th day of May, 1983.

WHEREAS, by a certain mortgage from Lester Carpenter Leonard, Jr., to The Federal Land Bank of Baltimore, dated June 19, 1974, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 85 folio 165, the Borrower became indebted unto the Lender therein; and

WHEREAS, Vachel A. Downes, Jr., is the assignee of said mortgage for purposes of collection and foreclosure;

WHEREAS, the above bounden, Vachel A. Downes, Jr., assignee of the mortgage, is about to execute the power of sale contained in the above described mortgage by making sale of the property described in and granted and conveyed by the said mortgage, default having occurred in the terms, conditions and covenants of the said mortgage by the reason of the non-payment of the principal mortgage debt named in said mortgage and by reason of the non-payment of the interest covenanted to be paid upon the said principal indebtedness by the terms of said mortgage at the times therein provided for the payment.

*Surety approved and
Bond Filed
June 2, 1983*

CERTIFIED COPY OF POWER OF
ATTORNEY ATTACHED

FILED

3 PAGE 331

Now the condition of the above obligation is such, that if the above bounded, Vachel A. Downes, Jr., assignee, does and shall, will and faithfully abide by and fulfill any Order or Decree which shall be made by any Court of Equity in relation to the sale of the said encumbered property, or the proceeds thereof, then the above obligation to be void; otherwise, to be and remain in full force and virtue in law.

The bond previously filed herein, dated May 24, 1983, is null and void and is replaced by this bond.

SIGNED, SEALED AND DELIVERED

IN THE PRESENCE OF:

Connie R. Nelson Vachel A. Downes, Jr. (SEAL)
Vachel A. Downes, Jr.
Assignee of Mortgage

ATTEST:

WESTERN SURETY COMPANY

Judith C. Bennett BY: William M. Freestate
William Freestate
Its Attorney in Fact



STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber MM No. 3, folio 331, a Bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 23rd day of June, 1983.

Marguerite W. Mankin
Marguerite W. Mankin, Clerk of the Circuit Court for Queen Anne's County.

[17 - 876]

Centreville, Md. 6/15 19 83

We Hereby Certify

That the annexed advertisement of
Order Nisi - Lester Leonard

was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 17th day of June 1983.

And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER was on the 1st day of
June 19 83, and the last
insertion on the 15th day of
June 19 83.

Publishers, Record Observer

Per [Signature]

RECEIVED
CLERK, U.S. COURT
1983 JUN 29 AM 10:00
QUEEN ANNE'S COUNTY

ORDER NISI
ON SALE
VACHEL A. DOWNES,
JR., Assignee
vs.
LESTER CARPENTER
LEONARD, JR.
In the Circuit Court
for
Queen Anne's County
In Equity
Cause No. 7200
ORDERED, this 24th day
of May 1983, that the sale
of the real property, made
and reported in this cause
by Vachel A. Downes, Jr.,
Assignee, be ratified and
confirmed, on or after the
24th day of June, 1983,
unless cause to the con-
trary thereof be previously
shown; provided a copy of
this order be inserted in
some newspaper published
in Queen Anne's County,
Maryland, once in each of
three successive weeks
before the 17th day of
June, 1983.
The report states the
amount of sales to be
\$396,000.00
Marguerite W. Mankin
Clerk
True Copy, Test:
Marguerite W. Mankin
Clerk
By: Betty M. Comegys
Deputy Clerk
Filed May 24, 1983
RO-6-1-31-01

Centreville, Md. 5/18 19 83

We Hereby Certify

That the annexed advertisement of

~~Foreclosure sale~~
Leonard
was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 24th day of May 19 83.

And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER was on the 4th day of
May 19 83, and the last
insertion on the 18th day of
May 19 83.

Publishers, Record Observer

Per


CLEMENS

1983 JUN 29 AM 10:00
QUEEN ANNE'S COUNTY

17-677

DOWNES AND GREGORY
115 Lawyers Row
Centreville, Maryland 21617
Telephone: 301-753-0630

Foreclosure Sale
OF
DESIRABLE WATERFRONT FARM
IN
QUEEN ANNE'S COUNTY
ON KENT ISLAND

Under and by virtue of the power of sale contained in a mortgage from Lester Carpenter Leonard, Jr., et ux., to The Federal Lend Bank of Baltimore, dated June 19, 1974, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 85 folio 165, Vachel A. Downes, Jr., being the assignee thereof for purpose of foreclosure and collection by assignment dated November 8, 1932, recorded among the Land Records aforesaid in Liber M.W.M. No. 191 folio 435, default having occurred in the terms of said mortgage, the undersigned assignee will offer at the public auction to the highest bidder on

Tuesday, May 24, 1933

at 11:00 o'clock, a.m., (DST) in front of the Courthouse Door in the Town of Centreville, Queen Anne's County, Maryland, all of the following described real estate, to wit:

ALL those lots, tracts and parcels of land, known as "SHIPPING CREEK FARM", situate, lying and being on Kent Island in the Fourth Election District of Queen Anne's County, Maryland, on the waters of Shipping Creek and/or Eastern Bay, bounded by Md. Route 8, and containing 223 acres of land, more or less, of which approximately 170 acres are tillable, according to the tax assessment records of Queen Anne's County, and which said records indicate the same to be improved by farm buildings, but no dwelling or farm house;

The above paragraph is intended to be generally descriptive only. Said lands are described in the aforesaid mortgage as follows:

ALL those lots, tracts or parcels of land, known as "Shipping Creek Farm", situate, lying and being in the Fourth Election District of Queen Anne's County, Maryland described as follows:

BEGINNING for the first thereof at a locust post at the head of a cove called Goos Harbour; end running thence, north fifty-five degrees west one hundred and fifty-six perches; thence, south thirty-eight degrees west thirty end one-quarter perches to the public road, thence, south seventeen degrees east fifty perches; thence, south four degrees thirty minutes east twenty-nine perches; thence, south five degrees thirty minutes west thirty-four end thirteen-twentieths perches; thence, leaving the road, south thirty-eight degrees east seventy-nine and one fifth perches to the

ALSO SAVING AND EXCEPTING from the tract of land herein above described, the parcel of land contained in a deed dated December 23, 1955 and recorded among the Land Records of Queen Anne's County in Liber TSP No. 25, folio 464, was granted and conveyed by Charles S. Dewey and Suzette H. Dewey, his wife, to the State Roads Commission of Maryland.

BEGINNING for the second thereof and being an island, or all thereof as may now remain known as "Outer Island of Philpots Point Farm" bordering of Shipping Creek, and being a part of the farm contained in the original description of the lines of the farm known as "Philpots Point Farm".

BEGINNING for the third thereof and being all of the Grantor's right, title and interest in a lot or parcel known as "Old Metapex Post Office Property" or "Porter Property", and containing 2 acres of land, more or less, Saving and Excepting therefrom a parcel of land containing 1/2 acre, more or less, conveyed by Mary E. Porter to William E. H. Porter, by deed dated December 5, 1892 and recorded among the Land Records aforesaid in Liber LD No. 1, folio 272.

FURTHER SAVING AND EXCEPTING THEREFROM, the following two (2) described parcels of land containing 17.00 acres and 5.2324 acres, more or less, respectively.

PARCEL ONE:

Beginning for the same at a pipe set at the southwesternmost corner of the lot herein being described, said pipe also being located N 09 degrees 02' 23" E, 250.16 feet from the beginning of the fifty or N 80 degrees 57' 37" W, 3158.69 foot line of the above described 25 foot wide right-of-way leading to Maryland Route 8, said point also being located on the fourth line of the said 25 foot wide right-of-way; thence, with the said fourth line and binding reversely on N 09 degrees 02' 23" E and passing over pipes set at a distance of 500 feet and 1,000 feet respectively for a total distance of 1,341.70 feet to a point; thence, leaving the aforesaid mentioned right-of-way and running for a line of division as now established through the lands of Peter G. and Katherine F. Sulzer, his wife, S 80 degrees 57' 37" E, 476.80 feet to the mean high water line of Eastern Bay; thence running in a southerly direction along the mean high water line of Eastern Bay, the following thirty-two (32) courses and distances; viz: S 46 degrees 14' 54" E, 12.29 feet; S 42 degrees 31' 00" E, 150.15 feet; S 66 degrees 19' 13" W, 33.14 feet; S 15 degrees 35' 31" W, 51.90 feet; S 11 degrees 09' 18" E, 52.21 feet; S 07 degrees 18' 53" W, 35.19 feet; S 70 degrees 48' 27" feet; S 03 degrees 34' 46" E, 46.13 feet; S 17 degrees 37' 03" W, 41.00 feet; S 17 degrees 36' 34" W, 6.41 feet; S 03 degrees 01' 59" W, 50.29 feet; S 04 degrees 54' 39" W, 48.62 feet; S 00 degrees 56' 03" W, 62.77 feet; S 09 degrees 35' 00" E, 44.63 feet; S 01

degrees 31' 14" W, 21.27 feet; S 28 degrees 07' 43" W, 20.09 feet; S 23 degrees 04' 09" W, 21.92 feet; and S 10 degrees 32' 06" W, 34.01 feet to the eastern end of the division line between Parcel "A" and Parcel "C" and thence, continuing along the mean high water line of Eastern Bay and the outlines of Parcel "C" as now established, S 11 degrees 07' 18" W, 48.89 feet; S 26 degrees 50' 44" W, 13.71 feet; N 61 degrees 00' 08" W, 19.60 feet; S 19 degrees 34' 57" W, 63.16 feet; S 58 degrees 17' 53" E, 31.82 feet; S 01 degrees 54' 58" W, 13.76 feet and S 37 degrees 43' 03" E, 16.32 feet to a point; thence, leaving the aforesaid line of Eastern Bay and running through the lands of Peter G. and Katherine F. Sulzer N 80 degrees 57' 37" W, 365.72 feet to a point; and N 09 degrees 02' 23" E, 154.07 feet to an iron pipe set at the western end of the division line between Parcel "A" and Parcel "C" thence, continuing the same line and with the outlines of Parcel "A", N 09 degrees 02' 23" W, 1,250.16 feet line of the aforementioned 25 foot right-of-way leading to Maryland Route 8, thence, running with said line reversely and continuing the same course along the east side of said right-of-way N 09 degrees 02' 23" E, 250.16 feet, to the place of beginning, containing 5.2324 acres of land, more or less, and designated as Parcel "A" and Parcel "C" on a plat dated March 29, 1938, and revised November 16, 1970, prepared by Van Reuth and Waldnar, Inc., Civil Engineers and Surveyors.

RESERVING, HOWEVER, unto Peter G. Sulzer and Katherine F. Sulzer, his wife, their heirs and assigns, for use in common with others, a 25 foot wide right-of-way leading from Maryland Route 8 easterly and northerly to the hereinafter described parcels, said right-of-way being particularly described as follows:

Beginning for the same at a pipe set on the east side of Maryland Route 8, 120 feet wide, said pipe being located the three (3) following courses and distances from a pipe set on the east side of Maryland Route 8, at the beginning of the first line in a deed from Edwin A. Porbert to Albert J. Faulhaber and Isabel K. Feulheber, his wife, dated September 14, 1960, and recorded among the Land Records of Queen Anne's County, Maryland, in Deed Book TSP No. 56, folio 473; S 11 degrees 23' 07" E, 151.05 feet; 1,065.46 feet along the arc of a curve to the right having a radius of 2,324.83 feet and a chord bearing and distance of S 01 degrees 44' 38" W, 1,056.16 feet; and S 14 degrees 52' 23" W, 76.23 feet; thence, leaving Maryland Route 8 and running along the north side of a 25 foot right-of-way as now established through the lands of Peter G. and Katherine F. Sulzer, his wife, S 80 degrees 57' 37" E, 3,131.13 feet to a pipe set; thence, crossing the northern extremity of said right-of-way, S 80 degrees 57' 37" E, 25.00 feet to a point; thence, running along the east side of said

... creek, south seventy-two degrees east ten perches; thence, south thirty-nine degrees east seventeen perches; thence, south eight perches; thence, south nineteen degrees east six perches; thence, south forty-nine degrees forty-five minutes east fourteen perches; thence, south thirty-three degrees thirty minutes east twenty perches; north seventy-three degrees thirty minutes east nineteen perches; thence, south fifteen degrees east twenty-seven perches; thence, south thirty-four degrees east twelve perches; thence, south seventy-nine degrees east ten perches; thence, south forty-four degrees east nineteen perches; thence, north four degrees east thirty-eight perches; thence, north fifty-three degrees east sixteen perches; thence, north eighteen degrees east twelve perches; thence, north seventy-four degrees east thirteen perches; thence, north fifteen degrees west sixteen perches; thence, north forty-nine degrees west ten perches; thence, north thirty-three degrees thirty minutes east eleven and one-half perches; thence, south seventy-four degrees east sixteen perches; thence, north sixty-seven degrees thirty minutes east seventeen perches; thence, north sixteen degrees east forty-eight perches; thence, north three degrees west sixteen perches; thence, north forty-five degrees thirty minutes east twelve perches; thence, north one degree thirty minutes east nineteen perches; thence, north forty-five degrees thirty minutes east sixteen perches; thence, north eleven degrees east twenty-five perches; thence, north four degrees east thirty perches; thence, north thirty-four degrees west sixteen perches; thence, north fifty-five degrees west thirty-four perches; thence, north seventy degrees thirty minutes west fifteen perches; thence, south seventy-one degrees west fifty-two perches; thence, south ten degrees forty-five minutes west to the locust post at the place of beginning.

BEING and comprising two hundred and sixty-six acres three rods and five square perches of land, more or less, less so much thereof as may have eroded.

SAVING AND EXCEPTING, however, from the tract of land hereinabove described the parcel of land, containing nineteen acres, which was conveyed by Samuel W. Carter to John T. Norman, by deed dated February 26, 1877, and recorded among the Land Records of Queen Anne's county in Liber JW No. 6, folio 483.

ALSO SAVING AND EXCEPTING from the tract of land hereinabove described the parcel of land contained in a deed dated February 26, 1877, and recorded among the Land Records of Queen Anne's County in Liber JW No. 6, folio 439, was conveyed by Samuel W. Carter and Susanne C. Carter to Mary A. Gardner, containing one acre of land.

degrees 10' 40" E, 45.83 feet; S 39 degrees 21' 13" W, 103.61 feet; S 32 degrees 02' 23" W, 78.01 feet; S 40 degrees 52' 17" W, 35.88 feet; S 12 degrees 19' 01" W, 39.67 feet; S 31 degrees 36' 20" W, 16.54 feet; S 31 degrees 25' 47" W, 1.90 feet; S 60 degrees 40' 02" E, 10.00 feet; S 37 degrees, 35' 48" W, 82.15 feet; S 15 degrees 23' 34" W, 65.67 feet; S 24 degrees 47' 53" W, 42.06 feet; S 16 degrees 55' 46" W 52.95 feet; S 02 degrees 47' 18" W, 48.92 feet; S 14 degrees 05' 13" W, 55.01 feet; S 32 degrees 32' 52" W, 34.97 feet; S 06 degrees 41' 08" W, 29.12 feet; S 11 degrees 49' 03" W, 94.03 feet and S 43 degrees 47' 19" E, 9.82 feet; thence, leaving the mean highwater line of Eastern Bay and running for a division as now established through the lands of Peter G. and Katherine F. Sulzer, his wife, N 80 degrees 57' 37" W passing over a pipe set at a distance of 19.21 feet for a total distance of 469.21 feet to the place of beginning, containing 17.00 acres of land, more or less.

The above described 17.00 acre parcel and the 25 foot wide right-of-way are shown on a plat entitled "Plat Showing a Portion of Shipping Creek Plantation" prepared by Van Reuth and Weidner, Inc., Civil Engineers and Surveyors, dated February 4, 1971.

PARCEL TWO

Beginning for the same at a pipe set at the northwesternmost corner of the lot herein being described, said pipe also being located N 09 degrees 02' 23" E, 250.16 feet from the end of the fourth of S 09 degrees 02' 23" W, 1,250.16 foot line of the before described 25 foot wide right-of-way leading to Maryland Route 8; thence, leaving the right-of-way and running for a line of division, as now established, through the lands of Peter G. and Katherine F. Sulzer, his wife, S 80 degrees 57' 37" E, passing over a pipe set at the distance of 450.00 feet for a total distance of 469.21 feet to the mean high water line of Eastern Bay; thence, running along the mean high water line of Eastern Bay the twelve (12) following courses and distances: viz: S 43 degrees 47' 42" E, 1.58 feet; S 33 degrees 36' 15" W, 12.20 feet; S 48 degrees 31' 25" E, 17.42 feet; S 04 degrees 39' 00" E, 15.25 feet; S 43 degrees 49' 11" W, 6.72 feet; S 15 degrees 50' 53" E, 27.00 feet; S 18 degrees 16' 17" W, 36.25 feet; S 24 degrees 40' 07" E, 25.23 feet; S 68 degrees 26' 27" E, 38.52 feet; S 33 degrees 37' 39" W, 32.81 feet; N 74 degrees 05' 02" W, 30.84 feet and S 77 degrees 05' 03" W, 40.89 feet to a point at the end of and on the outboard face of a timber seawall; thence, continuing along the face of said seawall and along the mean high water line of Eastern Bay, the seven (7) following courses and distances: viz: S 19 degrees 44' 52" W, 14.24 feet; S 43 degrees 53' 12" W, 123.69 feet; S 15 degrees 20' 04" W, 17.83

right-of-way and parallel with the second line herein described S 09 degrees 02' 23" W, 1,591.88 feet to a pipe set; thence, running along the south side of said 25 foot wide right-of-way and parallel with the first line herein described, N 80 degrees 57' 37" W, 3,158.69 feet to a pipe set on the east side of Maryland Route 8; thence, running and binding along the east side of Maryland Route 8, N 14 degrees 52' 23" E, 25.13 feet to the place of beginning.

The above description as to Parcel # 1 is subject to an Indenture and Establishment of a division line, dated March 19, 1968, and made by Ken William Cornell, et. al., recorded among the Land Records of Queen Anne's County in Liber CWC No. 34, folio 129.

Information relating to potential financing may be obtained from Terry Mead, Senior Loan Officer, Farm Credit Associations, Danton, Maryland.

The property is sold in "as is" condition without warranty as to the nature and condition of the property and improvements, and subject to easements, agreements, restrictions or covenants of record affecting the same, if any. Risk of loss by fire or other casualty passes to the purchaser(s) at day of sale.

TERMS OF SALE: A deposit of not less than \$10,000.00 of the purchase money will be required in cash or by certified check or cashier's check on day of sale or the full purchase price in cash or by certified or cashier's check on day of sale at the option of the Purchaser(s). Any unpaid balance of the purchase money is to be secured by a note of the purchaser(s) bearing interest from day of sale at 12%, while balance of the purchase price and interest to accrue thereon, and any other monies due by Purchaser shall be paid within 20 days after final ratification of the sale by the Circuit Court for Queen Anne's County.

Taxes and other public charges to be adjusted to the date of final settlement aforesaid, being the date of payment of all monies due by Purchaser(s) to Assignee. All expenses of transfer, including recording costs, recordation or revenue stamps, transfer taxes, preparation of deed, notary fees, etc., to be at purchaser(s) expense. At the time and place of sale, the Purchaser(s) will be required to make affidavit as required by Rule BR (6) (b) (3) of the Maryland Rules of Procedure.

For copies of an unrecorded pine tree reforestation agreement with the Maryland Forest Service on 25 acres of land, contact the undersigned attorney.

Vachal A. Downes, Jr.
Assignee

Joseph A. Jackson, Jr.
Auctioneer
Telephone: 301-364-5463
RO-54-31-01

17

VACHEL A. DOWNES, JR. : IN THE CIRCUIT COURT
 Assignee : FOR
 : QUEEN ANNE'S COUNTY
 VS. : SITTING IN EQUITY
 : NO. 7380
 LESTER CARPENTER LEONARD, JR. : *Final*

FINAL DECREE OF RATIFICATION OF SALE

ORDERED, this 28th day of July, 1983, by the Circuit Court for Queen Anne's County, In Equity, and by the authority of said Court, that the sale of the real estate made by Vachel A. Downes, Jr., assignee of mortgage, and reported in this cause, is hereby finally ratified and confirmed, no cause to the contrary therefor having been shown although notice appears to have been given as required by the Order Nisi heretofore passed in this cause, and said assignee of mortgage is allowed usual commissions upon the sale of said real estate and all expenses, not personal, upon producing vouchers therefore to the Auditor.

Cayton C. Gulla
 JUDGE

RECEIVED
 CLERK OF COURT
 1983 JUL 28 PM 1:45
 QUEEN ANNE'S COUNTY

IN THE CIRCUIT COURT FOR QUEEN ANN'S COUNTY, MARYLAND

G. THOMAS DAUGHERTY
Substitute Trustee
32 Shangri La Drive, South
Lexington Park, Maryland 20653

Plaintiff

vs.

EQUITY NO. 7550

RUSSELL T. FERGUSON
also known as
T. RUSSELL FERGUSON
Lot 19, Block 21
Bay City
Stevensville, Maryland 21666

and

CATHLEEN V. FERGUSON
Lot 19, Block 21
Bay City
Stevensville, Maryland 21666

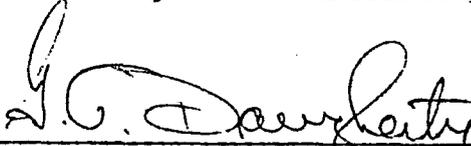
Defendants

* * * * *

LINE TO FORECLOSE

Clerk:

Please docket the above action, together with the certified true copy of the Deed of Trust and Note attached hereto as Exhibits Number 1 and 2; Affidavit of Indebtedness attached hereto as Exhibit Numbered 3; Military Affidavit attached hereto as Exhibit No. 4 and a copy of the Substitute Trustee's Deed recorded among the Land Records of Queen Ann's County, Maryland.



G. THOMAS DAUGHERTY, SUBSTITUTE TRUSTEE
32 Shangri La Drive, South
Lexington Park, Maryland 20653
(301) 862-2155

FILED
QUEEN ANN'S COUNTY

MARYLAND DEED OF TRUST
197-82

Washington Law Reporter Form 102
1625 Eye St. N.W., Washington, D.C. 20006

This Deed of Trust, made this 18 day of December, 1982, by and between

RUSSELL T. FERGUSON and CATHLEEN V. FERGUSON, his wife,
hereinafter referred to as "Grantor," and JOHN T. DAUGHERTY

and PAUL J. BAILEY, -----, hereinafter referred to as "Trustees";

Whereas, Grantor is justly indebted unto MARYLAND BANK AND TRUST COMPANY

----- in the principal sum of SIXTY ONE THOUSAND SEVEN
HUNDRED and no/100-----

Dollars (\$ 61,700.00),

(Insert Type Of Transaction) CONSTRUCTION LOAN

for which amount the Grantor has signed and delivered his promissory note of even date herewith

payable to the order of MARYLAND BANK AND TRUST COMPANY,

in the principal amount of SIXTY ONE THOUSAND SEVEN HUNDRED and no/100-----

Dollars (\$ 61,700.00) bearing interest at the rate of ^{THIRTEEN AND ONE-HALF} / percent (13.5%) per annum
until paid, on the following terms and obligations:

The said beneficiary will disburse the said principal sum in accordance with the terms of a Schedule of Advances of even date herewith between the parties of the first part and the said beneficiary; and which sums so advanced as required shall draw interest at the rate of THIRTEEN AND ONE-HALF percent per annum. Interest only at the rate aforesaid on the funds so advanced shall be due and payable monthly beginning for the first of said monthly installments on the first day of January, 1983, and payable monthly thereafter until the full amount of principal and interest thereon accrued shall have been repaid, provided, however, that all principal and interest thereon accrued, if not sooner paid, shall be due and payable six (6) months from the date of these presents, with the privilege of prepayment at any time without penalty or premium. If default be made in the payment of any installment due under the note secured hereby, and if such default is not made good prior to the due date of the next such installment, the entire principal sum and accrued interest shall at once become due and payable without notice at the option of the holder of the said note. Failure to exercise the same in the event of any subsequent default.

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CLERK OF DISTRICT COURT
1982 DEC 28 PM 12:49
QUEEN ANNE'S COUNTY

DEC 28-82 * 23287 ****243.71
DEC 28-82 A #23287 ****272.71
DEC 28-82 A #23286K *****5
DEC 28-82 A #23285 *****21.0

Now, Therefore, This Deed of Trust Witnesseth: That to secure the prompt payment of said indebtedness and all charges and advances as in said promissory note and as herein provided, the Grantor, in consideration of the sum of One Dollar in hand paid by said Trustees at and before the sealing and delivering of these presents, the receipt of which is hereby acknowledged, does hereby grant and convey in fee simple unto the Trustees the land and premises lying and being in Queen Anne's County, State of Maryland, and described as follows:

All that lot or parcel of land situate, lying and being on Kent Island in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a plat entitled, "Bay City, Plat 2, Section 2," by Purdum and Jeschke, registered engineers and surveyors, dated October 17, 1958, recorded among the land records of Queen Anne's County in Liber TSP No. 43, Folio 306, said lot being known as Lot Numbered 19, Block 21, of Bay City Section Two.

Being all and the same land conveyed unto the within Grantors by deed of even date herewith, which deed is intended to be recorded immediately prior hereto. The Grantor in said deed being Jane M. Chambers, Custodian for Jane D. Chambers.

Jane M. Chambers
JAN 1 1983
CLERK OF DISTRICT COURT
QUEEN ANNE'S COUNTY

Exhibit #1

together with all the improvements in anywise appertaining, and all the estate, right, title, interest, and claim, either at law or in equity or otherwise however, of the Grantor, of, in, to, or out of the said land and premises;

In Trust to permit said Grantor to use and occupy the said described land and premises and to receive the rents, issues, and profits thereof, until default be made in the payment of any indebtedness hereby secured and in the performance of the conditions and obligations made and stipulated in the said promissory note or in the performance of any covenant or agreement contained in this trust; and upon the full payment of all of said note and any extensions or renewals thereof, and interest thereon, and all moneys advanced or expended as provided for in said promissory note or as herein provided, and all other costs, attorney's fees, charges, commissions, and expenses, at any time before the sale herein provided for to release and re-convey the said land and premises unto and at the cost of the Grantor or the party or parties then claiming under said Grantor.

The Grantor, for himself and his successors and assigns, covenants and agrees as a part of this trust, as follows:

1. That he will pay the indebtedness evidenced by the note secured hereby, all taxes and assessments relating to the land and premises herein described, ground rents, all charges against the property, and all other sums which are required to be paid by him under the terms of said promissory note or this Deed of Trust, including costs, expenses and attorney's fees incurred by the Trustees or the holder of said note with respect to this trust, the said note or the land and premises herein described, and in default of any such payment the holder of said note may pay the same, and any sum or sums so paid shall be added to the debt hereby secured, shall be payable on demand, shall bear full legal interest, and shall be secured by this Deed of Trust.

2. That he will keep the said premises in as good order and condition as they are now and will not commit or permit any waste thereof, reasonable wear and tear accepted; and that he will not act or fail to act in any manner which will jeopardize the lien of this Deed of Trust.

3. That he will keep the improvements now existing, or hereafter erected on said land, insured against loss by fire and other hazards, casualties and contingencies in such amounts and for such periods as may be required by the holder of said note, and will pay promptly, when due, any premiums on such insurance. All insurance shall be carried in companies approved by the holder of said note and the policies and renewals thereof shall be held by said holder and have attached thereto loss payable clauses in favor of and in form acceptable to the holder of said note. In event of loss he will give immediate notice by mail to the holder of said note, who may make proof of loss if not made promptly by the Grantor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to and to the order of the holder of said note, and the insurance proceeds or any part thereof may be applied by such holder at his option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the security property. In the event of sale under the terms of this Deed of Trust or other transfer of title to said security property in extinguishment of the indebtedness secured hereby, all right, title and interest of the Grantor in and to any insurance policies then in force shall pass to the purchaser or grantee.

4. That in the event the ownership of the security property becomes vested in a person other than Grantor, the holder of said note may, without notice to the Grantor, deal with such successor or successors in interest with reference to this instrument and the indebtedness secured hereby in the same manner as with Grantor, and any extension of the time of the payment of the indebtedness or any other modification of the terms of the indebtedness at the instance of the then owner shall not relieve the Grantor of his liability on the note hereby secured or from the performance of any of the covenants and agreements contained herein whether said extension or modification be made with or without the consent of the Grantor.

5. That the irrevocable power to substitute one or more of the trustees named herein or substituted therefor is expressly reserved to the holder of the note secured by this Deed of Trust to be

exercised any time hereafter no matter how often without notice and without specifying any reason therefor by filing for record among the land records where this instrument is recorded a Deed of Appointment, and thereupon all of the title and estate, powers, rights and duties of the trustee thus superseded shall terminate and shall be vested in the successor trustee or trustees. The Grantor and the Trustees herein named or that hereafter may be substituted hereunder expressly waive notice of the exercise of this power, the giving of bond by any trustee, and any requirement for application to any Court for the removal, substitution or appointment of a trustee hereunder.

6. That each Trustee acting hereunder shall be paid a fee of ELEVEN Dollars (\$ 11.00) for each document which he is required to execute under the terms of this Deed of Trust.

7. That his failure to perform any of his obligations under this Deed of Trust or under said note shall constitute a default and all indebtedness secured hereby shall immediately become due and payable at the option of the holder of said note. Any time thereafter, at the request of the holder of said note, the Trustees shall have the power and it shall be their duty to sell said land and premises or any part thereof at public auction, in such manner, at such time and place, upon such terms and conditions, and upon such public notice as the Trustees may deem best for the interest of all concerned, consisting of advertisement in a newspaper of general circulation in the county or city in which the security property is located for at least once a week for two successive weeks or for such period as applicable law may require and, in case of default of any purchaser, to re-sell with such postponement of sale or re-sale and upon such public notice thereof as the Trustees may determine, and upon compliance by the purchaser with the terms of sale, and upon judicial approval as may be required by law, convey said land and premises in fee simple to and at the cost of the purchaser, who shall not be liable to see to the application of the purchase money; and from the proceeds of sale: FIRST, to pay all proper costs and charges, including but not limited to court costs, advertising expenses, auctioneer's allowance, the expenses, if any, required to correct any irregularity in the title, premium for Trustees' bond, auditor's fee, attorney's fee, and all other expenses of sale incurred in and about the protection and execution of this trust, and all moneys advanced for taxes, assessments, insurance, and with interest thereon as provided herein, and all taxes due upon said land and premises at time of sale, and to retain as compensation a commission of five percent (5%) on the amount of said sale or sales; SECOND, to pay the whole amount then remaining unpaid of the principal of said note, and interest thereon to date of payment, whether the same shall be due or not, it being understood and agreed that upon such sale before maturity of the note the balance thereof shall be immediately due and payable; THIRD, to pay liens of record against the security property according to their priority of lien and to the extent that funds remaining in the hands of the Trustees are available; and LAST, to pay the remainder of said proceeds, if any, to the Grantor, his heirs, personal representatives, successors or assigns upon the delivery and surrender to the purchaser of possession of the said land and premises, less costs and expenses of obtaining possession.

8. That if the security property shall be advertised for sale, as hereinabove provided, and not sold, he will pay all costs in connection therewith including, but not limited to advertising, attorney's fees and a Trustees' commission of 2 1/2 % of the then unpaid principal balance of the indebtedness, and the same shall be secured in like manner as other charges and expenses relating to the execution of this trust and bear interest at the rate stated in said note.

9. That he warrants specially the property herein conveyed and that he will execute such further assurances thereof as may be requisite.

10. That by his execution of this Deed of Trust he certifies that prior to such execution he has received a fully executed agreement as to the contractual rate of interest relating to this transaction as required by the Annotated Code of Maryland, 1975, CL §12-101 et seq., and loan disclosure statement as required by law.

The provisions of this Deed of Trust shall be binding upon and inure to the benefit of Grantor, his heirs, personal representatives, successors and assigns, the Trustees and any successor, or substitute trustee or trustees, and the holder of the note hereby secured. Whenever used herein, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

Witness the following signatures and seals.

T. Russell Ferguson [SEAL]
RUSSELL T. FERGUSON

Cathleen V. Ferguson [SEAL]
CATHLEEN V. FERGUSON

..... [SEAL]

Witness:

[Signature]
.....
.....

STATE OF MARYLAND
COUNTY OF ST. MARY'S

To Wit:

On this 18 day of December, 19 82, before me, a Notary Public,
the undersigned officer, personally appeared RUSSELL T. FERGUSON and CATHLEEN V. FERGUSON,
his wife,
known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within
instrument and acknowledged that they executed the same for the purposes therein contained.

In Witness Whereof, I hereunto set my hand and official seal.

My commission expires: 7/1/86

J. Anne Klear
Notary Public

STATE OF MARYLAND
COUNTY OF ST. MARY'S

To Wit:

I Herely Certify that on this 18 day of December 19 82, before me, the
subscriber, a notary public in and for the State and County
aforesaid, personally appeared JOHN T. DAUGHERTY
and made oath in due form of law that he is the Agent of the party secured by the foregoing
Deed of Trust and that the consideration set forth in the foregoing Deed of Trust is true and bona
fide as therein set forth; and that—

the amount of the loan which the foregoing deed of trust has been given to secure was paid
over and disbursed by the party secured by the deed of trust to the borrower or to the per-
son responsible for disbursement of funds in the closing transaction or their respective agent
at a time no later than the final and complete execution and delivery of the foregoing deed of
trust by the borrower, and that the actual money advanced (\$61,700.00) at the closing
transaction by the secured party was paid over and disbursed to the parties of the first part.

In Witness Whereof, I hereunto set my hand and official seal.

My commission expires: 7/1/86

J. Anne Klear
Notary Public

8/1 110,960
Deed of Trust
MARYLAND

TO

Trustees.
Received for Record on the 28th day
of Dec, A.D. 1982
at 3:19 o'clock P.M., and recorded in
Liber No. MUDM at Folio 562, one of
the Land Records for
County, State of Maryland.
J. T. Daugherty
Clerk.

CLERK	21.50
STAMP	46.20
TOTAL	67.70
	222.20
	243.70

The Washington Law Reporter Company
1625 Eye Street, N.W., Washington, D.C. 20006

THIS IS TO CERTIFY that the within instrument was prepared by or under the supervision
of the undersigned, an attorney duly admitted to practice before the Court of Appeals of Maryland.

Return to:
Daugherty & Daugherty, P. A.
32 Shangri-La Drive South
Lexington Park, Md. 20653
862-2155

J. T. Daugherty
Attorney

17 680

NOTE

US \$61,700.00

Lexington Park, Maryland

December 18 , 1982

FOR VALUE RECEIVED, the undersigned (Borrowers) promise to pay to MARYLAND BANK AND TRUST COMPANY, a body corporate, the principal sum of SIXTY ONE THOUSAND SEVEN HUNDRED and no/100 (\$61,700.00) with interest on the unpaid principal balance from the date of this Note, until paid, in the following manner:

(a) By the payment of interest only at the rate of THIRTEEN & ONE-HALF percent per annum on the amount of money withdrawn from the Trustee Account. Said interest shall be payable monthly beginning for the first of said monthly payments on the First day of January, 1983, for a period of six (6) months. All remaining principal and interest if not sooner paid shall be due and payable six (6) months from the date of these presents.

If any monthly installment under this Note is not paid when due and remains unpaid after a date specified by a notice to Borrower, the entire principal amount outstanding and accrued interest thereon shall at once become due and payable at the option of the Note holder. The date specified shall not be less than thirty days from the date such notice is mailed. The Note holder may exercise this option to accelerate during any default by Borrower regardless of any prior forbearance. If suit is brought to collect this Note, the Note holder shall be entitled to collect all reasonable costs and expenses of suit, including, but not limited to, reasonable attorney's fees as set forth in the Deed of Trust.

During the period of construction, the Borrower shall pay to the Note holder a late charge of five percent (5%) of any monthly installment of interest not received by the Note holder within twenty (20) days after the installment is due.

Borrower may prepay the principal amount outstanding in whole or in part. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of any subsequent monthly installments or change the amount of such installments, unless the Note holder shall otherwise agree in writing.

Presentment, notice of dishonor and protest are hereby waived by all makers, sureties, guarantors and endorsers hereof. This Note shall be the joint and several obligation of all makers, sureties, guarantors and endorsers and shall be binding upon them and their successors and assigns.

Any notice to Borrower provided for in this Note shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address stated below, or to such other address as Borrower may designate by mailing such notice by certified mail, return receipt requested, to the Note holder at the address stated in the first paragraph of this Note, or at such other address as may have been designated by notice to Borrower.

The indebtedness evidenced by this Note is secured by a Deed of Trust dated December 18, 1982 and reference is made to the Deed of Trust for rights as to acceleration of the indebtedness evidenced by this Note.

J. Anne Klear

T. Russell Ferguson (SEAL)
RUSSELL T. FERGUSON

Lot 19, Block 21 of Bay City
Section 2, 4th E. D. Queen Anne's Co.
Property Address

Cathleen V. Ferguson (SEAL)
CATHLEEN V. FERGUSON

____ (SEAL)

J. Anne Klear

____ (SEAL)

Exhibit #2

SMITH & SMITH, PA
ATTORNEYS AT LAW
100 ANNE ARUNDEL DRIVE, SUITE 100
LEXINGTON PARK, MARYLAND 20650
TELEPHONE (301) 842-2115

IN THE CIRCUIT COURT FOR QUEEN ANN'S COUNTY, MARYLAND

G. THOMAS DAUGHERTY
Substitute Trustee

Plaintiff

vs.

EQUITY NO. 7550

RUSSELL. T. FERGUSON
also known as
T. RUSSELL FERGUSON

and

CATHLEEN V. FERGUSON

Defendants

* * * * *

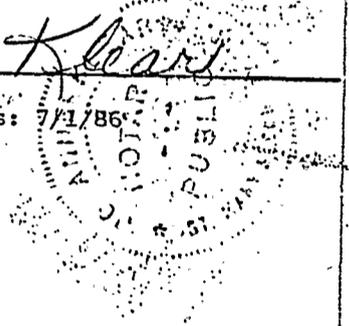
AFFIDAVIT OF INDEBTEDNESS

I HEREBY CERTIFY, that on this 22nd day of February,
1984, personally appeared J. ALFRED ABELL, Assistant Vice President of
MARYLAND BANK AND TRUST COMPANY, and made oath in due form of law that
the balance due and owing MARYLAND BANK AND TRUST COMPANY IS:
Principal and interest due as of February 22, 1984\$66,043.37
Plus interest at THIRTEEN and ONE HALF (13 1/2) per cent per annum
(\$22.71) per day from February 22, 1984.

MARYLAND BANK AND TRUST COMPANY

BY: J. Alfred Abell
J. ALFRED ABELL, ASSISTANT VICE PRESIDENT

Subscribed and sworn to before me this 22nd day of February,
1984.

Jo Anne Klear
Notary Public
My Commission Expires: 7/1/86


DALCHERT & DALCHERT, P.A.
ATTORNEYS-AT-LAW
30 BELMONT LA DRIVE, COLTS
BELTSVILLE, MARYLAND 21054
TELEPHONE (301) 944-8118

Exhibit #3

17-087

17-88

IN THE CIRCUIT COURT FOR QUEEN ANN'S COUNTY, MARYLAND

G. THOMAS DAUGHERTY
Substitute Trustee

Plaintiff

vs.

EQUITY NO. 7550

RUSSELL T. FERGUSON
also known as
T. RUSSELL FERGUSON

and

CATHLEEN V. FERGUSON

Defendants

* * * * *

MILITARY AFFIDAVIT

STATE OF MARYLAND, COUNTY OF ST. MARY'S, TO WIT:

I HEREBY CERTIFY, that before me, the subscriber, a Notary Public in and for the County and State aforesaid, personally appeared J. Alfred Abell, Assistant Vice President of MARYLAND BANK AND TRUST COMPANY, and made oath in due form of law that he knows the Defendants herein and based on his review of the Bank's records, to the best of his knowledge, information and belief:

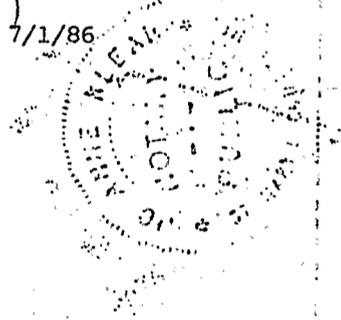
(1) Said Defendnats, Russell T. Ferguson also known as T. Russell Ferguson and Cathleen V. Ferguson, are not in the Military Service of the United States, and are not subject to any benefits under the Soldier's and Sailors Civil Relief Act of 1940 and amendments thereto.

MARYLAND BANK AND TRUST COMPANY

BY: J. Alfred Abell
J. ALFRED ABELL, ASSISTANT VICE PRESIDENT

SUBSCRIBED and sworn to before me this 22nd day of February 1984.

J. Anne Klear
Notary Public
My Commission Expires: 7/1/86



DAUGHERTY & DAUGHERTY, P.A.
ATTORNEYS-AT-LAW
23 SWANUM LA DRIVE, SOUTH
LEESINGTON PARK, MARYLAND 20848
TELEPHONE (301) 868-2152

Exhibit #4.

DOCUMENT NO. 116326

209 816

NO CONSIDERATION

DEED OF APPOINTMENT OF SUBSTITUTE TRUSTEE

THIS DEED OF APPOINTMENT OF SUBSTITUTE TRUSTEE, made this 13th day of February, 1984, by and between MARYLAND BANK AND TRUST COMPANY, and G. THOMAS DAUGHERTY, Trustee.

WHEREAS, a Deed of Trust dated December 18, 1982 from RUSSELL T. FERGUSON and CATHLEEN V. FERGUSON, his wife to John T. Daugherty and Paul J. Bailey, Trustees recorded among the Land Records of Queen Ann's County, Maryland, in Liber 191, Folio 562, was given to secure a loan evidenced by a "Note" in the amount of SIXTY ONE THOUSAND SEVEN HUNDRED DOLLARS and 00/100 (\$61,700.00), dated December 18, 1982, and payable to Maryland Bank and Trust Company, which said Note is presently held by Maryland Bank and Trust Company; and

WHEREAS, said Deed of Trust gives the irrevocable power to appoint Substitute Trustees to the holders of said Note which may be exercised at any time after the date of said Deed of Trust, by filing for record among the Land Records of Queen Ann's County, Maryland, a Deed of Appointment; and

WHEREAS, MARYLAND BANK AND TRUST COMPANY, pursuant to said power, and as holder of the Note aforesaid, desires to appoint G. THOMAS DAUGHERTY as Substitute Trustee in place and stead of John T. Daugherty and Paul J. Bailey.

NOW, THEREFORE, in consideration of the sum of Five Dollars (\$5.00) and other good and valuable considerations, the said MARYLAND BANK AND TRUST COMPANY does hereby appoint G. THOMAS DAUGHERTY as Substitute Trustee in the Deed of Trust aforesaid with identically the same title and estate in and to the land, premises and property conveyed by said Deed of Trust, and with all rights, powers, trusts, and duties of John T. Daugherty and Paul J. Bailey predecessors in Trust, with like effect as if originally named as Trustee under said Deed of Trust.

WITNESS the corporate seal of MARYLAND BANK & TRUST COMPANY and the signature of its Assistant Vice President.

WITNESS:

MARYLAND BANK AND TRUST COMPANY

Antonia B. Tompkins

BY: J. Alfred Able (SEAL)
J. ALFRED ABLE, ASSISTANT VICE
PRESIDENT

STATE OF MARYLAND,
COUNTY OF ST. MARY'S, TO WIT:

FEB 15 84 * 2 745 ***** 17 50
FEB 15 84 A 2 745 ***** 17 50

I HEREBY CERTIFY, that on this 13th day of February, 1984, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared J. ALFRED ABLE, who acknowledged himself to be the ASSISTANT VICE PRESIDENT OF MARYLAND BANK AND TRUST COMPANY, and that he as such Assistant Vice President, being authorized to do so, executed the foregoing Deed of Appointment of Substitute Trustees for the purposes herein contained by signing, in my presence the name of MARYLAND BANK AND TRUST COMPANY by himself as Assistant Vice President.

Antonia B. Tompkins
Notary Public
My Commission Expires: 7-1-86



G. THOMAS DAUGHERTY	*	IN THE CIRCUIT COURT
Substitute Trustee	*	
v.	*	FOR QUEEN ANNE'S COUNTY
	*	
RUSSELL T. FERGUSON, a/k/a	*	Equity No. 7550
T. RUSSELL FERGUSON	*	
and	*	
CATHLEEN V. FERGUSON	*	
Mortgagors	*	

* * * * *

PETITION OF JUDGMENT CREDITOR FOR SURPLUS PROCEEDS

TO THE HONORABLE, THE JUDGES OF SAID COURT:

The Petition of The Centreville National Bank of Maryland, by David C. Bryan, its attorney, respectfully represents:

1. Your Petitioner holds a summary judgment against Russell T. Ferguson and Cathy Ferguson, the above named Mortgagors, which was given by the District Court of Maryland for Queen Anne's County in Case No. 3-4-84CV192 dated May 16, 1984 in the amount of \$2,418.83 with interest from date of judgment, attorney's fees of \$362.82 and costs through the filing of this petition in the amount of \$35.00.

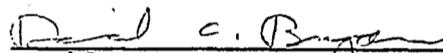
2. The above referred to judgment was recorded in the District Court for Queen Anne's County on the date mentioned above and Notice of Lien of such judgment was filed with the Clerk of the Circuit Court for Queen Anne's County.

3. The above referred to judgment has not been paid.

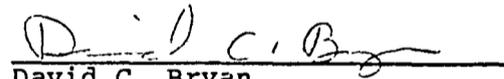
4. Your Petitioner verily believes that after the sale of the property to be had in this proceeding, there will be excess proceeds due and owing Russell T. Ferguson, a/k/a T. Russell Ferguson and Cathleen V. Ferguson, and

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 1984 AUG 16 PM 3:54
 QUEEN ANNE'S COUNTY

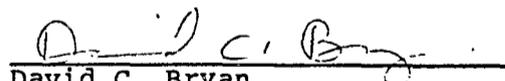
respectfully requests that the same be accounted for and paid to your Petitioner to satisfy the above cited judgment, the same to be done in your Petitioner's proper order as its interest appears.


David C. Bryan, Attorney for
The Centreville National Bank
of Maryland
111 Lawyers Row
Centreville, Maryland 21617
758-1643

I HEREBY DECLARE and affirm under the penalties of perjury that the matters and facts set forth in the foregoing Petition For Surplus Proceeds are true and correct.


David C. Bryan

I HEREBY CERTIFY that on this 16th day of August, 1984, a copy of the foregoing Petition For Surplus Proceeds was mailed to Russell T. Ferguson, a/k/a T. Russell Ferguson and Cathleen V. Ferguson, 21-19 Bay City, Stevensville, Maryland 21666 and to G. Thomas Daugherty, Substitute Trustee, 32 Shangri La Drive, South, Lexington Park, Maryland 20653.


David C. Bryan

G. THOMAS DAUGHERTY	*	IN THE CIRCUIT COURT
Substitute Trustee	*	
v.	*	FOR QUEEN ANNE'S COUNTY
	*	
RUSSELL T. FERGUSON, a/k/a	*	Equity No. 7550
T. RUSSELL FERGUSON	*	
and	*	
CATHLEEN V. FERGUSON	*	
Mortgagors	*	

* * * * *

ORDER APPROVING CLAIM

The verified claim of The Centreville National Bank of Maryland having been read and considered and it appearing that such claimant has an interest in the equity of redemption of the property which is the subject of this proceeding, it is this 4th day of September, 1984, by the Circuit Court for Queen Anne's County, Sitting in Equity,

ORDERED, that after payment to the mortgagee of its claims and expenses, so much of any surplus proceeds of the sale made herein as will satisfy the claims of The Centreville National Bank of Maryland shall be paid over to said claimant; provided, however, that such claim shall be considered together with all other claims filed and approved in this Cause at the time when the Audit is prepared and that the surplus proceeds of sale shall be distributed

equitably among all such claimants, subject to exception in
accordance with Maryland Rule ~~5-2-543~~ (f).

Rayton Carter

Judge

FILED

SEP 04 1984

CIRCUIT COURT
QUEEN ANNE'S CO.



LIBER

3 PAGE 606

EQ 7550

17 8949

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
FIRST NATIONAL INSURANCE COMPANY
OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98105

Bond No 4695648

MORTGAGEES OR TRUSTEES BOND

KNOW ALL BY THESE PRESENTS, THAT we, G. Thomas Daugherty, Substitute Trustee

as principal, and SAFECO Insurance Company of America, a body corporate, duly incorporated under the laws of the State of Washington, as surety, are held and firmly bound unto the STATE OF MARYLAND, in the full and just sum of Seventy Thousand & 00/100 (\$ 70,000.00) Dollars,

to be paid to the said State or its certain Attorney, to which payment well and truly to be made and done, we bind ourselves and each of us, our and each of our heirs, executors, administrators, successors or assigns, jointly and severally, firmly by these presents, sealed with our seals and dated this 27th day of August, in the year of our Lord 1984.

WHEREAS, the above bounden G. Thomas Daugherty, Substitute Trustee

by virtue of the power contained in a mortgage - deed of trust from Maryland Bank & Trust Company

to Russell T. Ferguson & Cathleen V. Ferguson bearing date the 18th day of December, 1982

and recorded among the Land Records of Queen Annes County, Maryland

In Libor No. 191, Folio 562 and described as

Lot 19, Block 21, Bay City, Section I., Queen Annes County, Maryland

Equity #7550

is about to sell the land and premises described in said mortgage - deed of trust, default having been made in the payment of the money as specified, and in the conditions and covenants therein contained.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, that if the above bounden

G. Thomas Daugherty, Substitute Trustee

do and shall well and truly and faithfully perform the trust reposed in him under the mortgage - deed of trust aforesaid, and shall abide by and fulfill any order or decree which shall be made by any Court of Equity in relation to the sale of said property, or the proceeds thereof, then the above obligation to be void; otherwise to be and remain in full force and virtue in law.

IN TESTIMONY WHEREOF, the above bounden G. Thomas Daugherty

has - have hereto set his hand and seal and the said body corporate has caused those presents to be duly signed by its duly authorized agent and attorney-in-fact, the day and year first herein above written.

Signed, sealed and delivered in the presence of

Tom Wets
Julianne Wilson

G. Thomas Daugherty (SEAL)
G. Thomas Daugherty (SEAL)

SAFECO INSURANCE COMPANY OF AMERICA

By Trudy Raley Attorney-in-Fact

CERTIFIED COPY OF POWER OF ATTORNEY ATTACHED



surely approved and bonded filed August 30, 1984

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber MWM No. 3, folio 606 a Bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 7th day of September, 1984.

Marguerite W. Mankin
MARGUERITE W. MANKIN, CLERK OF THE
CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

17 JUN 1986

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND

G. THOMAS DAUGHERTY
Substitute Trustee

*

Plaintiff

*

vs.

EQUITY NO. 7550

*

RUSSELL T. FERGUSON, AKA
T. RUSSELL FERGUSON
and
CATHLEEN V. FERGUSON

*

Defendant

*

ATTORNEY-ASSINGEE'S REPORT OF SALE

The report of G. Thomas Daugherty, Substitute Trustee, under terms of a Deed of Trust from Russell T. Ferguson and Cathleen v. Ferguson, to John T. Daugherty and Paul J. Bailey, Trustees, dated December 18, 1982 and recorded among the Land Records of Queen Anne's County, Maryland, in Liber 191, Folio 562.

The default having occurred under the terms of said Deed of Trust, the Substitute Trustee, after giving bond as security for the performance of the trust and having complied with all requisites required by law and said Deed of Trust and having given notice of the time, place, manner and terms of sale by advertisements inserted in the Record Observer, a newspaper published in Queen Anne's County, Maryland, for three successive weeks (as required by Rule BR3 of the Rules of Procedure) before the date of sale, the said Substitute Trustee, pursuant to said Notice, at the door of the Court House in Centreville, Maryland at 11:00a.m. on August 30, 1984, proceeded to sell the property

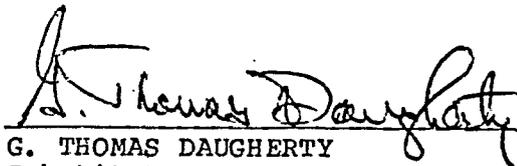
1984 AUG 30 AM 11:25

described in said Deed of Trust as follows:

All that lot of ground lying and being in the Fourth Election District of Queen Anne's County, Maryland known as Lot 19, Block 21 Bay City, Plat 2, Section 2 and being the same mentioned and described in the Deed of Trust filed in this proceeding.

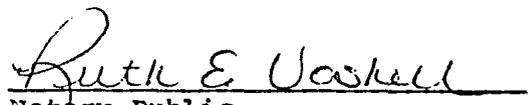
The Substitute Trustee proceeded to sell the property to MARYLAND BANK & TRUST COMPANY for \$70,000.00.

Witness the hand and seal of the Substitute Trustee.


G. THOMAS DAUGHERTY
Substitute Trustee

STATE OF MARYLAND
COUNTY OF Queen Anne's TO WIT:

I HEREBY CERTIFY, that on this 30th day of August 1984, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared G. Thomas Daugherty, Substitute Trustee, and under oath in due form of law stated that the matters set forth in the foregoing report of sale are true to the best of his knowledge and belief, and that the sale therein was fairly made.


Ruth E. Washell
Notary Public
My Commission Expires: 7/1/86

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND

G. THOMAS DAUGHERTY
SUBSTITUTE TRUSTEE

*

Plaintiff

*

vs.

EQUITY NO. 7550

*

RUSSELL T. FERGUSON, AKA
T. RUSSELL FERGUSON
and
CATHLEEN V. FERGUSON

*

Defendant

*

AFFIDAVIT OF PURCHASER UNDER RULE B R 6 - (3)

I/We, the undersigned, hereby certify:

That I/We purchased the following described property at and for the price of \$70,000.00.

All that property in the Fourth Election District of Queen Anne's County, Maryland and described as follows:

Lot 19, Block 21, Bay City, Plat 2, Section 2.

That I/We agree to comply with the terms of the sale as set forth in the advertisement of the said sale.

That I/We purchased the property on ~~our own~~ ^{behalf} of MARYLAND BANK & TRUST COMPANY and there are no other persons who are interested as principals.

That I/We have not directly or indirectly discouraged anyone from bidding at the time of the sale.

AS WITNESS my hand and seal this 30 day of August, 1984.

MARYLAND BANK & TRUST COMPANY
by John T. Daugherty (SEAL)
JOHN T. DAUGHERTY / PRESIDENT

_____ (SEAL)

1984 AUG 30 AM 11:25

STATE OF MARYLAND
COUNTY OF Queen Anne's, to wit:

I HEREBY CERTIFY, that on this 30th day of August,
1984, before me, the subscriber, a Notary Public of the State
and County aforesaid, personally appeared JOHN T. DAUGHERTY PRESIDENT
OF MARYLAND BANK & TRUST CO. who made oath in due form of law that the
matters and facts set forth above are true to his best
knowledge, information and belief.

AS WITNESS my hand and Notarial Seal.

Ruth E. Voshell
Notary Public
My Commission Expires: 7/1/86

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND

G. THOMAS DAUGHERTY
SUBSTITUTE TRUSTEE

*

Plaintiff

*

vs.

EQUITY NO. 7550

*

RUSSELL T. FERGUSON, AKA
T. RUSSELL FERGUSON
and
CATHLEEN V. FERGUSON

*

Defendant

*

AUCTIONEER'S CERTIFICATE

I HEREBY CERTIFY, that I acted as Auctioneer for the sale of certain real estate lying and being in the Fourth Election District of Queen Anne's County, Maryland, owned by Russell T. Ferguson and Cathleen Ferguson and being known as Lot 19, Block 21, Bay City, Plat 2, Section 2, and, being the same mentioned and described in the Deed of Trust filed for foreclosure in Equity No. 7550 in the Circuit Court for Queen Anne's County, Maryland.

The highest bid for the property was made by MARYLAND BANK & Trust Company by John T. Daugherty President, and same was received, for the sum of \$70,000.00.

I do further certify that the said sale was fairly made to the best of my knowledge and belief.

G. T. Daugherty
Auctioneer

1934 AUG 30 AM 11: 25

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND

G. THOMAS DAUGHERTY *
SUBSTITUTE TRUSTEE *

vs. *

EQUITY NO. 7550

RUSSELL T. FERGUSON, AKA *
T. RUSSELL FERGUSON *
and *
CATHLEEN V. FERGUSON *

Defendant *

AFFIDAVIT

STATE OF MARYLAND
COUNTY OF *Queen Anne's* :

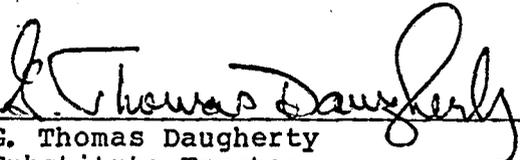
The undersigned, G. Thomas Daugherty, being first duly sworn on oath deposes and says: that he is the Substitute Trustee for Maryland Bank and Trust Company, the holder of the indebtedness secured by the Deed of Trust which was foreclosed in the above entitle case on August 30, 1984; that in compliance with Rule W73 A. 2. (c) of the Maryland Rules and Procedures he did on August 14, 1984, by certified mail send to Russell T. Ferguson and Cathleen Ferguson, Lot 19 Block 21, Zaidee Lane, Stevensville, Maryland 21666. the last known address of the Defendant, separate notice of the time, place, and terms of sale relative to the property described in the foreclosed Deed of Trust as evidenced by the certified receipts attached hereto and made part hereof, and that he sent notice to the following subordinate lien holder of record: Fleet Finance, Inc., P.O. Box 29, Easton, Maryland 21601; Robert H. Perkinson, Jr., P.O. Box 235, Stevensville,

1984 AUG 30 AM 11:25

17 701

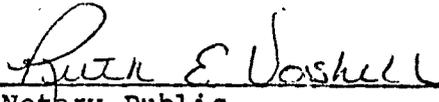
17 702

Maryland 21666; Annapolis Bank and Trust Co., P.O. Box 311,
Annapolis, Maryland 21401; and Centreville National Bank of
Maryland, Centreville, Maryland 21617.



G. Thomas Daugherty
Substitute Trustee

Subscribed and sworn to before me a Notary Public, this
30th day of August, 1984.



Notary Public
My Commission Expires: 7/1/86

P32 1319553

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO
Ms. Cathleen V. Ferguson
STREET AND NO
Lot 19, Block 21, Zaiden Lane
P.O. STATE AND ZIP CODE
Stevensville, MD 21666

POSTAGE	\$.20
CERTIFIED FEE	.75
SPECIAL DELIVERY	c
RESTRICTED DELIVERY	c
CONSULT POSTMASTER FOR FEES	
OPTIONAL SERVICES	
RETURN RECEIPT SERVICE	.60
SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM DATE AND ADDRESS OF DELIVERY	
SHOW TO WHOM DATE DELIVERED WITH RESTRICTED DELIVERY	
SHOW TO WHOM DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
SHOW TO WHOM DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	\$ 1.55
POSTMARK OR DATE	AUG 14 1984

PS Form 3800, Apr. 1976

P32 1319554

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO
Mr. Russell Ferguson
STREET AND NO
Lot 19, Block 21, Zaiden Lane
P.O. STATE AND ZIP CODE
Stevensville, MD 21666

POSTAGE	\$.20
CERTIFIED FEE	.75
SPECIAL DELIVERY	c
RESTRICTED DELIVERY	c
CONSULT POSTMASTER FOR FEES	
OPTIONAL SERVICES	
RETURN RECEIPT SERVICE	.60
SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM DATE AND ADDRESS OF DELIVERY	
SHOW TO WHOM DATE DELIVERED WITH RESTRICTED DELIVERY	
SHOW TO WHOM DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	\$ 1.55
POSTMARK OR DATE	AUG 14 1984

PS Form 3800, Apr. 1976

P32 1319552

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO
Robert H. Perkinson, Jr.
STREET AND NO
P.O. Box 235
P.O. STATE AND ZIP CODE
Stevensville, MD 21666

POSTAGE	\$.20
CERTIFIED FEE	.75
SPECIAL DELIVERY	c
RESTRICTED DELIVERY	c
CONSULT POSTMASTER FOR FEES	
OPTIONAL SERVICES	
RETURN RECEIPT SERVICE	.60
SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM DATE AND ADDRESS OF DELIVERY	
SHOW TO WHOM DATE DELIVERED WITH RESTRICTED DELIVERY	
SHOW TO WHOM DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	\$ 1.55
POSTMARK OR DATE	AUG 14 1984

PS Form 3800, Apr. 1976

P32 1319551

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO
Annapolis Bank & Trust Co.
STREET AND NO
P.O. Box 311
P.O. STATE AND ZIP CODE
Annapolis, MD 21401

POSTAGE	\$.20
CERTIFIED FEE	.75
SPECIAL DELIVERY	c
RESTRICTED DELIVERY	c
CONSULT POSTMASTER FOR FEES	
OPTIONAL SERVICES	
RETURN RECEIPT SERVICE	.60
SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM DATE AND ADDRESS OF DELIVERY	
SHOW TO WHOM DATE DELIVERED WITH RESTRICTED DELIVERY	
SHOW TO WHOM DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	\$ 1.55
POSTMARK OR DATE	AUG 14 1984

PS Form 3800, Apr. 1976

P32 1319550

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO
Centreville Nat'l Bank of MD
STREET AND NO
P.O. STATE AND ZIP CODE
Centreville, MD 21617

POSTAGE	\$.20
CERTIFIED FEE	.75
SPECIAL DELIVERY	c
RESTRICTED DELIVERY	c
CONSULT POSTMASTER FOR FEES	
OPTIONAL SERVICES	
RETURN RECEIPT SERVICE	.60
SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM DATE AND ADDRESS OF DELIVERY	
SHOW TO WHOM DATE DELIVERED WITH RESTRICTED DELIVERY	
SHOW TO WHOM DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	\$ 1.55
POSTMARK OR DATE	AUG 14 1984

PS Form 3800, Apr. 1976

P32 1319555

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO
Fleet Finance, Inc
STREET AND NO
P.O. Box 29
P.O. STATE AND ZIP CODE
Easton, MD 21601

POSTAGE	\$.20
CERTIFIED FEE	.75
SPECIAL DELIVERY	c
RESTRICTED DELIVERY	c
CONSULT POSTMASTER FOR FEES	
OPTIONAL SERVICES	
RETURN RECEIPT SERVICE	.60
SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM DATE AND ADDRESS OF DELIVERY	
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	
SHOW TO WHOM DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	\$ 1.55
POSTMARK OR DATE	AUG 14 1984

PS Form 3800, Apr. 1976

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

G. THOMAS DAUGHERTY

Substitute Trustee

vs.

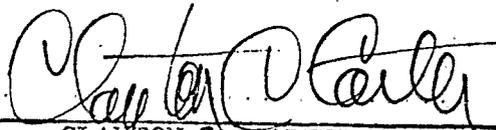
RUSSELL T. FERGUSON, AKA

T. RUSSELL FERGUSON and
CATHLEEN V. FERGUSON

Civil No. 7550 Equity

ORDER REGARDING RATIFICATION OF SALE

ORDERED, this 4th day of September,
1984, by the Court, that the sale of the real property
made and reported in this action will be ratified after
the expiration of one month from the date hereof, unless
cause to the contrary be previously shown, provided a
copy of this Order shall be published in a newspaper
published in Queen Anne's County at least once a week in
each of three successive weeks before the expiration of
one month from the date hereof.



CLAYTON C. CARTER,
JUDGE

1984 SEP -4 PM 3:27

Equity 7550

Centreville, Md. 8/29 19 84

We Hereby Certify

That the annexed advertisement of Substituted Trustees Sale Ferguson was published in the RECORD OBSERVER, a newspaper published in Queen Anne's County, Maryland, once in each of 3 successive weeks before the 30th day of Aug. 19 84.

And that the first insertion of said advertisement in the said RECORD OBSERVER/BAY TIMES was on the 15th day of Aug. 19 84, and the last insertion on the 29th day of Aug. 19 84.

Publishers, Record Observer

Per *[Signature]*
CLERK, CIRCUIT COURT

1984 SEP 13 AM 9:58

QUEEN ANNE'S COUNTY 705

Substituted Trustee's Sale

OF VALUABLE IMPROVED FEE SIMPLE PROPERTY QUEEN ANNE'S COUNTY, MARYLAND

Under and by virtue of the Power of Sale contained in a certain Deed of Trust from Russell T. Ferguson and Cathleen V. Ferguson, his wife, to John T. Daugherty and Paul J. Bailey, Trustees, dated the 18th day of December, 1982 and recorded in Liber 191, folio 562, among the land records of Queen Anne's County, Maryland, the holder of the indebtedness secured by the Deed of Trust having appointed G. Thomas Daugherty, Substituta Trustee, for the purposes of foreclosure, by instrument duly executed, acknowledged, and recorded among the Land Records of the County aforesaid, default having occurred under the terms thereof and at the request of the party secured, thereby, the undersigned Substitute Trustee will sell at public auction, at the door of the Court House for the Circuit Court of Queen Anne's County, Centreville, Maryland on

Thurs., Aug. 30, 1984

AT 11:00 a.m.

ALL THAT LOT OF GROUND AND THE IMPROVEMENTS THEREON, Situated in Queen Anne's County, Maryland and described as follows: All that lot or parcel of land situate, lying and being on Kent Island in the Fourth election District of Queen Anne's County, State of Maryland, set forth and shown on a plat entitled, "Bay City, Plat 2, Section 2," by Purdum and Jeschke, registered engineers and surveyors, dated October 17, 1958, recorded among the land records of Queen Anne's County in Liber TSP No. 43, Folio 306, said lot being known as Lot Numbered 19, Block 21, of Bay City Section Two. Said property is improved by a contemporary home with split foyer, full unfinished basement, aluminum siding, three bedrooms, one bath, living room and dining room with individual control baseboard electric heat.

The property will be sold subject to all conditions, liens, restrictions, and agreements of record affecting same, if any.

TERMS OF SALE: A cash deposit or certified check of \$5,000.00 shall be paid at the time and place of sale, balance in cash at settlement which shall be twenty (20) days after final ratification of sale by the Circuit Court of Queen Anne's County, Maryland, unless said period is extended by the Trustee, his successors or assigns for good cause shown, time being of the essence; interest at the rate of THIRTEEN and ONE HALF per cent (13 1/2) per annum shall be paid on the unpaid purchase money from date of sale to date of settlement. Taxes and water rent to be adjusted to date of sale. All other public charges and assessments payable on an annual basis, including sanitary and/or Metropolitan District Charges shall be adjusted to date of sale and assumed thereafter by the purchaser. Cost of all documentary stamps, transfer taxes, document preparation and title insurance shall be borne by the purchaser. The improvements are being sold in an "as is" condition with purchaser responsible for any and all outstanding housing code violations.

G. THOMAS DAUGHERTY
Substituta Trustee

32 Shangri La Drive, South
Laxington Park, Maryland 20653
301-862-2155

RB-8-15-31-030

Centreville, Md. 9/26 19 84

We Hereby Certify

That the annexed advertisement of Daugherty vs. Ferguson

was published in the RECORD OBSERVER, a newspaper published in Queen Anne's County, Maryland, once in each of 3 successive weeks before the 4th day of Oct. 19 84.

And that the first insertion of said advertisement in the said RECORD OBSERVER/BAY TIMES was on the 12th day of Sept. 19 84, and the last insertion on the 26th day of Sept. 19 84.

Publishers, Record Observer

Per *[Signature]*

IN THE CIRCUIT COURT FOR
 QUEEN ANNE'S COUNTY
 G. THOMAS DAUGHERTY
 Substitute Trustee
 vs.
 RUSSELL T. FERGUSON, AKA
 T. RUSSELL FERGUSON and
 CATHLEEN V. FERGUSON
 Civil No. 7550 Equity
ORDER REGARDING RATIFICATION OF SALE
 ORDERED, this 4th day of September, 1984, by
 the Court, that the sale of the real property made
 and reported in this action will be ratified after the
 expiration of one month from the date hereof,
 unless cause to the contrary be previously shown,
 provided a copy of this Order shall be published in
 a newspaper published in Queen Anne's County at
 least once a week in each of three successive
 weeks before the expiration of one month from the
 date hereof.

CLAYTON C. CARTER
 JUDGE

True Copy, Test:
 Merguerite W. Menkin, Clerk
 By Anne F. Ward, Deputy Clerk

RB-9-12-31-011

RECEIVED
 CLERK, CIRCUIT COURT
 1984 OCT -8 AM 9:30
 QUEEN ANNE'S COUNTY

CCC:mfe:10/15/84

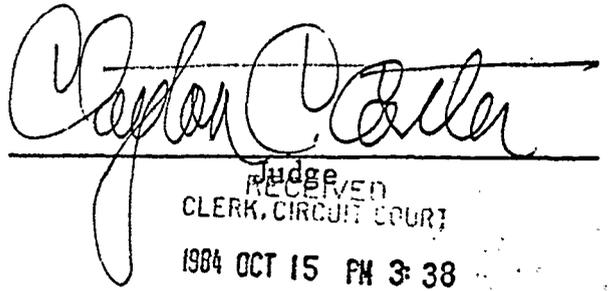
G. THOMAS DAUGHERTY, Substitute Trustee Plaintiff	:	IN THE CIRCUIT COURT
vs.	:	
RUSSELL T. FERGUSON, A/K/A T. RUSSELL FERGUSON and CATHLEEN V. FERGUSON Defendants	:	FOR QUEEN ANNE'S COUNTY
	:	EQUITY NO. 7550

FINAL RATIFICATION OF SALE
AND REFERRAL TO THE AUDITOR

The Court being satisfied that the sale in the above action was fairly and properly made, and no exceptions having been filed to the report of sale within the time limited by the published Order of this Court, it is

ORDERED, by the Circuit Court for Queen Anne's County, this 15th day of October, 1984, that:

1. The sale of the real estate made and reported in this action is hereby finally ratified.
2. The papers in this action are hereby referred to the Court Auditor to state an account, pursuant to Rule 2-543, of the proceeds of the sale and a proper distribution thereof.
3. The Clerk shall furnish to the fiduciary a summary of the information required for the audit including a form of suggested account, which the fiduciary is to submit to the Auditor within fifteen days after the recording of the deed to the real estate sold.
4. Upon receipt of this information from the fiduciary, the Auditor is to file an account or report in accordance with Rule 2-543 (e) within fifteen days, unless extended by the Court.



Distribution:
File
Fiduciary
Court Auditor

RECEIVED
CLERK, CIRCUIT COURT

1984 OCT 15 PM 3:38

QUEEN ANNE'S COUNTY

17 NOV 70'S

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

G. THOMAS DAUGHERTY :
 Substitute Trustee :
 :
 v. : Chancery #7550
 :
 RUSSELL T. FERGUSON, etc. :
 et al. :
 : : : : :

AUDITOR'S ACCOUNT

PROCEEDS OF FORECLOSURE SALE			
Sale Price, as reported			\$ 70,000.00
Interest (See Note A)			
COMMISSIONS, payable to Fiduciary		\$ 3,500.00-	
EXPENSES OF SALE			
Court costs	\$ 210.50-		
Advertising			
Notices of sale			
February notice	210.00-		
May notice	140.00-		
Sale of 08/30/84	225.00-		
Report of sale	78.75-		
Bond premium	280.00-		
Attorney fees	50.00-		
Auctioneer (Fiduciary)			
Real property taxes paid			
Redemption from tax sale	612.10-		
1984/85 taxes (to 08/30)	88.84-		
Certified mail	9.30-	1,904.49-	
AUDITOR'S FEE AND COSTS			
Fee for audit	\$ 45.00-		
Postage & copies	2.00-	47.00-	5,451.49-
NET AMOUNT AVAILABLE FOR DISTRIBUTION			\$ 64,548.51

RECEIVED
CLERK, CIRCUIT COURT

1984 NOV 19 PM 3:51

QUEEN ANNE'S COUNTY

INDEBTEDNESS DUE UNDER DEED OF TRUST

Per Statement of Debt		
Principal	\$ 61,412.77-	
Interest to 02/22/84	4,630.60-	
Payment 03/29/84 (credited to outstanding interest)	2,900.00	
Interest on principal @ 13.5% 02/23/84 to 08/30/84 190 days @ \$22.71	<u>4,314.90-</u>	\$ 67,458.27-
NET CREDIT FROM CREDITOR/PURCHASER on 08/30/84 (See Note A)		<u>64,548.51</u>
BALANCE OWED BY DEBTORS after credit		\$ 2,909.76-
INTEREST 08/31/84 to 10/29/84 60 days @ \$ 1.08		<u>64.80-</u>
DEFICIT		\$ 2,974.56-

Note A: Net amount used by Creditor to discharge responsibilities as sale purchaser for deposit and pre-settlement interest credited as of date of sale in accordance with Weismiller v. Bush, 56 Md.App. 593, and the Report filed in Chancery #7107, which is incorporated by reference in this Audit.

Note B: As there is no Surplus, the claim of Centreville National Bank of Maryland is moot. Rule W75 a.

NOTICE

The attached Account was filed on November 19th, 1984. Exceptions to the Account must be filed within ten (10) days of that date. If timely exceptions are not filed, the Account may thereupon be ratified. No amount is available for distribution to claimants.

CERTIFICATE OF AUDITOR

I hereby certify that I have examined the Suggested Account, together with the receipts, vouchers, statements, suggested distribution and affidavit submitted by the Fiduciary in Chancery Cause #7550. On the basis of the facts which appear upon the face of the proceedings and proofs submitted to me, it is my opinion that the claims set forth in the foregoing Auditor's Account have been established and are properly allowable by law in the amounts there set forth.

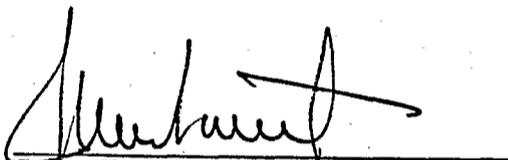
I further certify that on November 19th, 1984, copies of the Auditor's Account and Notice conforming to the requirements of Maryland Rule 2-543 and Second Circuit Rule 12 d were mailed to the following:

G. Thomas Daugherty, Esquire
32 Shangri La Drive, South
Lexington Park, Maryland 20653

Russell T. Ferguson
2119 Zaidee Lane
Bay City
Stevensville, Maryland 21666

Cathleen V. Ferguson
2119 Zaidee Lane
Bay City
Stevensville, Maryland 21666

David C. Bryan, Esquire
Attorney for Centreville National Bank
111 Lawyers Row
Centreville, Maryland 21617


JOHN W. SAUSE, JR.
Auditor

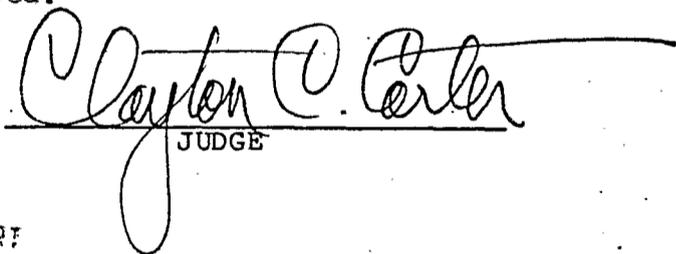
IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

G. THOMAS DAUGHERTY :
Substitute Trustee :
:
v. : Chancery #7550
RUSSELL T. FERGUSON, etc. :
et al. :
: : : : :

ORDER RATIFYING AUDIT

The matter coming before the Court on the Account heretofore filed by the Auditor and it appearing from the Auditor's Certification that the requirements of Rule 2-543 (e) have been met, and no exceptions having been filed within 10 days of the date when the Account was filed, it is this 30th day of November, 1984, by the Circuit Court for Queen Anne's County,

ORDERED that the Account of the Auditor is hereby ratified and confirmed, and the Fiduciary shall apply the proceeds accordingly with a due proportion of interest after same has been or may be received.


JUDGE

RECEIVED
CLERK, CIRCUIT COURT
1984 DEC -3 PM 1:54
QUEEN ANNE'S COUNTY

IN THE MATTER OF THE TAX SALES *
 IN QUEEN ANNE'S COUNTY, MARYLAND, *
 FOR THE YEAR 1984, OF PROPERTIES *
 ASSESSED TO THE FOLLOWING: JOSEPH *
 E., III AND MARY KELLEY; RAYMOND *
 AND JEAN KRAUSER, ET AL.; LESTER C. *
 LEONARD; ALFRED J. MATHWICK; RONALD *
 A. MAYO; JOHN W. MCGINNIS, JR.; *
 CHARLES D. MORRILL; MARGARET S. *
 WILLIS; ROLAND AND JANET J. BAILEY; *
 EDGAR AND BEULAH DESHIELDS; LESTER *
 C. LEONARD, JR.; ANDREW AND VIRGINIA *
 BACHER; LEWIS E., SR. AND DIANA S. *
 BARNETT; GEORGE J. AND MARGARET C. *
 BENKERT; HOWARD L. AND MARY M. *
 BRINKLEY; JACKIE CURNUTT; JOHN *
 DALKOWSKI; PHILIP J. AND MARY E. *
 DAVIDSON; RUSSELL T. AND CATHLEEN V. *
 FERGUSON; FRED PRITT BLDG. CO., INC.; *
 M. TINA MARTIN; JOHN R. AND RUTH *
 CARTER; ROBERT PIERCE; LYNN M. HUFF; *
 WILLIAM E. SULLIVAN; ROBERT T. DAVIS; *
 CHARLES R. AND DARLENE PERKINS; *
 CHARLES R. BERNSTEIN; GEORGE DOBY; *
 JOHN F. HORNEY; CLYDE AND MARY *
 JENKINS; VIRGIE D. JOHNSON; HARRISON *
 AND BETTY SMITH; SAMUEL WILKINS HEIRS; *
 DARTY AND FANNIE PRICE; EMILY A. WILLIS; *
 LAWRENCE M. AND JOYCE A. HORNEY; WILLIAM *
 AND JOYCE WASHBURN; MARTIN D. AND KAREN *
 A. ARMIN; MARY F. ANDERSON, ET AL.; *
 WRIGHT AND JEAN B. HADDAWAY; NORMA *
 ALLEN; ARCHIE WILLIAMS; MILDRED G. *
 MEREDITH, ET AL.; JOSEPH MEALY; FLORA *
 CARTER; MARY Q. TURNER; GEORGE AND *
 VIRGINIA FISHER; JULIAN ALLISON, *
 TRUSTEE; DANIEL L. AND JEANETTE COLE; *
 J. ALLEN DELEVETT, JR.; WILLIAM H. *
 AND MARIE A. GUY; EMMA WASHINGTON *

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 JUN 19 84 A #25601 *****60

IN THE
 CIRCUIT COURT
 FOR
 QUEEN ANNE'S COUNTY
 IN EQUITY

NO. 7627

* * * * *

REPORT OF TAX SALES

TO THE HONORABLE, THE JUDGES OF SAID COURT:

The Record of Tax Sales made by William H. Tolson,
 Treasurer, for Queen Anne's County, unto your Honors respectfully
 represents:

1. That in the annual levy made by The County Commissioners
 of Queen Anne's County for the fiscal year 1983-1984 there were
 assessed to the respective persons taxes for Queen Anne's County

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 QUEEN ANNE'S COUNTY

and the State of Maryland, levied against certain parcels all situate in certain designated districts of Queen Anne's County. The respective persons against whom and the respective parcels against which the taxes were levied are hereinafter fully designated, the taxes having been so levied and assessed were placed in the hands of William H. Tolson, Treasurer for Queen Anne's County, for collection.

2. That as to the properties hereinafter set forth respectively, the taxes thereon were not paid when due.

3. That William H. Tolson, Treasurer, caused to be published in the Record Observer, a newspaper printed and published and of general circulation in Queen Anne's County, once in each of two successive weeks, between the 15th day of February and the 1st day of March, a list of all delinquents, together with the amount of taxes for which they were respectively in arrears, with a notice of warning to such delinquents thereto appended that unless payment be made in full of said taxes, together with all interest and costs accrued thereon to the date of payment on or before the 10th day of April, 1984, the same would be collected by process of law.

4. That the said County Treasurer did cause to be mailed to each of said delinquents at the address shown on the County assessment ledgers between the 15th day of March and the 1st day of April an account of his taxes, which were in arrears, with a notice of warning to such delinquents thereto appended that unless payment be made in full of said taxes, together with all interest and costs accrued thereon to the date of payment on or before the 10th day of April, 1984, the same would be collected by process of law.

5. That the said County Treasurer did cause to be published in the Record Observer, a newspaper printed and published and of general circulation in Queen Anne's County, for three successive weeks prior to the third Tuesday in May, a list of all delinquents assessed with real estate, giving the names of the persons assessed, a brief description of the property and the district of its location, together with the amount of taxes in arrears thereon, including all taxes on personality in arrears, by the owner of the real estate with a notice appended that if said taxes, together with all interest, costs, expenses and commissions accrued and to accrue are not paid before the third Tuesday of May, 1984, the Treasurer would proceed at 10:00 a.m. on that day at the Court House in said County to offer said property for sale to the highest bidder for cash. A certificate of said publication is attached hereto as a part hereof.

6. The said Treasurer not having received the taxes in arrears on the several parcels of land, hereinafter described did proceed to sell on May 15, 1984, at 10:00 a.m. (D.S.T.) in

front of the Court House Door, Centreville, Maryland, under the terms of said notice all of said properties in the following manner. The advertisement of sale was first read, and the properties were offered to the highest bidder, one at a time, by Joseph Jackson, Jr., Auctioneer. There follows the description of the properties, the amount of taxes and interest accrued, the pro rata costs of advertising said sale, the County Treasurer's fees, and all other charges, costs, fees, and expenses incident to said sale, the person to whom and at what price each of said several properties were respectively sold.

FIRST DISTRICT

ALL that lot or parcel of land lying and being in the First Election District of Queen Anne's County, Maryland, located N/E Peters Corner, being designated on Map 14, Block 4, as Parcel 6, Queen Anne's County Tax Maps, consisting of 35 acres of land, more or less and improvements. Assessed value \$23,690.00, assessed to Joseph E., III and Mary Kelley for \$499.13 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	499.13
Interest- - - - -		26.60
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	565.23
5% Treasurer's Commission - - - - -		1,075.00
	\$	1,640.23

The property was sold to Helen Gelof at and for the sum of Twenty One Thousand Five Hundred Dollars (\$21,500.00) she being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the First Election District of Queen Anne's County, Maryland, located near Ingleside, being designated on Map 31, Block 17, as Parcel 75, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed value \$12,210.00, assessed to Raymond and Jean Krauser, et al. for \$242.46 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	242.46
Interest- - - - -		12.92
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	294.88

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5% XXXXXXXXXX Commission - - - - -	\$ 294.88
	180.00
	\$ 474.88

The property was sold to Helen Gelof at and for the sum of Three Thousand Six Hundred Dollars (\$3,600.00) she being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the First Election District of Queen Anne's County, Maryland, located in Sudlersville, being designated on Map 12A, as Parcel 30, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed value \$11,420.00, assessed to Lester C. Leonard for \$252.38 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$ 252.38
Interest- - - - -	13.48
Advertising - - - - -	15.00
Attorney- - - - -	15.00
Auctioneer- - - - -	7.50
Notary Public - - - - -	2.00
	\$ 305.36
1982-1983 Taxes - - - - -	258.82
Town- - - - -	690.16
	\$ 1,254.34
5% XXXXXXXXXX Commission - - - - -	100.00
	\$ 1,354.34

The property was sold to William R. Wilson, III at and for the sum of Two Thousand Dollars (\$2,000.00) he being then and there the highest bidder thereof.

SECOND DISTRICT

ALL that lot or parcel of land lying and being in the Second Election District of Queen Anne's County, Maryland, located E/Rt 213, being designated on Map 23, Block 1, as Parcel 43, Queen Anne's County Tax Maps, consisting of a lot of land, more or less and improvements. Assessed value \$6,790.00, assessed to Alfred J. Mathwick for \$150.06 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$ 150.06
Interest- - - - -	8.00
Advertising - - - - -	15.00
Attorney- - - - -	15.00
Auctioneer- - - - -	7.50
Notary Public - - - - -	2.00
	\$ 197.56

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	\$ 197.56
5% Treasurer's Commission - - - - -	<u>50.00</u>
	\$ 247.56

The property was sold to Helen Gelof at and for the sum of One Thousand Dollars (\$1,000.00) she being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Second Election District of Queen Anne's County, Maryland, located lots 465-466-467 - Chester Harbor, being designated on Map 10, Queen Anne's County Tax Maps, consisting of 3 lots of land, more or less. Assessed value \$3,090.00, assessed to Ronald A. Mayo for \$68.29 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$ 68.29
Interest- - - - -	3.64
Advertising - - - - -	15.00
Attorney- - - - -	15.00
Auctioneer- - - - -	7.50
Notary Public - - - - -	<u>2.00</u>
	\$ 111.43
5% Treasurer's Commission - - - - -	<u>175.00</u>
	\$ 286.43

The property was sold to Elise Murdoch at and for the sum of Three Thousand Five Hundred Dollars (\$3,500.00) she being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Second Election District of Queen Anne's County, Maryland, located lots 67-68 - Section 1 - Chester Harbor, being designated on Map 10, Queen Anne's County Tax Maps, consisting of 2 lots of land, more or less and improvements. Assessed value \$21,550.00, assessed to John W. McGinnis, Jr. for \$476.26 taxes in arrears, plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$ 476.26
Interest- - - - -	25.38
Advertising - - - - -	15.00
Attorney- - - - -	15.00
Auctioneer- - - - -	7.50
Notary Public - - - - -	<u>2.00</u>
	\$ 541.14
5% Treasurer's Commission - - - - -	<u>1,000.00</u>
	\$ 1,541.14

The property was sold to Elise Murdoch at and for the sum of Twenty Thousand Dollars (\$20,000.00) she being then and there the highest bidder thereof.

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ALL that lot or parcel of land lying and being in the Second Election District of Queen Anne's County, Maryland, located E/Baxter Road - Lot 7, being designated on Map 16, Block 6, as Parcel 30, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed value \$3,320.00, assessed to Charles D. Morrill for \$73.37 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	73.37
Interest- - - - -		3.91
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
		<hr/>
	\$	116.78
5% Franchise Commission - - - - -		85.00
	\$	<hr/> 201.78

The property was sold to William R. Wilson, III at and for the sum of One Thousand Seven Hundred Dollars (\$1,700.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Second Election District of Queen Anne's County, Maryland, located lots 630-631 - Chester Harbor, being designated on Map 10, as Parcel 46, Queen Anne's County Tax Maps, consisting of 2 lots and improvements. Assessed value \$17,130.00, assessed to Margaret S. Willis for \$378.57 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	378.57
Interest- - - - -		20.18
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
		<hr/>
	\$	438.25
5% Franchise Commission - - - - -		300.00
	\$	<hr/> 738.25

The property was sold to William R. Wilson, III at and for the sum of Six Thousand Dollars (\$6,000.00) he being then and there the highest bidder thereof.

THIRD DISTRICT

ALL that lot or parcel of land lying and being in the Third Election District of Queen Anne's County, Maryland, located N/W Commerce Street in Centreville, being designated on Map 48, Queen Anne's County Tax Maps, consisting of a lot of land, more or less

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and improvements. Assessed value \$4,060.00, assessed to Roland and Janet J. Bailey for \$89.73 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	89.73
Interest- - - - -		4.77
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	134.00
Town Taxes- - - - -		28.22
	\$	162.22
5% Excise Commission - - - - -		50.00
	\$1	212.22

The property was sold to William R. Wilson, III at and for the sum of One Thousand Dollars (\$1,000.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Third Election District of Queen Anne's County, Maryland, located N/W Commerce Street in Centreville, being designated on Map 46, Queen Anne's County Tax Maps, consisting of a lot. Assessed value \$930.00, assessed to Edgar and Beulah Deshields for \$20.55 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	20.55
Interest- - - - -		1.10
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	61.15

The property was sold to the Town of Centreville at and for the sum of One Hundred Dollars (\$100.00) st being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Third Election District of Queen Anne's County, Maryland, located N/Commerce Street in Centreville, being designated on Map 7, Queen Anne's County Tax Maps, consisting of a lot of land, more or less and improvements. Assessed value \$14,500.00, assessed to Lester C. Leonard, Jr. for \$320.45 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	320.45
Interest- - - - -		17.08
Advertising - - - - -		15.00

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Attorney- - - - -	\$	15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	377.03
1982-1983 Taxes - - - - -		344.86
Town Taxes- - - - -		188.82
	\$	910.71
5% TREASURERS Commission - - - - -		55.00
	\$	965.71

The property was sold to William H. Tolson at and for the sum of One Thousand One Hundred Dollars (\$1,100.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Third Election District of Queen Anne's County, Maryland, located W/Broadway in Centreville, being designated on Map 87, Queen Anne's County Tax Maps, consisting of a lot of land, more or less and improvements. Assessed value \$20,940.00, assessed to Lester C. Leonard, Jr. for \$462.77 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	462.77
Interest- - - - -		24.67
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	526.94
1982-1983 Taxes - - - - -		521.80
TOWN Taxes- - - - -		273.66
	\$	1,322.40
5% TREASURERS Commission - - - - -		100.00
	\$	1,422.40

The property was sold to Douglas A. and Jean K. MacFarland at and for the sum of Two Thousand Dollars (\$2,000.00) they being then and there the highest bidders thereof.

ALL that lot or parcel of land lying and being in the Third Election District of Queen Anne's County, Maryland, located W/Broadway in Centreville, being designated on Map 87, Queen Anne's County Tax Maps, consisting of a lot of land, more or less and improvements. Assessed value \$14,380.00, assessed to Lester C. Leonard, Jr. for \$317.80 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	317.80
Interest- - - - -		16.94
Advertising - - - - -		15.00

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Attorney- - - - -	\$ 15.00
Auctioneer- - - - -	7.50
Notary Public - - - - -	2.00
	<u>\$ 374.24</u>
1982-1983 Taxes - - - - -	352.20
Town Taxes- - - - -	190.12
	<u>\$ 916.56</u>
5% xxxxxxx Commission - - - - -	50.00
	<u>\$ 966.56</u>

The property was sold to William H. Tolson at and for the sum of One Thousand Dollars (\$1,000.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Third Election District of Queen Anne's County, Maryland, located N/W Commerce Street in Centreville, being designated on Map 1, Queen Anne's County Tax Maps, consisting of a lot of land, more or less and improvements. Assessed value \$13,910.00, assessed to Lester C. Leonard, Jr. for \$307.41 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$ 307.41
Interest- - - - -	16.39
Advertising - - - - -	15.00
Attorney- - - - -	15.00
Auctioneer- - - - -	7.50
Notary Public - - - - -	2.00
	<u>\$ 363.30</u>
1982-1983 Taxes - - - - -	336.76
Town Taxes- - - - -	183.21
	<u>\$ 883.27</u>
5% xxxxxxx Commission - - - - -	50.00
	<u>\$ 933.27</u>

The property was sold to William H. Tolson at and for the sum of One Thousand Dollars (\$1,000.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Third Election District of Queen Anne's County, Maryland, located S/E Libert Street in Centreville, being designated on Map 28, Queen Anne's County Tax Maps, consisting of a lot of land, more or less and improvements. Assessed vlaue \$23,860.00, assessed to Lester C. Leonard, Jr. for \$527.31 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$ 527.31
Interest- - - - -	28.10
Advertising - - - - -	15.00

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Attorney- - - - -	\$	15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	594.91
1982-1983 Taxes - - - - -		570.09
Town Taxes- - - - -		303.68
	\$	1,468.68
5% Taxes Commission - - - - -		190.00
	\$	1,658.68

The property was sold to John L. Murdoch at and for the sum of Three Thousand Eight Hundred Dollars (\$3,800.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Third Election District of Queen Anne's County, Maryland, located E/Commerce Street in Centreville, being designated on Map 22, Queen Anne's County Tax Maps, consisting of a lot of land, more or less and improvements. Assessed value \$12,500.00, assessed to Lester C. Leonard, Jr. for \$276.25 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	276.25
Interest- - - - -		14.72
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	330.47
1982-1983 Taxes - - - - -		274.27
Town Taxes- - - - -		158.49
	\$	763.23
5% Taxes Commission - - - - -		50.00
	\$	813.23

The property was sold to William H. Tolson at and for the sum of One Thousand Dollars (\$1,000.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Third Election District of Queen Anne's County, Maryland, located N/E Water Street in Centreville, being designated on Map 34, Queen Anne's County Tax Maps, consisting of a lot of land, more or less and improvements. Assessed value \$9,230.00, assessed to Lester C. Leonard, Jr. for \$203.98 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	203.98
Interest- - - - -		10.87
Advertising - - - - -		15.00

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Attorney- - - - -	\$	15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	254.35
1982-1983 Taxes - - - - -		178.90
Town Taxes- - - - -		113.98
	\$	547.23
5% Treasurer's Commission - - - - -		50.00
	\$	597.23

The property was sold to William H. Tolson at and for the sum of One Thousand Dollars (\$1,000.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Third Election District of Queen Anne's County, Maryland, located S/Kidwell Avenue in Centreville, being designated on Map 24, Queen Anne's County Tax Maps, consisting of a lot of land, more or less and improvements. Assessed value \$17,300.00 assessed to Lester C. Leonard, Jr. for \$382.33 taxes in arrear plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	382.33
Interest- - - - -		20.37
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	442.20
1982-1983 Taxes - - - - -		424.20
Town Taxes- - - - -		226.40
	\$	1,092.80
5% Treasurer's Commission - - - - -		60.00
	\$	1,152.80

The property was sold to William H. Tolson at and for the sum of One Thousand Two Hundred Dollars (\$1,200.00) he being then and there the highest bidder thereof.

THIRD DISTRICT

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located Unit D-13 - Piney Narrows Yacht Haven, being designated on Map 57, Block 10, as Parcel 455, Queen Anne's County Tax Maps, consisting of a boat slip. Assessed value \$5,970.00, assessed to Andrew and Virginia Bacher for \$131.94 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	131.94
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Interest- - - - -	\$	7.01
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
		<u>178.45</u>
5% XXXXXXXXXX Commission - - - - -	\$	55.00
	\$	<u>233.45</u>

The property was sold to Helen Gelof at and for the sum of One Thousand One Hundred Dollars (\$1,100.00) she being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located lots 20-21, Block E - Romancoke on the Bay, being designated on Map 76A Queen Anne's County Tax Maps, consisting of a lot of land, more or less and improvements. Assessed value \$17,180.00, assessed to Lewis E., Sr. and Diana S. Barnett for \$379.68 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	379.68
Interest- - - - -		20.22
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	<u>439.40</u>
5% XXXXXXXXXX Commission - - - - -		100.00
	\$	<u>539.40</u>

The property was sold to Elise Murdoch at and for the sum of Two Thousand Dollars (\$2,000.00) she being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located lot 1, Block D - Queen Anne Colony, being designated on Map 70C, Queen Anne's County Tax Maps, consisting of a lot of land, more or less. Assessed value \$80.00, assessed to George J. and Margaret C. Benkert for \$1.77 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	1.77
Interest- - - - -		.94
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Notary Public - - - - -		2.00
Auctioneer- - - - -		7.50
	\$	<u>42.21</u>

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	\$ 42.21
5% XXXXXXXXXX Commission - - - - -	295.00
	\$ 337.21

The property was sold to Eugene Deems, Jr. at and for the sum of Five Thousand Nine Hundred Dollars (\$5,900.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located lot 29, Block B - Queen Anne Colony, being designated on Map 70C, Queen Anne's County Tax Maps, consisting of a lot of land, more or less. Assessed value \$6,060.00, assessed to George J. Jr. and Margaret C. Benkert for \$133.93 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$ 133.93
Interest- - - - -	7.14
Advertising - - - - -	15.00
Attorney- - - - -	15.00
Auctioneer- - - - -	7.50
Notary Public - - - - -	2.00
	\$ 180.57
5% XXXXXXXXXX Commission - - - - -	335.00
	\$ 515.57

The property was sold to Eugene F. Deems, Jr. at and for the sum of Six Thousand Seven Hundred Dollars (\$6,700.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located lots 17-19, Block L, Section 1 - Kent Island Estates, being designated on Map 70B, Queen Anne's County Tax Maps, consisting of a lot of land, more or less and improvements. Assessed value \$21,690.00, assessed to Howard L. and Mary M. Brinkley for \$479.35 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$ 479.35
Interest- - - - -	25.55
Advertising - - - - -	15.00
Attorney- - - - -	15.00
Auctioneer- - - - -	7.50
Notary Public - - - - -	2.00
	\$ 544.40
5% XXXXXXXXXX Commission - - - - -	400.00
	\$ 944.40

The property was sold to William R. Wilson, III at and for

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the sum of Eight Thousand Dollars (\$8,000.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located Lot 27, Block G. Section 1 - Kent Island Estates, being designated on Map 70B, Queen Anne's County Tax Maps, consisting of a lot of land, more or less. Assessed value \$2,120.00, assessed to Jackie Curnutt for \$46.85 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	46.85
Interest- - - - -		2.50
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
		<u>88.85</u>
1982-1983 Taxes - - - - -	\$	48.79
		<u>137.64</u>
5% XXXXXXXXXX Commission - - - - -		50.00
	\$	187.64

The property was sold to Raymond Chambers at and for the sum of One Thousand Dollars (\$1,000.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located Lot 20, Plat 3 - Cove Creek Club, being designated on Map 76, Block 16, as Parcel 23, Queen Anne's County Tax Maps, consisting of a lot of land, more or less. Assessed value \$13,530.00, assessed to John Dalkowski for \$299.01 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	299.01
Interest- - - - -		15.94
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
		<u>354.45</u>
5% XXXXXXXXXX Commission - - - - -		325.00
	\$	679.45

The property was sold to Eugene F. Deems, Jr. at and for the sum of Six Thousand Five Hundred Dollars (\$6,500.00) he being then and there the highest bidder thereof.

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ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located S/Side Benton Road, being designated on Map 48, Block 24, as Parcel 104, Queen Anne's County Tax Maps, consisting of 1 acre of land, more or less. Assessed value \$220.00, assessed to Philip J. and Mary E. Davidson for \$4.86 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	4.86
Interest- - - - -		.24
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	44.60
5% Treasurer's Commission - - - - -		50.00
	\$	94.60

The property was sold to George Mallet at and for the sum of One Thousand Dollars (\$1,000.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located Lot 19, Block 21 - Bay City, being designated on Map 56A, Queen Anne's County Tax Maps, consisting of a lot of land, more or less and improvements. Assessed value \$20,940.00, assessed to Russell T. and Cathleen V. Ferguson for \$276.80 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	276.80
Interest- - - - -		14.75
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	331.05
5% Treasurer's Commission - - - - -		250.00
	\$	581.05

The property was sold to Helen Gelof at and for the sum of Five Thousand Dollars (\$5,000.00) she being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located S/Thompson Shore Road, being designated on Map 56, Block 12, as Parcel 275, Queen Anne's County Tax Maps, consisting of 2.28 acres of land, more or less. Assessed value \$63,730.00, assessed to Fred Pritt Bldg. Co., Inc. for \$1,408.43 taxes in arrears plus

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interest, costs, and expenses to day of sale.

Taxes - - - - -	\$ 1,408.43
Interest- - - - -	75.07
Advertising - - - - -	15.00
Attorney- - - - -	15.00
Auctioneer- - - - -	7.50
Notary Public - - - - -	2.00
	<u> </u>
Sewer Charges (Acct. No. KB0002)- - - - -	\$ 1,523.00
	<u>6,117.03</u>
	\$ 7,640.03
5% XXXXXXXXXX Commission - - - - -	<u>500.00</u>
	\$ 8,140.03

The property was sold to Thompson Creek Joint Venture at and for the sum of Ten Thousand Dollars (\$10,000.00) it being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located lots and acres in Sunny Isle of Kent, being designated on Map 63, Block 7, as Parcel 106, Queen Anne's County Tax Maps, consisting of 40 acres of land, more or less. Assessed value \$35,720.00, assessed to Lester C. Leonard, Jr. for \$789.41 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$ 789.41
Interest- - - - -	42.04
Advertising - - - - -	15.00
Attorney- - - - -	15.00
Auctioneer- - - - -	7.50
Notary Public - - - - -	2.00
	<u> </u>
1982-1983 Taxes - - - - -	\$ 870.95
Roads - - - - -	891.67
	<u>1,483.04</u>
	\$ 3,245.66
5% XXXXXXXXXX Commission - - - - -	<u>175.00</u>
	\$ 3,420.66

The property was sold to William H. Tolson at and for the sum of Three Thousand Five Hundred Dollars (\$3,500.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located Gas Dock 3 - Piney Narrows Yacht Haven, being designated on Map 57, Block 10, as Parcel 455, Queen Anne's County Tax Maps, consisting of gas dock. Assessed value \$4,010.00, assessed to M. Tina Martin for \$88.62 taxes in arrears plus interest, costs, and expenses to day of sale.

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Taxes - - - - -	\$	88.62
Interest- - - - -		4.73
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	<u>132.85</u>
5% Commission - - - - -		80.00
	\$	<u>212.85</u>

The property was sold to Helen Gelof at and for the sum of One Thousand Six Hundred Dollars (\$1,600.00) she being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located on State Street, being designated on Map 56, as Parcel 73, Queen Anne's County Tax Maps, consisting of a lot. Assessed to John R. and Ruth Carter for \$197.79 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KA0096.

Sewerage assessment - - - - -	\$	197.79
Advertising - - - - -		15.00
Attorney- - - - -		15.00
	\$	<u>227.79</u>
2% Commission - - - - -		3.95
	\$	<u>231.74</u>

The property was sold to Eugene F. Deems Jr. at and for the sum of Three Hundred Dollars (\$300.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located East Cox Neck Road, being designated on Map 57, as Parcel 134, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed to Robert Pierce for \$243.21 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KD0041.

Sewerage assessment - - - - -	\$	243.21
Advertising - - - - -		15.00
Attorney- - - - -		15.00
	\$	<u>273.21</u>
2% Commission - - - - -		4.86
	\$	<u>278.07</u>

The property was sold to Helen Gelof at and for the sum of Six Hundred Dollars (\$600.00) she being then and there the highest bidder thereof.

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ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland located W/MD 552, being designated on Map 57, as Parcel 226, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed to Lynn M. Huff for \$33.96 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KF0037.

Sewerage assessment - - - - -	\$	33.96
Advertising - - - - -		15.00
Attorney- - - - -		15.00
	\$	63.96
2% Commission - - - - -		.67
	\$	64.63

The property was sold to William R. Wilson, III at and for the sum of Five Hundred Dollars (\$500.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located Price Road/Chester, being designated on Map 57, as Parcels 77 and 248, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed to William E. Sullivan for \$650.92 (combined) sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account Nos. KF0115 and KF0137.

Sewerage assessment (combined)- - - - -	\$	650.92
Advertising (combined)- - - - -		30.00
Attorney (combined) - - - - -		30.00
	\$	710.00
2% Commission (combined)- - - - -		13.00
	\$	723.92

The property was sold to John L. Murdoch at and for the sum of Eight Hundred Dollars (\$800.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located Lot 2, Block BB - Cloverfields, being designated on Map 49E, Queen Anne's County Tax Maps, consisting of a lot that failed Perc Test. Assessed value \$330.00, assessed to Robert T. Davis for \$555.75 Road assessment in arrears plus interest, costs, and expenses to day of sale.

Road assessment - - - - -	\$	555.75
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	595.25

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The property was sold to Harry Reynolds at and for the sum of Six Hundred Dollars (\$600.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fourth Election District of Queen Anne's County, Maryland, located Lot 16, Block EE, being designated on Map 49E, Queen Anne's County Tax Maps, consisting of a lot of land, more or less. Assessed value \$3,440.00, assessed to Charles R. and Darlene Perkins for \$570.57 Road assessment in arrears plus interest, costs, and expenses to day of sale.

Road assessment - - - - -	\$	570.57
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	610.07

The property was sold to Eugene F. Deems, Jr. at and for the sum of Seven Hundred Dollars (\$700.00) he being then and there the highest bidder thereof.

FIFTH DISTRICT

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located in Queenstown, being designated on Map 51, Block 1, as Parcel 153, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed value \$22,920.00, assessed to Charles R. Bernstein for \$506.53 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	506.53
Interest- - - - -		26.97
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	573.00
5% Commission - - - - -		300.00
	\$	873.00

The property was sold to Helen Gelof at and for the sum of Six Thousand Dollars (\$6,000.00) she being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located

E/Grasonville, being designated on Map 58, Block 24, as Parcel 542, Queen Anne's County Tax Maps, consisting of a lot. Assessed value \$1,050.00, assessed to George Doby for \$23.21 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	23.21
Interest- - - - -		1.24
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	63.95
5% Commission - - - - -		50.00
	\$	113.95

The property was sold to Raymond Chambers at and for the sum of One Thousand Dollars (\$1,000.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located in Grasonville, being designated on Map 58, Block 14, as Parcel 104, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed value \$3,000.00, assessed to John F. Horney for \$66.30 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	66.30
Interest- - - - -		3.55
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	109.35
Sewerage assessment plus interest, costs, and expenses to day of sale;		
Account No. KJ0103- - - - -		343.57
	\$	452.92
5% Commission - - - - -		100.00
	\$	552.92

The property was sold to Melvin Brookshire at and for the sum of Two Thousand Dollars (\$2,000.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located in Grasonville, being designated on Map 58, Block 22, as Parcel 288, Queen Anne's County Tax Maps, consisting of a lot of land, more or less and improvements. Assessed value \$8,850.00, assessed

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to Clyde and Mary Jenkins for \$195.59 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	195.59
Interest- - - - -		10.41
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	<u>245.50</u>
1982-1983 Taxes - - - - -		198.20
	\$	<u>443.70</u>
Sewerage assessment plus interest, costs, and expenses to day of sale;		
Account No. KK203 - - - - -		668.32
	\$	<u>1,112.02</u>
5% Commission - - - - -		175.00
	\$	<u>1,287.02</u>

The property was sold to William R. Wilson, III at and for the sum of Three Thousand Five Hundred Dollars (\$3,500.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located S/Grasonville, being designated on Map 58, Block 21, as Parcel 510, Queen Anne's County Tax Maps, consisting of a lot. Assessed value \$590.00, assessed to Virgie D. Johnson for \$13.04 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	13.04
Interest- - - - -		.71
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	<u>53.25</u>
Sewerage assessment plus interest, costs, and expenses to day of sale;		
Account No. KK0322- - - - -		207.26
	\$	<u>260.51</u>
5% Commission - - - - -		55.00
	\$	<u>315.51</u>

The property was sold to Charles Dorsey Wilson at and for the sum of One Thousand One Hundred Dollars (\$1,100.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located

on Gouldtown Road, Lot 10, being designated on Map 43, Block 15, as Parcel 66, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed value \$4,180.00, assessed to Harrison and Betty Smith for \$81.86 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	81.86
Interest- - - - -		4.31
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	<u>125.67</u>
5% Commission - - - - -		100.00
	\$	<u>225.67</u>

The property was sold to William R. Wilson, III at and for the sum of Two Thousand Dollars (\$2,000.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located S/E Grasonville, being designated on Map 58, Block 24, as Parcel 550, Queen Anne's County Tax Maps, consisting of 1 acre of land, more or less. Assessed value \$1,620.00, assessed to Samuel Wilkins Heirs for \$35.80 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	35.80
Interest- - - - -		1.90
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	<u>77.20</u>
Sewerage assessment plus interest, costs, and expenses to day of sale;		
Account No. KM0042- - - - -		246.59
	\$	<u>323.79</u>
5% Commission - - - - -		105.00
	\$	<u>428.79</u>

The property was sold to W. Arthur Tewes at and for the sum of Two Thousand One Hundred Dollars (\$2,100.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located East Neighborhood Road at Kent Narrows, being designated on Map 57, as Parcel 367, Queen Anne's County Tax Maps, consisting of a

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lot and improvements. Assessed to Darty and Fannie Price for \$343.23 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KH0044

Sewerage assessment - - - - -	\$	343.23
Advertising - - - - -		15.00
Attorney- - - - -		15.00
	\$	<u>373.23</u>
2% Commission - - - - -		6.86
	\$	<u>380.09</u>

The property was sold to Helen Gelof at and for the sum of One Thousand Dollars (\$1,000.00) she being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located Route 50 - Grasonville, being designated on Map 58, as Parcel 35, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed to Emily A. Willis for \$646.35 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KK0068.

Sewerage assessment - - - - -	\$	646.35
Advertising - - - - -		15.00
Attorney- - - - -		15.00
	\$	<u>676.35</u>
2% Commission - - - - -		12.92
	\$	<u>689.27</u>

The property was sold to William R. Wilson III at and for the sum of Seven Hundred Dollars (\$700.00) he being then and there the highest bidder thereof.

All that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located Route 18 near Marshy Creek Road, being designated on Map 58, as Parcel 95, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed to Lawrence M. and Joyce A. Horney for \$321.44 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KJ0118.

Sewerage assessment - - - - -	\$	321.44
Advertising - - - - -		15.00
Attorney- - - - -		15.00
	\$	<u>351.44</u>
2% Commission - - - - -		6.42
	\$	<u>357.86</u>

The property was sold to Melvin Brookshire at and for the

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sum of Four Hundred Dollars (\$400.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located N/side Route 18 - Grasonville, being designated on Map 58, as Parcel 358, Queen Anne's County Tax Maps, consisting of a lot and dwelling. Assessed to William and Joyce Washburn for \$291.19 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KK0013.

Sewerage assessment - - - - -	\$	291.19
Advertising - - - - -		15.00
Attorney- - - - -		15.00
		<u>15.00</u>
	\$	321.19
2% Commission - - - - -		5.82
	\$	<u>327.01</u>

The property was sold to Melvin Brookshire at and for the sum of Four Hundred Dollars (\$400.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located Route 18 near Station Lane, being designated on Map 58, as Parcel 260, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed to Martin D. and Karen A. Armin for \$164.30 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KK0100.

Sewerage assessment - - - - -	\$	164.30
Advertising - - - - -		15.00
Attorney- - - - -		15.00
		<u>15.00</u>
	\$	194.30
2% Commission - - - - -		3.28
	\$	<u>197.58</u>

The property was sold to William R. Wilson, III at and for the sum of Two Hundred Dollars (\$200.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located Melvin Avenue, being designated on Map 58, as Parcel 239, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed to Mary F. Anderson, et al. for \$154.98 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KK0164.

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Sewerage assessment - - - - -	\$	154.98
Advertising - - - - -		15.00
Attorney- - - - -		15.00
	\$	<u>184.98</u>
2% Commission - - - - -		4.07
	\$	<u>189.05</u>

The property was sold to Helen Gelof at and for the sum of Two Hundred Dollars (\$200.00) she being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located Maryland Route 18 - Grasonville, being designated on Map 58, as Parcel 517, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed to Wright F. and Jean B. Haddaway for \$269.47 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KK303.

Sewerage assessment - - - - -	\$	269.47
Advertising - - - - -		15.00
Attorney- - - - -		15.00
	\$	<u>299.47</u>
2% Commission - - - - -		5.38
	\$	<u>304.85</u>

The property was sold to Melvin Brookshire at and for the sum of Four Hundred Dollars (\$400.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located Chester River Beach, being designated on Map 58, as Parcel 568B, Lot 21 and 22, Queen Anne's County Tax Maps, consisting of a lot. Assessed to Norma Allen for \$210.25 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KLO071.

Sewerage assessment - - - - -	\$	210.25
Advertising - - - - -		15.00
Attorney- - - - -		15.00
	\$	<u>240.25</u>
2% Commission - - - - -		4.20
	\$	<u>244.45</u>

The property was sold to Raymond Chambers at and for the sum of Five Hundred Fifty Dollars (\$550.00) he being then and there the highest bidder thereof.

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ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located Cemetary Road, being designated on Map 58, as Parcel 208, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed to Archie Williams for \$332.81 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KM0037.

Sewerage assessment - - - - -	\$	332.81
Advertising - - - - -		15.00
Attorney- - - - -		15.00
		<u>15.00</u>
	\$	362.81
2% Commission - - - - -		6.65
	\$	<u>369.46</u>

The property was sold to Melvin Brookshire at and for the sum of Four Hundred Dollars (\$400.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located Sawmill Lane, being designated on Map 58, as Parcel 548, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed to Mildred G. Meredith et al. for \$457.61 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KM0044.

Sewerage assessment - - - - -	\$	457.61
Advertising - - - - -		15.00
Attorney- - - - -		15.00
		<u>15.00</u>
	\$	487.61
2% Commission - - - - -		9.15
	\$	<u>496.76</u>

The property was sold to W. E. Clevenger at and for the sum of Five Hundred Dollars (\$500.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located Sawmill Lane, being designated on Map 58, as Parcel 732, Lot 5, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed to Joseph Mealy for \$28.69 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KM0051.

Sewerage assessment - - - - -	\$	28.69
Advertising - - - - -		15.00
Attorney- - - - -		15.00
		<u>15.00</u>
	\$	58.69

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780 0877

17 405 757

2% Commission - - - - -	\$ 58.69
	<u>.57</u>
	\$ 59.26

The property was sold to Melvin Brookshire at and for the sum of Two Hundred Fifty Dollars (\$250.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located off Gibbs Road, being designated on Map 58, as Parcel 546, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed to Flora Carter for \$349.45 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KM 96.

Sewerage assessment - - - - -	\$ 349.45
Advertising - - - - -	15.00
Attorney- - - - -	<u>15.00</u>
	\$ 379.45
2% Commission - - - - -	<u>6.98</u>
	\$ 386.43

The property was sold to William R. Wilson, III at and for the sum of Four Hundred Dollars (\$400.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located Cemetary Lane, being designated on Map 58, as Parcel 378, Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed to Mary Q. Turner for \$378.62 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KM 103.

Sewerage assessment - - - - -	\$ 378.62
Advertising - - - - -	15.00
Attorney- - - - -	<u>15.00</u>
	\$ 408.62
2% Commission - - - - -	<u>7.57</u>
	\$ 416.19

The property was sold to William R. Wilson, III at and for the sum of Four Hundred Twenty Five Dollars (\$425.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Fifth Election District of Queen Anne's County, Maryland, located Cemetary Road, being designated on Map 58, as Parcel 48, Queen

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Queen Anne's County Tax Maps, consisting of a lot and improvements. Assessed to George and Virginia Fisher for \$68.93 sewerage assessment in arrears plus interest, costs, and expenses to day of sale. Account No. KM0138.

Sewerage assessment - - - - -	\$	68.93
Advertising - - - - -		15.00
Attorney- - - - -		15.00
	\$	98.93
2% Commission - - - - -		1.37
	\$	100.30

The property was sold to John L. Murdoch at and for the sum of One Hundred Seventy Five Dollars (\$175.00) he being then and there the highest bidder thereof.

SIXTH DISTRICT

ALL that lot or parcel of land lying and being in the Sixth Election District of Queen Anne's County, Maryland, located on Route 309 S/E Starr, being designated on Map 61, Block 12, as Parcel 70, Queen Anne's County Tax Maps, consisting of 1 acre of land, more or less. Assessed value \$220.00, assessed to Julian Allison, Trustee for \$4.86 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	4.86
Interest- - - - -		.24
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	44.60
5% Commission - - - - -		80.00
	\$	124.60

The property was sold to Helen Gelof at and for the sum of One Thousand Six Hundred Dollars (\$1,600.00) she being then and there the highest bidder thereof.

SEVENTH DISTRICT

ALL that lot or parcel of land lying and being in the Seventh Election District of Queen Anne's County, Maryland, located N/Sudlersville, being designated on Map 6, Block 11, as Parcel 159, Queen Anne's County Tax Maps, consisting of 9 acres of land, more or less and improvements. Assessed value \$26,720.00, assessed to Daniel L. and Jeanette Cole for \$590.51 taxes in arrears plus interest, costs, and expenses to day of sale.

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Taxes - - - - -	\$	590.51
Interest- - - - -		31.44
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	661.45
5% Commission - - - - -		50.00
	\$	711.45

The property was sold to William R. Wilson, III at and for the sum of One Thousand Dollars (\$1,000.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Seventh Election District of Queen Anne's County, Maryland, located N/E Chestertown - Royston Shores, designated on Map 4, as Parcel 75, Queen Anne's County Tax Maps, consisting of a lot. Assessed value \$5,160.00, assessed to J. Allen Delevett, Jr. for \$114.04 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	114.04
Interest- - - - -		6.06
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	159.60
5% Commission - - - - -		150.00
	\$	309.60

The property was sold to Raymond Chambers at and for the sum of Three Thousand Dollars (\$3,000.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Seventh Election District of Queen Anne's County, Maryland, located near Ewingtown, being designated on Map 11, Block 7, as Parcel 3, Queen Anne's County Tax Maps, consisting of 1 acre of land, more or less. Assessed value \$1,320.00, assessed to William H. and Marie A. Guy for \$29.17 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$	29.17
Interest- - - - -		1.53
Advertising - - - - -		15.00
Attorney- - - - -		15.00
Auctioneer- - - - -		7.50
Notary Public - - - - -		2.00
	\$	70.20

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788 0877

5% Commission - - - - -	\$ 70.20
	<u>65.00</u>
	\$ 135.20

The property was sold to Harry Reynolds at and for the sum of One Thousand Three Hundred Dollars (\$1,300.00) he being then and there the highest bidder thereof.

ALL that lot or parcel of land lying and being in the Seventh Election District of Queen Anne's County, Maryland, located S/Pondtown, being designated on Map 12, Block 1, as Parcel 196, Queen Anne's County Tax Maps, consisting of 1 acre of land, more or less and improvements. Assessed value \$3,000.00, to Emma Washington for \$66.30 taxes in arrears plus interest, costs, and expenses to day of sale.

Taxes - - - - -	\$ 66.30
Interest- - - - -	3.55
Advertising - - - - -	15.00
Attorney- - - - -	15.00
Auctioneer- - - - -	7.50
Notary Public - - - - -	<u>2.00</u>
	\$ 109.35
5% Commission - - - - -	<u>60.00</u>
	\$ 169.35

The property was sold to Helen Gelof at and for the sum of One Thousand Two Hundred Dollars (\$1,200.00) she being then and there the highest bidder thereof.

The Treasurer further reports that all purchasers have complied with the terms of sale.

Respectfully submitted,

William H. Tolson
 William H. Tolson, Treasurer of
 Queen Anne's County, Maryland

17 792

STATE OF MARYLAND)
) TO WIT:
QUEEN ANNE'S COUNTY)

I HEREBY CERTIFY, that on this 18th day of June, 1984, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared WILLIAM H. TOLSON, Treasurer for Queen Anne's County, and made oath in due form of law that the matters and facts set forth in the foregoing REPORT OF TAX SALES are true to the best of his knowledge, information and belief.

WITNESS my hand and Notarial Seal.

Patricia L. Meyers
Notary Public
My Commission Expires: July 1, 1986

THOMPSON & THOMPSON
ATTORNEYS AT LAW
CENTREVILLE, MARYLAND 21617
758-0877

IN THE MATTER OF THE TAX SALES *
 IN QUEEN ANNE'S COUNTY, MARYLAND, *
 FOR THE YEAR 1984, OF PROPERTIES *
 ASSESSED TO THE FOLLOWING: JOSEPH *
 E., III AND MARY KELLEY; RAYMOND *
 AND JEAN KRAUSER, ET AL.; LESTER C. *
 LEONARD; ALFRED J. MATHWICK; RONALD *
 A. MAYO; JOHN W. MCGINNIS, JR.; *
 CHARLES D. MORRILL; MARGARET S. *
 WILLIS; ROLAND AND JANET J. BAILEY; *
 EDGAR AND BEULAH DESHIELDS; LESTER *
 C. LEONARD, JR.; ANDREW AND VIRGINIA *
 BACHER; LEWIS E., SR. AND DIANA S. *
 BARNETT; GEORGE J. AND MARGARET C. *
 BENKERT; HOWARD L. AND MARY M. *
 BRINKLEY; JACKIE CURNUTT; JOHN *
 DALKOWSKI; PHILIP J. AND MARY E. *
 DAVIDSON; RUSSELL T. AND CATHLEEN V. *
 FERGUSON; FRED PRITT BLDG. CO., INC.; *
 M. TINA MARTIN; JOHN R. AND RUTH *
 CARTER; ROBERT PIERCE; LYNN M. HUFF; *
 WILLIAM E. SULLIVAN; ROBERT T. DAVIS; *
 CHARLES R. AND DARLENE PERKINS; *
 CHARLES R. BERNSTEIN; GEORGE DOBY; *
 JOHN F. HORNEY; CLYDE AND MARY *
 JENKINS; VIRGIE D. JOHNSON; HARRISON *
 AND BETTY SMITH; SAMUEL WILKINS HEIRS; *
 DARTY AND FANNIE PRICE; EMILY A. WILLIS; *
 LAWRENCE M. AND JOYCE A. HORNEY; WILLIAM *
 AND JOYCE WASHBURN; MARTIN D. AND DAREN *
 A ARMIN; MARY F. ANDERSON, ET AL.; *
 WRIGHT AND JEAN B. HADDAWAY; NORMA *
 ALLEN; ARCHIE WILLIAMS; MILDRED G. *
 MEREDITH, ET AL.; JOSEPH MEALY; FLORA *
 CARTER; MARY Q. TURNER; GEORGE AND *
 VIRGINIA FISHER; JULIAN ALLISON, *
 TRUSTEE; DANIEL L. AND JEANETTE COLE; *
 J. ALLEN DELEVETT, JR.; WILLIAM H. *
 AND MARIE A. GUY; EMMA WASHINGTON *

IN THE
 CIRCUIT COURT
 FOR
 QUEEN ANNE'S COUNTY
 IN EQUITY

NO. 7627

* * * * *

ORDERED, THIS 21st day of June, 1984, that the
 Tax Sale made and reported in this cause by William H. Tolson,
 Treasurer, for Queen Anne's County, State of Maryland, be ratified
 and confirmed on or after the 23rd day of July, 1984,
 unless cause to the contrary thereof be previously shown, provided

THOMPSON & THOMPSON
 ATTORNEYS AT LAW
 CENTREVILLE, MARYLAND 21617
 788 0877

a copy of this Order be inserted in some newspaper published in Queen Anne's County, State of Maryland, once a week for four successive weeks commencing on the 27th day of June, 1984, and ending on the 18th day of July, 1984.

AND the report states amount of sale to be \$160,100.00.

Clayton C. Carley

J U D G E

Filed: _____

JUL 21 1984
QUEEN ANNE'S COUNTY

Centreville, Md. 7/18 19 84

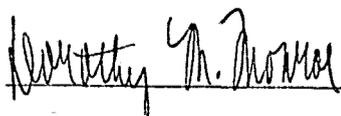
We Hereby Certify

That the annexed advertisement of
Tax sales in QAC

was published in the RECORD OBSERVER, a newspaper published in Queen Anne's County, Maryland, once in each of 4 successive weeks before the 23rd day of July 19 84.

And that the first insertion of said advertisement in the said RECORD OBSERVER/BAY TIMES was on the 27th day of June 19 84, and the last insertion on the 18th day of July 19 84.

Publishers, Record Observer

Per 

1984 JUL 23 PM 2:13

IN THE MATTER OF THE TAX SALES IN QUEEN ANNE'S COUNTY, MARYLAND, FOR THE YEAR 1984, OF PROPERTIES ASSESSED TO THE FOLLOWING: JOSEPH E., III AND MARY KELLEY; RAYMOND AND JEAN KRAUSER, ET AL.; LESTER C. LEONARD; ALFRED J. MATHWICK; RONALD A. MAYO; JOHN W. MCGINNIS, JR.; CHARLES D. MORRILL; MARGARET S. WILLIS; ROLAND AND JANET J. BAILEY; EDGAR AND BEULAH DESHIELDS; LESTER C. LEONARD, JR.; ANDREW AND VIRGINIA BACHER; LEWIS E., SR. AND DIANA S. BARNETT; GEORGE J. AND MARGARET C. BENKERT; HOWARD L. AND MARY M. BRINKLEY; JACKIE CURNUTT; JOHN DALKOWSKI; PHILIP J. AND MARY E. DAVIDSON; RUSSELL T. AND CATHLEEN V. FERGUSON; FRED PRITT BLDG. CO., INC.; M. TINA MARTIN; JOHN R. AND RUTH CARTER; ROBERT PIERCE; LYNN M. HUFF; WILLIAM E. SULLIVAN; ROBERT T. DAVIS; CHARLES R. AND DARLENE PERKINS; CHARLES R. BERNSTEIN; GEORGE DDBY; JOHN F. HORNEY; CLYDE AND MARY JENKINS; VIRGIE D. JOHNSON; HARRISON AND BETTY SMITH; SAMUEL WILKINS HEIRS; DARTY AND FANNIE PRICE; EMILY A. WILLIS; LAWRENCE M. AND JOYCE A. HORNEY; WILLIAM AND JOYCE WASHBURN; MARTIN D. AND DAREN A. ARMIN; MARY F. ANDERSON; ET AL.; WRIGHT AND JEAN B. HADDAWAY; NORMA ALLEN; ARCHIE WILLIAMS; MILDRED G. MEREDITH; ET AL.; JOSEPH MEALY; FLORA CARTER; MARY O. TURNER; GEORGE AND VIRGINIA FISHER; JULIAN ALLISON, TRUSTEE; DANIEL L. AND JEANETTE COLE; J. ALLEN DELEVETT, JR.; WILLIAM H. AND MARIE A. GUY; EMMA WASHINGTON

IN THE CIRCUIT COURT FOR
QUEEN ANNE'S COUNTY
IN EQUITY
NO. 7627

ORDERED, THIS 21st day of June, 1984, that the Tax Sale made and reported in this cause by William H. Tolson, Treasurer, for Queen Anne's County, State of Maryland, be ratified and confirmed on or after the 23rd day of July, 1984, unless cause to the contrary thereof be previously shown, provided a copy of this order be inserted in some newspaper published in Queen Anne's County, State of Maryland, once a week for four successive weeks commencing on the 27th day of June, 1984, and ending on the 18th day of July, 1984.

AND the report states amount of sale to be \$160,100.00.

Clayton C. Carter
JUDGE

True Copy, Test:

Marguerite W. Mankin, Clerk

Filed: June 21, 1984

RB-6-27-4t-057

17 PAGE 745

IN THE MATTER OF THE TAX SALES *
 IN QUEEN ANNE'S COUNTY, MARYLAND, *
 FOR THE YEAR 1984, OF PROPERTIES *
 ASSESSED TO THE FOLLOWING: JOSEPH *
 E., III AND MARY KELLEY; RAYMOND *
 AND JEAN KRAUSER, ET AL.; LESTER C. *
 LEONARD; ALFRED J. MATHWICK; RONALD *
 A. MAYO; JOHN W. MCGINNIS, JR.; *
 CHARLES D. MORRILL; MARGARET S. *
 WILLIS; ROLAND AND JANET J. BAILEY; *
 EDGAR AND BEULAH DESHIELDS; LESTER *
 C. LEONARD, JR.; ANDREW AND VIRGINIA *
 BACHER; LEWIS E., SR. AND DIANA S. *
 BARNETT; GEORGE J. AND MARGARET C. *
 BENKERT; HOWARD L. AND MARY M. *
 BRINKLEY; JACKIE CURNUTT; JOHN *
 DALKOWSKI; PHILIP J. AND MARY E. *
 DAVIDSON; RUSSELL T. AND CATHLEEN V. *
 FERGUSON; FRED PRITT BLDG. CO., INC.; *
 M. TINA MARTIN; JOHN R. AND RUTH *
 CARTER; ROBERT PIERCE; LYNN M. HUFF; *
 WILLIAM E. SULLIVAN; ROBERT T. DAVIS; *
 CHARLES R. AND DARLENE PERKINS; *
 CHARLES R. BERNSTEIN; GEORGE DOBY; *
 JOHN F. HORNEY; CLYDE AND MARY *
 JENKINS; VIRGIE D. JOHNSON; HARRISON *
 AND BETTY SMITH; SAMUEL WILKINS HEIRS; *
 DARTY AND FANNIE PRICE; EMILY A. WILLIS; *
 LAWRENCE M. AND JOYCE A. HORNEY; WILLIAM *
 AND JOYCE WASHBURN; MARTIN D. AND KAREN *
 A. ARMIN; MARY F. ANDERSON, ET AL.; *
 WRIGHT AND JEAN B. HADDAWAY; NORMA *
 ALLEN; ARCHIE WILLIAMS; MILDRED G. *
 MEREDITH, ET AL.; JOSEPH MEALY; FLORA *
 CARTER; MARY Q. TURNER; GEORGE AND *
 VIRGINIA FISHER; JULIAN ALLISON, *
 TRUSTEE; DANIEL L. AND JEANETTE COLE; *
 J. ALLEN DELEVETT, JR.; WILLIAM H. *
 AND MARIE A. GUY; EMMA WASHINGTON; *

IN THE
 CIRCUIT COURT
 FOR
 QUEEN ANNE'S COUNTY
 IN EQUITY

NO. 7627

* * * * *

ORDERED, this 25th day of July, 1984, by the
 Circuit Court for Queen Anne's County, in Equity, and by the
 authority of said Court, that the following tax sales on the 15th

THOMPSON & THOMPSON
 ATTORNEYS AT LAW
 CENTREVILLE, MARYLAND 21617
 788 0677

day of May, 1984, of the properties therein described in said Report of Sales as assessed to the following parties and in the following Election Districts of Queen Anne's County, as follows, to wit:

Joseph E., III and Mary Kelley	- First Election District
Raymond and Jean Krauser, et al.	- First Election District
Lester C. Leonard	- First Election District
Alfred J. Mathwick	- Second Election District
Ronald A. Mayo	- Second Election District
John W. McGinnie, Jr.	- Second Election District
Charles D. Morrill	- Second Election District
Margaret S. Willis	- Second Election District
Roland and Janet J. Bailey	- Third Election District
Edgar and Beulah Deshields	- Third Election District
Lester C. Leonard, Jr.	- Third Election District
Lester C. Leonard, Jr.	- Third Election District
Lester C. Leonard, Jr.	- Third Election District
Lester C. Leonard, Jr.	- Third Election District
Lester C. Leonard, Jr.	- Third Election District
Lester C. Leonard, Jr.	- Third Election District
Lester C. Leonard, Jr.	- Third Election District
Lester C. Leonard, Jr.	- Third Election District
Lester C. Leonard, Jr.	- Third Election District
Andrew and Virginia Bacher	- Fourth Election District
Lewis E., Sr. and Diana S. Barnett	- Fourth Election District
George J. and Margaret C. Benkert	- Fourth Election District
George J. and Margaret C. Benkert	- Fourth Election District
Howard L. and Mary M. Brinkley	- Fourth Election District
Jackie Curnutt	- Fourth Election District
John Dalkowski	- Fourth Election District
Philip J. and Mary E. Davidson	- Fourth Election District
Russell T. and Cathleen V. Ferguson	- Fourth Election District
Fred Pritt Bldg. Co., Inc.	- Fourth Election District
Lester C. Leonard J	- Fourth Election District
M. Tina Martin	- Fourth Election District
John R. and Ruth Carter	- Fourth Election District
Robert Pierce	- Fourth Election District
Lynn M. Huff	- Fourth Election District
William E. Sullivan	- Fourth Election District
Robert T. Davis	- Fourth Election District
Charles R. and Darlene Perkins	- Fourth Election District
Charles R. Bernstein	- Fifth Election District
George Doby	- Fifth Election District
John F. Horney	- Fifth Election District
Clyde and Mary Jenkins	- Fifth Election District
Virgie D. Johnson	- Fifth Election District
Harrison and Betty Smith	- Fifth Election District
Samuel Wilkins Heirs	- Fifth Election District
Darty and Fannie Price	- Fifth Election District
Emily A. Willis	- Fifth Election District
Lawrence M. and Joyce A. Horney	- Fifth Election District
William and Joyce Washburn	- Fifth Election District

Martin D. and Karen A. Armin	- Fifth Election District
Mary F. Anderson, et al.	- Fifth Election District
Wright and Jean B. Haddaway	- Fifth Election District
Norma Allen	- Fifth Election District
Archie Williams	- Fifth Election District
Mildred G. Meredith, et al.	- Fifth Election District
Joseph Mealy	- Fifth Election District
Flora Carter	- Fifth Election District
Mary Q. Turner	- Fifth Election District
George and Virginia Fisher	- Fifth Election District
Julian Allison, Trustee	- Sixth Election District
Daniel L. and Jeanette Cole	- Seventh Election District
J. Allen Delevett, Jr.	- Seventh Election District
William H. and Marie A. Guy	- Seventh Election District
Emma Washington	- Seventh Election District

Reported sold in these proceedings on account of taxes in arrears BE AND THE SAME ARE HEREBY FINALLY RATIFIED AND CONFIRMED, no cause to the contrary thereof having been shown, although notice appears to have been given as provided by the Order Nisi passed in these proceedings on the 21st day of June, 1984, a Certificate of Publication of said ORDER NISI being filed in this cause showing publication thereof in accordance with said ORDER.

Clayton C. Carter

 J U D G E

1984 JUL 25 PM 2:38

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND

In the Matter of the Deed of Trust *
from: *

Francis Gray and Inez Gray *

Equity No. 7286

To: *

Donald E. Sinrod and
Steven H. Hofberg *

Substitute Trustees *

JAN -5-83 * 23555 *****61 00
JAN -5-83 A 23555 *****61 00

ORDER TO DOCKET

Mr. Clerk:

Please docket the above-captioned suit, enter the appearance of GOLDBERG & SINROD as attorneys for the Trustees and accept for filing the following documents enclosed herewith:

1. Original (or certified copy of) Deed of Trust filed among the land records of this County in Liber 156 , Folio 517 .
2. Statement of Debt Due and Payable.
3. Deed of Appointment substituting Trustees.

LAW OFFICES GOLDBERG & SINROD

GOLDBERG & SINROD

Mark A. Winkler

Mark A. Winkler
11300 Rockville Pike
Suite Twelve North
Rockville, Maryland 20852
Attorneys for Trustees

RECEIVED
CLERK. CIRCUIT COURT
1983 JAN -5 PM 12:43
QUEEN ANNE'S COUNTY

GSF-27

DOCUMENT NO. 700-099/17/79

DEED OF TRUST

THIS DEED OF TRUST is made this 23rd day of October, 1979, between FRANCIS GRAY and INEZ P. GRAY, his wife ("Grantor"), and W. TAYLOR BROWN and ROBERT L. WEINBERG ("Trustees"), as Trustees.

WHEREAS, Grantor has borrowed from Security Finance Group the full sum of Eighty-Three Thousand Dollars (\$83,000.00) for which amount Grantor has made and issued its certain three Promissory Notes bearing even date herewith (collectively the "Note"), the holder of said Note or its assigns being hereinafter sometimes referred to as "Beneficiary"; and Grantor desires to secure the full and punctual payment of said indebtedness and interest thereon according to the terms of the Note.

NOW, THEREFORE, WITNESSETH, that the Grantor, in consideration of the premises and the sum of One Dollar (\$1.00) lawful money of the United States of America, to it in hand paid, the receipt of which is hereby acknowledged, has granted, bargained, sold, and conveyed, and by these presents does grant, bargain, sell and convey unto said Trustees, their survivors or survivor of them and their or his successors or successor in trust, in fee simple, all that parcel of land situate in Queen Anne's County, Maryland, and described more particularly on Exhibit A attached hereto and made a part hereof.

TOGETHER with all and singular the tenements, hereditaments, easements, rights of way and appurtenances thereunto belonging or in anywise appertaining, and the reversion or reversions, remainder and remainders, rents, issues and profits thereof, and also all the estate, right, title interest, property, claim and demand whatsoever of Grantor in and to the same of, in and to every

W. Taylor Brown, Esq.
Robert L. Green
19th Floor
15 Light Street
Baltimore, Md. 21202

Page 158 PAGE 517

RECEIVED
CLERK, CIRCUIT COURT
1979 JAN 24 12:47 PM
QUEEN ANNE'S COUNTY

W. Taylor Brown, Esq.
Robert L. Green

part and parcel thereof, including, but not limited to, all trees and timber resources located on said premises.

TOGETHER with all improvements, machinery, and fixtures and with any and all awards or payments, including interest thereon, and the right to receive the same, which may be made with respect to the property as a result of the exercise of the right of eminent domain.

TO HAVE AND TO HOLD the above granted and described premises, with all of the property, appurtenances and improvements unto the Trustees, their survivors or any other successor or successors in trust, in fee simple, forever; subject to

PROVIDED, ALWAYS, and these presents are executed upon this express condition, that if Grantor and its successors or assigns, shall well and truly pay unto Beneficiary the sum of money mentioned in the Note and interest thereon, as set forth in the Note, and shall comply with each and every covenant and condition set forth herein or in the Note, then these presents and the estate hereby granted shall be void; provided further, that until the occurrence of an event which gives Beneficiary the option to cause the entire indebtedness then secured by this Deed of Trust to become due and payable, Grantor shall have the right to possess and enjoy the premises and to receive the rents, issues and profits thereof.

GRANTOR covenants and agrees as follows:

1. That Grantor will pay the said sum of money mentioned in the Note and the interest, at the time and in the manner mentioned in the Note.

2. (a) That Grantor will keep the buildings on the premises insured for the benefit of Beneficiary against loss or damage by fire and other casualty in such amounts as are from time

to time required by the Beneficiary; that such insurance shall be in form and companies approved by Beneficiary; that Grantor will immediately notify Beneficiary of any cancellation of or change in any insurance policy; Grantor will assign and deliver to Beneficiary all policies of insurance or certificates thereof which insure against any loss or damage to the premises with loss payable to Beneficiary, as its interest may appear, pursuant to a standard mortgagee clause, without contribution, satisfactory to Beneficiary; that if Grantor defaults in so insuring the premises or in so assigning and delivering the policies, Beneficiary may, at the option of Beneficiary, effect such insurance from year to year and pay the premiums therefor, and Grantor will reimburse Beneficiary for any premiums so paid, with interest at a rate 1% in excess of the then current interest rate provided for in the Note, on demand, and the same shall be secured by this Deed of Trust; that all sums payable under such policy or policies shall be paid over promptly to the Beneficiary and applied on the indebtedness secured hereby;

(b) that not less than ten (10) days prior to the expiration dates of each policy required of Grantor pursuant to this Article, Grantor will deliver to Beneficiary a renewal policy or policies marked "premium paid" or accompanied by other evidence of payment satisfactory to Beneficiary; and (c) that in event of a foreclosure of this Deed of Trust, Beneficiary shall succeed to all the rights of Grantor, including any right to unearned premiums, and in and to all policies of insurance assigned and delivered to Beneficiary pursuant to the provisions of this Article.

3. That no building or other property now or hereafter covered by the lien of this Deed of Trust shall be removed, demolished or materially altered, and no timber cutting operations shall be commenced, without the prior written consent of Beneficiary.

4. That upon the occurrence of any one or more of the following "events of default" the whole of the principal sum and the accrued and unpaid interest thereon shall become due at the option of the Beneficiary: (a) after default in the payment of any installment of principal or interest secured hereby; or (b) after default in the payment of any tax, ground rent, water rent, metropolitan charge, or assessment for ten (10) days after notice and demand; or (c) after default and or failure to keep or perform any covenant contained in this Deed of Trust, the Note or any instrument given to beneficiary to further secure or guaranty the payment of the indebtedness of Grantor to Beneficiary; or (d) after default upon request in furnishing a statement of the amount due on the Note and whether any offsets or defenses exist against the debt secured hereby as hereinafter provided; or (e) upon the actual or threatened waste, removal or demolition of, or material alteration to, any part of the premises; or (f) if the Grantor shall (i) apply for, or consent in writing to, the appointment of a receiver, trustee or liquidator of the Grantor or of the trust property or of all or substantially all of the Grantor's other assets, or (ii) file a voluntary petition in bankruptcy or admit in writing its inability to pay its debts as they become due, or (iii) make a general assignment for the benefit of creditors, or (iv) file a petition or an answer seeking a reorganization (other than a reorganization not involving the liabilities of the Grantor) or an arrangement with creditors or take advantage of any insolvency law, or (v) file an answer admitting the material allegations of a petition filed against the Grantor in any bankruptcy, reorganization or insolvency proceeding, or (vi) be dissolved as a result of any adversary suit or proceeding; or (g) if any execution or attachment shall be levied against the trust property or any part thereof, and such execution

or attachment shall not be set aside, discharged or stayed within thirty (30) days after the same shall have been levied; or (h) upon assignment by Grantor of the whole or any part of the rents, income and profits arising from the premises without written consent of Beneficiary; or (i) upon the transfer by Grantor of any or all of the real property that is the subject hereof; or (j) upon the encumbrance by Grantor by an instrument creating a lien junior to this Deed of Trust, of any or all of the premises which is the subject hereof; or (k) upon the placing or filing of a lien or similar encumbrance against any or all of the real property which is the subject hereof; or (l) upon occurrence of any default in any senior lien or encumbrance on the property covered by this Deed of Trust.

5. That in the event of any default in the performance of any of Grantor's covenants or agreements herein, Beneficiary may, at the option of Beneficiary, perform the same and the cost thereof, with interest at a rate 1% in excess of the then current interest rate provided in the Note, shall immediately be due from Grantor to Beneficiary and shall be secured by this Deed of Trust.

6. That Trustees or Beneficiary, in any action to foreclose this Deed of Trust, or upon the actual or threatened waste of any part of the premises or upon default in the observance or performance of any covenant or agreement of Grantor hereunder, shall be at liberty to apply for the appointment of a receiver of the rents and profits of the premises without notice, and shall be entitled to the appointment of such a receiver as a matter of right, without consideration of the value of the premises, as the Trustees or Beneficiary may desire.

7. That Grantor, upon request, made either personally or by mail, shall certify, by a writing duly acknowledged to Bene-

fiary or to any proposed assignee of the Note, the amount of principal and interest then owing on the Note and whether any offsets or defenses exist against the debt secured hereby, within five (5) days in case the request is made personally, or within ten (10) days after the mailing of such request in case the request is made by mail.

8. That every provision for notice and demand or request shall be deemed fulfilled by written notice and demand or request personally served on the Grantor, its successors or assigns, or mailed by depositing it in any post office station or letter box, enclosed in a postpaid envelope addressed to Grantor, its successors or assigns, at its address last known to Beneficiary.

9. That Grantor, at the times as hereinbefore provided, will pay all taxes, metropolitan charges, assessments, water rents, sewer rents and other charges and any prior liens now or thereafter assessed or liens on or levied against the premises or any part thereof, and in case of default in the payment thereof when the same shall be due and payable, it shall be lawful for Beneficiary, without notice or demand to Grantor, to pay the same or any of them; that the monies paid by the Beneficiary in discharge of taxes, assessments, water rents, sewer rents and other charges and prior liens shall be secured by this Deed of Trust and payable on demand with interest at a rate 1% in excess of the then current interest rate provided in the Note from the time of payment of the same; and that upon request of Beneficiary, Grantor will exhibit to Beneficiary receipts for the payment of all items specified in this Article prior to the date when the same shall become delinquent.

10. That Grantor warrants generally the title to the premises and will execute such further assurances as may be requisite.

11. That Grantor warrants and stipulates that the loan hereby secured is transacted solely for the purpose of carrying on or acquiring a business or commercial investment within the meaning of Title 12 of The Commercial Law Article of the Annotated Code of Maryland.

12. That Grantor hereby (i) assents to the passage of a decree by the equity court having jurisdiction for the sale of its interest in the premises, and (ii) authorizes and empowers, upon the maturity of the indebtedness as herein provided, the Trustees to sell its interest in the premises, in accordance with the law of the State of Maryland.

13. That if Beneficiary or Trustees shall incur or expend any sums, including reasonable attorney's fees, whether in connection with any action or proceeding or not, to sustain the lien of this Deed of Trust or its priority, or to protect or enforce any of its rights hereunder, or to recover any indebtedness hereby secured, or for any title examination or title insurance policy relating to the title to the premises, all such sums shall on notice and demand be paid by Grantor, together with the interest thereon at a rate 1% in excess of the then current interest rate provided in the Note, and shall be secured by this Deed of Trust.

14. That notwithstanding any taking by eminent domain, alteration of the premises by any public or quasi-public authority or corporation, Grantor shall continue to pay interest on the entire principal sum secured until any such award or payment shall have actually been received by Beneficiary and any reduction in the principal sum resulting from the application by Beneficiary of such award or payment as hereinafter set forth shall be deemed to take effect only on the date of such receipt; that said award or payment,

shall be retained and applied by Beneficiary toward payment of the monies secured by this Deed of Trust.

15. That Beneficiary and any person authorized by Beneficiary shall have the right to enter and inspect the premises at all reasonable times.

16. That Grantor, as landlord, will carry out all of its covenants and agreements under leases which it has executed or may execute in connection with the premises. Beneficiary shall have the right to approve all leases of the premises which the Grantor may execute after the date of this Deed of Trust. At any time within thirty (30) days after notice and demand by Beneficiary, Grantor will deliver to Beneficiary, but not more frequently than once in every twelve month period, a statement in such reasonable detail as Beneficiary may request, certified by Grantor, of all of the leases relating to the premises, and, on demand, Grantor will furnish to Beneficiary executed counterparts of any such leases.

17. That Grantor will not assign the whole or any part of the rents, income or profits arising from the premises and any assignment thereof shall be null and void; that in the event of any default in this Deed of Trust or the Note, it shall be lawful for Beneficiary to enter upon and take possession of the premises without or with the appointment of a receiver, or an application therefor, and to let the same, either in its own name, or in the name of Grantor, and to receive the rents, issues and profits of the premises and to apply the same, after the payment of all necessary charges and expenses, on account of the amount hereby secured; that said rents and profits are hereby assigned to Beneficiary.

18. That Beneficiary shall have the right from time to time to enforce any legal or equitable remedy against Grantor and to sue the Grantor for any sums without regard to whether or not the

principal sum secured or any other sums evidenced by the Note and secured by this Deed of Trust shall be due, and without prejudice to the right of Beneficiary thereafter to enforce any appropriate remedy against Grantor including an action of foreclosure, or any other action, for a default or defaults by Grantor existing at the time such earlier action was commenced.

19. That any failure by Beneficiary to insist upon the strict performance of any of the terms and provisions hereof shall not be deemed to be a waiver of any of the terms and provisions hereof, and Beneficiary, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance of any and all of the terms and provisions of this Deed of Trust; that neither Grantor nor any other person now or hereafter obligated for the payment of the whole or any part of the sums now or hereafter secured by this Deed of Trust shall be relieved of such obligation by reason of the failure of Beneficiary to comply with any request of Grantor or of any other person so obligated to take action to foreclose this Deed of Trust or otherwise enforce any of the provisions of this Deed of Trust or of any obligations secured by this Deed of Trust.

20. That if at the maturity of the indebtedness or upon the occurrence of an event of default pursuant to the provisions of Article 4 hereof, default should be made in the payment of the indebtedness, Trustees shall thereupon or at any time thereafter at the request of the Beneficiary declare all the debts and obligations secured hereby to be at once due and payable and take possession of the premises or and shall make sale of the premises, at public auction, at such time or times, at such place or places, and upon such terms and conditions and after such previous public notice as Trustees shall deem appropriate; that (the terms of sale being

complied with) Trustees shall convey to and at the cost of the purchaser the interest of the Grantor in the premises so sold, free and discharged of and from all estate, right, title or interest of Grantor, at law or in equity; that upon any sale of the interest of Grantor in the premises under this Deed of Trust the proceeds of sale shall be applied to (i) all expenses of sale, including reasonable counsel fees and a commission to the party making the sale equal to the commission allowed trustees for making sales of property under decrees of the equity court having jurisdiction, and also all taxes and assessments and prior liens thereon due which Trustees or Beneficiary deem it advisable or expedient to pay and all sums advanced as herein provided for with interest thereon (ii) to the payment of the aggregate indebtedness then secured hereby and interest thereon to the date of payment and (iii) the surplus, if any, to Grantor or any person entitled thereto upon the surrender and delivery to the purchaser of possession of the premises as aforesaid sold and conveyed less the expense, if any, of obtaining possession thereof; and that immediately upon the first insertion of any advertisement or notice of sale, there shall be and become due and owing by Grantor all expenses incident to any foreclosure proceedings under this Deed of Trust and a commission on the total amount of the indebtedness, principal and interest, equal to one-half the percentage allowed as commission to trustees making sale under orders or decrees of the equity court having jurisdiction, and no party shall be required to receive only the aggregate indebtedness then secured hereby with interest thereon to the date of payment unless the same be accompanied by a tender of the said expenses, costs and commission.

21. That the rights, powers, privileges and discretions arising under the clauses and covenants contained in this Deed of

Trust shall be separate, distinct and cumulative and none of them shall be in exclusion of the others; that no act of Beneficiary shall be construed as an election to proceed under any one provision herein to the exclusion of any other provisions, anything herein or otherwise to the contrary notwithstanding.

22. That Beneficiary shall have, and is hereby granted by Grantor with warranty or further assurances, the irrevocable power to appoint a substitute Trustee or Trustees hereunder, to be exercised at any time hereafter without notice and without specifying any reason therefor, by filing for record in the office where this instrument is recorded a Deed of Appointment and the exercise of said power of appointment, no matter how often, shall not be an exhaustion thereof; that, upon the recordation of such Deed or Deeds of Appointment, the Trustee or Trustees so appointed shall thereupon, without any further act or deed of conveyance, become fully vested with identically the same title and estate in and to the premises and with all rights, powers, trusts and duties of their, his or its predecessor in the trust hereunder with like effect as if originally named as Trustee or as one of the Trustees hereunder.

23. In the event of foreclosure hereof, any leases of the premises subordinate or junior (either by the date thereof or by the express terms thereof) to this Deed of Trust shall, at the option of the Beneficiary, continue in full force and effect and the tenant thereunder will, upon request, attorn to and acknowledge the foreclosure purchaser or purchasers at such sale as landlords thereunder.

24. That wherever used in this Deed of Trust, unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, the words "Deed of Trust" shall mean this Deed of Trust and any supplement or supplements hereto, the word "Grantor" shall mean "Grantor and any subsequent owner or

owners of the Grantor's interest in the premises", the word "Beneficiary" shall mean "Beneficiary or any subsequent holder or holders of the Note secured by this Deed of Trust", the word "Note" shall mean "Note or bond secured by this Deed of Trust", the word "person" shall mean "an individual, corporation, partnership or unincorporated association", the word "premises" shall include the real estate hereinbefore described, together with all improvements, easements, equipment, condemnation awards and any other rights or property interests at any time made subject to the lien of this Deed of Trust by the terms hereof, and pronouns of any gender shall include the other genders, and either the singular or plural shall include the other.

25. That this Deed of Trust cannot be changed except by an agreement in writing, signed by the party against whom enforcement of the change is sought.

WITNESS the signature and seal of Grantor the day and year first above written.

WITNESS:

Robert A. Thaxter Jr

Francis Gray (SEAL)
Francis Gray

Robert A. Thaxter Jr

Inez P. Gray (SEAL)
Inez P. Gray

GRANTOR

STATE OF MARYLAND)
OF) to wit:
)

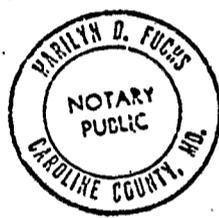
I HEREBY CERTIFY that on this 23rd day of October, 1979, before me, the undersigned Notary Public of said State, personally appeared FRANCIS GRAY and INEZ P. GRAY, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within instrument, and executed the foregoing instrument for the purposes therein contained.

WITNESS my hand and Notarial Seal.

Marilyn D. Fuchs
Notary Public

My Commission expires: ..

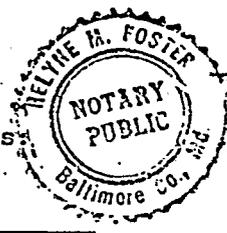
7/1/82



STATE OF MARYLAND)
County of Belto.) to wit:

I HEREBY CERTIFY, that on this 18th day of October, 1979, before me, the undersigned Notary Public of said State, personally appeared W. TAYLOR BRIDON, who made oath in due form of law that he is the agent of Security Finance Group, the party secured by the foregoing instrument, and that the consideration set forth in the foregoing instrument is true and bona fide as therein set forth and also made oath that he is the agent of the party secured and is duly authorized to make this affidavit; and that the proceeds of the loan secured by said instrument were disbursed to the borrower or its agent or the party responsible for disbursement of the proceeds at settlement or his agent prior to the final and complete execution of this instrument.

WITNESS my hand and Notarial Seal.



Melvin H. Foster
Notary Public

My Commission Expires

2/1/82

OCT 26-79 * 24980 ****350.00
OCT 26-79 A 24980 ****350.00

THE UNDERSIGNED, a member in good standing of the Bar of the Court of Appeals of Maryland, hereby certifies that the within instrument was prepared by him.

CLEARING HOUSE
1979 OCT 26 PM 2:50

W. Taylor Bridon

I certify that recordation tax on the entire \$83,000.00 was paid in Caroline County. Tax on \$60,000.00 was paid on the deed; tax on \$23,000.00 was paid on the Deed of Trust.

Robert A. Thornton, Jr.
Robert A. Thornton, Jr.
Attorney-at-Law

17 MS 764

EXHIBIT A

Lot No. 1. All that lot of land beginning for the same at a point on the Queenstown Road to Carmichael Road and in the Southeast corner of said lot, said point of beginning being a corner for the land known as "The Joseph Price Land", and running thence with this last named land North 31-1/2 degrees East, 10 perches to a corner for Lot No. 2 described below; thence with Lot No. 2 described below North 50 degrees West 8.10 perches to a point, a corner for said Lot No. 2 and the northeast corner of the land of Margaret Green; thence South 31 degrees West 10 perches to a point on said road; thence South 50 degrees East 8.10 perches to beginning; containing one-half (1/2) of an acre and 3 square perches of land, more or less; and

Lot No. 2. All that lot of land beginning for the same at a point at the end of the first line of the lot of land described above as Lot No. 1, and running thence with the second line of Lot No. 1 described above North 50 degrees West 8.72 perches to a point; thence North 31-1/2 degrees East 9.28 perches; thence South 50 degrees East 8.72 perches, thence South 31-1/2 degrees West 9.28 perches, to the place of beginning; containing 1/2 acre and 3 square perches of land, more or less.

BEING the same and all of the land which was granted and conveyed to Lillian C. Radway and George H. Radway, her husband, by deed dated November 15, 1957, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 38, folio 88.

ALL that lot or parcel of land known as "The Mary Elizabeth Griffin Property", situate, lying and being in the Fifth Election District of Queen Anne's County, State of Maryland, on the left hand side of the public road leading from Queenstown to Carmichael, bounded on the northwest by said public road, on the northeast by land of or formerly of Luvinia Hutchins, on the southeast by the lands of or formerly of Estella L. Johnson, and on the southwest by the lands formerly of Irving Hazelton, containing 1 acre, 3 rods and 5 square perches of land, more or less.

BEING a part of the same land described as Parcel No. 1 in the deed dated October 21, 1919, from David B. Stewart, et. al., to Mary Elizabeth Griffin and recorded among the land records of said Queen Anne's County in Liber J.F.R. No. 7, folio 316. The said Mary Elizabeth Griffin having departed this life on March 25, 1968, leaving the said Ethel H. Green, Cameron S. Hutchins, Clifford H. Hutchins, and James H. Wilson, her children, as her only heirs at law.

TOGETHER with the buildings and improvements thereupon erected, made or being, and all and every the rights, roads, ways, waters, privileges, appurtenances and advantages to the same belonging or in any way appertaining.

The hereinabove described land is being encumbered as additional security for the same loan described in a Deed of Trust of same date, recorded in the Mortgage Records of Caroline County, Maryland, on October 23, 1979.

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken
and copied from Liber MM 156, folio 517, a Land
Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto
subscribe my name and affix the
Seal of the Circuit Court for
Queen Anne's County, this 5th
day of January 1983.

Marguerite W. Mankin
Marguerite W. Mankin, Clerk of
Circuit Court for Queen Anne's County

17 JAN 763

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND

In the Matter of the Deed of Trust *
from: *

Francis Gray and Inez Gray *

Equity No. 7286

To: *

Donald E. Sinrod and
Steven H. Hofberg *

Substitute Trustees *

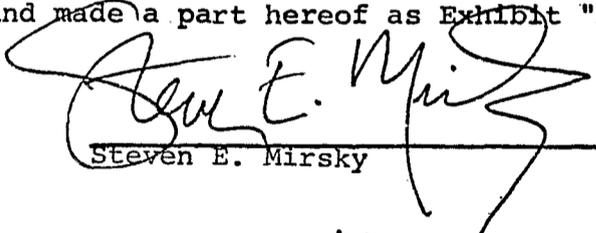
STATEMENT OF MORTGAGE DEBT REMAINING DUE AND PAYABLE

State of Maryland

County of Montgomery

Steven E. Mirsky, being first duly sworn, deposes and
says:

1. That he is the attorney for Security Finance Group, the Noteholder, and is duly authorized to make this Affidavit.
2. That the above-named Grantor, by certain Deed of Trust Notes dated 10/23/79, secured by a Deed of Trust of even date, promised to pay to the order of the Noteholder the sum of \$ 83,000.00 with interest thereon at the rate of 16.5% per annum; said interest payable monthly and said principal payable in full at maturity.
3. That the Note is presently in default, and the holder desires to institute foreclosure proceedings.
4. That the Note is now owned by the above named Noteholder.
5. That the balance due on the Note is as appears on the Itemization attached hereto and made a part hereof as Exhibit "A".


Steven E. Mirsky

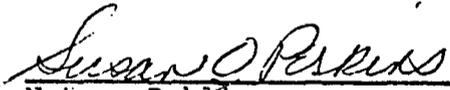
Subscribed and Sworn to before me this 4th day of

January, 1983.

CLERK, CIRCUIT COURT

1983 JAN -5 PM 12:43

QUEEN ANNE'S COUNTY


Notary Public

My commission expires: 7.1.86

LAW OFFICES GOLDBERG & SINROD

(Exhibit A)

Itemization of Debt
Due and Payable

Principal Amount originally due	\$83,000.00
Interest at 11.5% through date of foreclosure on collateral security in Denton, Md. - October 29, 1982 (1/23/82 to 10/29/82)	10,537.53
Late Charge (2/82-9/82 at 57.06 per mo.)	456.48
Acceleration Charge	50.00
Expenses of Foreclosure:	
Attorney's Fees	750.00
Trustees' Fees (5% first 50K, 1% excess)	2,830.00
Advertising	239.40
Auctioneer's Fee	100.00
Filing Fee	60.00
Certified copies of deeds	24.00
Bond	400.00
Title Update	40.00
Messenger costs (to file)	32.50
Notice Postage	5.00
Total Debt Due at first foreclosure - 10/29/82	\$98,524.91
Less - credits:	
Payment on account	- 250.00
Sales price of Denton property credited	<u>-60,000.00</u>
Total Principal Deficiency as of first foreclosure	\$38,274.91
Interest at 16.5% from 10/29/82 to 12/29/82	<u>1,052.56</u>
Total Debt Due and Payable as of 12/29/82 (excluding <u>current</u> foreclosure charges)	\$39,327.47

Interest will continue to accrue at these rates:

\$526.28 per month (\$17.54 per day)

LAW OFFICES GOLDBERG & SINROD

DEED OF APPOINTMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, by a certain Deed of Trust dated October 23, 1979 and recorded October 25, 1979, in Liber 156, Folio 517 among the Land Records of Queen Anne's County, Francis Gray and Inez P. Gray did convey to W. Taylor Brown and Robert L. Weinberg, as Trustees the ~~following described~~ real property situate in the aforesaid county and more particularly described in the Deed of Trust referred above,

~~the~~ to secure repayment of an indebtedness evidenced by ~~the~~ certain Promissory Notes in the principal sum of \$83,000.00,

of even date therewith, executed by the said Francis and Inez Gray, and payable to the order of Security Finance Group, predecessor in interest to Security Finance Group, Inc., and;

WHEREAS, said Deed of Trust provides that the holder of the Note secured by the Deed of Trust shall be entitled to remove, substitute or add a trustee or trustees, at its option, by instrument duly executed, acknowledged and recorded among the Land Records of Queen Anne's County and;

WHEREAS, the present holder of said Notes desires to appoint a substitute trustee in the place and stead of the said W. Taylor Brown and Robert L. Weinberg, Trustees under the aforesaid Deed of Trust;

NOW, THEREFORE,

the present holder of the Note secured, does hereby appoint Donald E. Sinrod and Steven H. ^{Hofberg} as substitute Trustees under the said Deed of Trust in the place and stead of W. Taylor Brown and Robert L. Weinberg, the said substitute Trustees being vested with all the right, title and interest and clothed with all the rights, powers and privileges of the Trustees originally

named in said Deed of Trust.

IN WITNESS WHEREOF, ~~the said part of the first part ha~~
~~hereunto set hand and seal on the~~ day of

~~19~~, or, in the case of a corporate party hereto, the said
Security Finance Group, Inc. has, on the 4th
day of January, 1983, caused these presents to be signed
by Jacob I. Krampf, its ^{Vice} ~~the~~ President and attested by Paul J.
Myers, its Secretary, and its corporate seal to be hereunto
affixed; and does hereby appoint Jacob I. Krampf its
true and lawful attorney in fact to acknowledge and deliver these
presents.

ATTEST:

SECURITY FINANCE GROUP, INC.

Paul J. Myers
Paul J. Myers, Secretary

By: *Jacob I. Krampf*
Jacob I. Krampf,
Vice President

State of Maryland

JAN-5-83 * 23552 ***** 300
JAN-5-83 A 23552 ***** 300

County of Montgomery, to wit:

I, a Notary Public in and for the jurisdiction aforesaid do
hereby certify that Jacob I. Krampf who is personally well
known to me (or satisfactorily proven) to be the person named as
attorney in fact as aforesaid, and by virtue of the authority
vested in him by said Deed of Appointment dated the 4th day of
January, 1983, acknowledged the same to be the act and
deed of the grantor therein.

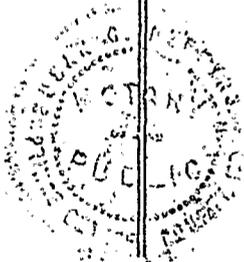
IN WITNESS WHEREOF, I hereunto set my hand and seal this 4th
day of January, 1983.

CLERK'S OFFICE
1983 JAN -5 PM 12:42
QUEEN ANNE'S COUNTY

Susan G. Perkins
Notary Public,

SUSAN G. PERKINS
NOTARY PUBLIC STATE OF MARYLAND

My Commission expires: My Commission Expires July 1, 1986



AFTER RECORD, MAIL TO:
GOLDBERG & SINROD
Suite 1204
11300 Rockville Pike
Rockville, Maryland 20852

7-96
REF 177 PAGE 770

The Travelers Indemnity Company

Hartford, Connecticut

(A STOCK COMPANY)

Trustee Under Deed of Trust

KNOW ALL MEN BY THESE PRESENTS, That we Donald E. Sinrod

and Steven H. Hofberg, Substitute Trustees

of 11300 Rockville Pike - Rockville, Maryland 20852

and THE TRAVELERS INDEMNITY COMPANY, a body corporate, duly authorized by its charter to become sole surety on bonds, are held and firmly bound unto the State of Maryland, in the full and just sum of

FORTY-FIVE THOUSAND AND 00/100-----(\$45,000.00)-----Dollars,

lawful money of the United States, to be paid to the State of Maryland, or its certain attorney or assigns, to the payment whereof we bind ourselves, and each of us, our and each of our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents, sealed with our seals and dated this

10th day of January

in the year of our Lord

one thousand nine hundred and eighty-three

WHEREAS, BY DEED OF TRUST, dated the 23rd day of October

nineteen hundred and seventy-nine

, and left to be recorded among the land Records of

Queen Anne's County on the 25th day of October, 1979,

in liber. 156 No. -----, Folio 517

Francis Gray and Inez Gray did grant, bargain and sell,

assign and transfer unto Donald E. Sinrod and Steven H. Hofberg, Substitute

Trustees, as therein named their (personal representatives) heirs, executors, administrators and assigns, all the property therein described and referred to in Trust, for the uses and purposes therein named, mentioned and declared.

NOW THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, That if the above bound

Donald E. Sinrod and Steven H. Hofberg, Substitute Trustees

shall faithfully perform the trust reposed in them by said Deed of Trust,

or to be reposed in them by any decree of the Circuit Court for Queen/ County, Maryland in relation to the sale of such mortgaged property or the proceeds thereof, then the above obligation shall be void; otherwise to be and remain in full force and virtue in law.

WITNESS, the hand and seal of the said Donald E. Sinrod and Steven H. Hofberg,

Substitute Trustees

and the signature of the said THE TRAVELERS INDEMNITY COMPANY by its Attorney-in-fact, and its corporate seal hereunto affixed.

Signed, sealed and delivered
in the presence of

Susan J. Perkins
As to D.E.S. and S.H.H.

Donald E. Sinrod (SEAL)

Steven H. Hofberg (SEAL)

THE TRAVELERS INDEMNITY COMPANY.

By Glenn J. Goldburn, Jr. Attorney-in-fact.

Indegate H. Markin
Clerk

FOREGOING BOND APPROVED AS TO FORM, AMOUNT
AND SURETY THIS 24th DAY OF January, 1983.

8-745 PRINTED IN U.S.A. 9-29-81

LIBR

3 PAGE 289

COPIES OF ATTORNEY
ATTACHED

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the foregoing was truly taken and copied from Liber MWM No. 3, folio 289, a Bond Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the Seal of the Circuit Court for Queen Anne's County, this 26th day of January, 1983.

Marguerite W. Mankin

MARGUERITE W. MANKIN, CLERK OF THE
CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

Donald E. Sinrod
Steven H. Hofberg

Plaintiffs,

v.

Francis Gray
Inez P. Gray

Defendant(s).

*
*
*
Equity No. 7286
*
*
*

AFFIDAVIT IN COMPLIANCE WITH RULE W74(a)(2)

State of Maryland
County of Montgomery:

LAW OFFICES
GOLDBERG & SINROD

I, Steven E. Mirsky, being first duly sworn, depose and say:

1. That I am the attorney for the Trustee(s) in these proceedings.

2. That on January 10, 1983 I forwarded by certified mail - return receipt requested, postage prepaid, to the above named Defendant(s), a letter and a copy of the advertisement showing the time, place and terms of the foreclosure sale. Copies of the letter and advertisement are attached hereto and made a part hereof.

3. That the matters and facts contained herein are true and correct and are within my personal knowledge.

Steven E. Mirsky
Steven E. Mirsky

One Central Plaza - Suite 1204
11300 Rockville Pike
Rockville, Maryland 20852
(301) 770-3020

RECEIVED
CLERK OF CIRCUIT COURT
1983 MAR 23 AM 10:01
QUEEN ANNE'S COUNTY

subscribed and sworn to before me this 21st day of March, 1983.

Victoria A. Foley
Victoria A. Foley
Notary Public
My Commission Expires:

My Commission Expires: 7-1-86
GSF-7

LAW OFFICES
GOLDBERG & SINROD

ONE CENTRAL PLAZA
SUITE 1204

11300 ROCKVILLE PIKE

ROCKVILLE, MARYLAND 20852

(301) 770-3020

YALE L. GOLDBERG
DONALD E. SINROD
MARK A. WINKLER
STEVEN E. MIRSKY*
STEVEN H. HOFBERG**

ALSO ADMITTED IN N.J. & FLA.*
ADMITTED MD. ONLY**

WASHINGTON OFFICE
SUITE 250
2201 WISCONSIN AVE., N.W.
WASHINGTON, D.C. 20007

COUNSEL TO THE FIRM
BENJAMIN B. BROWN

January 10, 1983

Francis Gray
Inez P. Gray
Route 1, Box 323
Queenstown, Maryland 21658

Re: Your Note and Deed of Trust dated
October 23, 1979
Carmichael Road Property

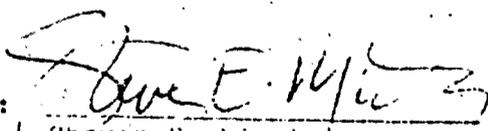
Dear Mr. and Mrs. Gray:

Pursuant to the Maryland Rules of Procedure Rule W74(a)(2)(c), we hereby inform you that foreclosure proceedings have been instituted against your property. Enclosed is an itemization of the outstanding debt due, excluding costs of foreclosure.

The time, place and terms of the sale are as shown on the enclosed copy of the advertisement or sale. However, it is in your interest to negotiate a settlement in order to save further expenses should there be a sale, and to avoid placing your property at the risk of auction. Please contact me at once if you wish to make an offer, or if you have any questions regarding this matter.

Very truly yours,

GOLDBERG & SINROD

BY: 
Steven E. Mirsky

Enclosures: Advertisement
Itemization of Debt

Centreville, Md. 1/16 19 83

We Hereby Certify

That the annexed advertisement of
Trustee's sale QAC

was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 27th day of Jan. 19 83.

And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER was on the 12th day of
Jan. 19 83, and the last
insertion on the 26th day of
Jan. 19 83.

Publishers, Record Observer

Per William S. Wise

Law Offices of
GOLDBERG & SINROD
11300 Rockville Pike
Rockville, Maryland 208521

Trustee's Sale

OF VALUABLE IMPROVED REAL ESTATE
2 PARCELS

By virtue of a certain deed of trust dated October 23, 1979 and recorded among the land records of Queen Anne's County, Maryland at Liber 156, Folio 517, and upon default and at the request of the party secured thereby, the undersigned trustees will sell, at public auction, in front of the Courthouse door, Queen Anne's County Courthouse, Centreville, Maryland, on Thursday, January 27, 1983, at 12:00 o'clock P.M., all of the property described in the deed of trust, and designated as follows:

Lot No. 1. All that lot of land beginning for the same at a point on the Queenstown Road to Carmichael Road end in the Southeast corner of said lot, said point of beginning being a corner for the land known as "The Joseph Price Land", and running thence with this last named land North 31-1/2 degrees East, 10 perches to a corner for Lot No. 2 described below; thence with Lot No. 2 described below North 50 degrees West 8.10 perches to a point, a corner for said Lot No. 2 and the northeast corner of the land of Margaret Green; thence South 31 degrees West 10 perches to a point on said road; thence South 50 degrees East 8.10 perches to beginning; containing one-half (1/2) of an acre and 3 square perches of land, more or less; and

Lot No. 2. All that lot of land beginning for the same at a point at the end of the first line of the lot of land described above as Lot No. 1, and running thence with the second line of Lot No. 1 described above North 50 degrees West 8.72 perches to a point; thence North 31-1/2 degrees East 9.28 perches; thence South 50 degrees East 8.72 perches, thence South 31-1/2 degrees West 9.28 perches, to the place of beginning; containing 1/2 acre and 3 square perches of land, more or less.

BEING the same and all of the land which was granted and conveyed to Lillian C. Radway and George H. Radway, her husband, by deed dated November 15, 1957, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 38, folio 88.

ALL that lot or parcel of land known as "The Mary Elizabeth Griffin Property", situate, lying and being in the Fifth Election District of Queen Anne's County, State of Maryland, on the left hand side of the public road leading from Queenstown to Carmichael, bounded on the northwest by said public road, on the northeast by land of or formerly of Luvina Hutchins, on the southeast by the lands of or formerly of Estella L. Johnson, and on the southwest by the lands formerly of Irving Hazelton, containing 1 acre, 3 rods and 5 square perches of land, more or less.

BEING a part of the same land described as Parcel No. 1 in the deed dated October 21, 1919, from David B. Stewart, et. al., to Mary Elizabeth Griffin and recorded among the land records of said Queen Anne's County in Liber J.F.R. No. 7, folio 316. The said Mary Elizabeth Griffin having departed this life on March 25, 1968, leaving the said Ethel H. Green, Cameron S. Hutchins, Clifford H. Hutchins, and James H. Wilson, her children, as her only heirs at law.

TOGETHER with the buildings and improvements thereupon erected, made or being, and all and every the rights, roads, ways, waters, privileges, appurtenances and advantages to the same belonging or in any way appertaining.

The prior Deed of Trust referred to below encumbers only one of the lots described above. The other lot has no prior Deed of Trust encumbering it.

Subject to prior encumbrances, covenants, restrictions, easements and rights of way of record, including a prior deed of trust for approximately \$3856.17, further particulars of which will be announced at time of sale.

TERMS: All cash upon ratification of sale by the Court. A deposit of \$4,000.00 will be required at time of sale, in cash or certified check, or in such other form as the trustees may determine, in their sole discretion. Conveyancing, recording, State and County transfer and stamp taxes, etc. at purchaser's cost. Adjustment of taxes, special assessments, front foot benefit charges, etc., if any, to be adjusted to date of sale. Purchaser will be required to pay interest at 10% per annum on the balance of the purchase price from the date of sale to the date of transfer. The terms of sale are to be complied with within five days after final ratification of the sale by the Court; otherwise the property will be resold at the risk and cost of the defaulting purchaser.

Donald E. Sinrod
Steven H. Hofberg

Substituted Trustees

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND

Donald E. Sinrod
Steven H. Hofberg,

Plaintiffs,

v.

Francis Gray
Inez P. Gray,

Defendants.

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Equity No. E - 7286

FILED
CLERK OF COURT
1983 MAR 23 AM 10:01
QUEEN ANNE'S COUNTY

REPORT OF SALE

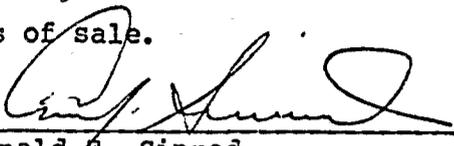
Donald E. Sinrod and Steven H. Hofberg, Trustees named in a Deed of Trust from the above named Defendant(s) to said Trustees, dated October 23, 1979 and recorded among the QUEEN ANNE'S County Land Records on October 25, 1979 in Liber MWM 156, Folio 517, et seq., respectfully represent:

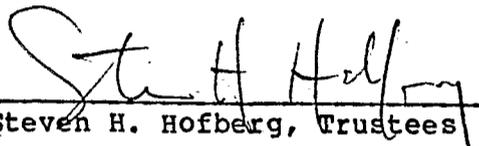
That after having given bond with security for the faithful performance of their trust, and after having complied with all the other prerequisites as required by law and the power contained in the deed of trust, and after having given notice of the time, place and and terms of the sale by advertisement in The Record Observer, a weekly newspaper published in QUEEN ANNE'S County, for at least three successive weeks before the date of sale, as will appear by reference to the attached Certification of Publication of the notice of sale, the Trustees did, pursuant to the notice, attend at the front steps of the QUEEN ANNE'S County Courthouse, on January 27, 1983, at 12:00 P.M.; and then and there proceeded to sell the real estate mentioned in the aforesaid deed of trust at public auction to the highest bidder the real estate mentioned in the deed of trust, the same being described on "Exhibit A", attached hereto and made a part hereof.

AND the Trustees under and by virtue of the power, sold the described property unto MDK Associates at and for the sum of

LAW OFFICES GOLDBERG & SINROD

17 770
\$30,000.00, being at that sum the highest bidder; and the purchaser has complied with the terms of sale.


Donald E. Sinrod,

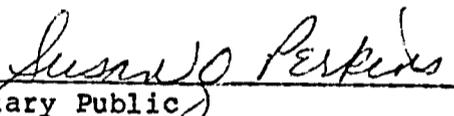

Steven H. Hofberg, Trustees

Suite 1204
11300 Rockville Pike
Rockville, Maryland 20852
(301) 770-3020

STATE OF MARYLAND
COUNTY OF Montgomery:

I HEREBY CERTIFY that on this 28th day of February, 1983, before me, the subscriber, a Notary Public of the State of Maryland in and for Montgomery County, personally appeared Donald E. Sinrod and Steven H. Hofberg, Trustees, and made oath in due form of law that the matters and facts stated in the foregoing Report of Sale are true to the best of their knowledge, information and belief and that the sale therein reported was fairly made.

AS WITNESS my hand and Notarial Seal.


Notary Public

My Commission Expires:

SUSAN G. PERKINS
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires July 1, 1986

LAW OFFICES
GOLDBERG & SINROD

Centreville, Md. 1/16 19 83

We Hereby Certify

That the annexed advertisement of
Trustee's sale QAC

was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 27th day of Jan. 19 83.

And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER was on the 12th day of
Jan. 19 83, and the last
insertion on the 26th day of
Jan. 19 83.

Publishers, Record Observer
Clerk, Queen Anne's County
Per [Signature]
1983 MAR 23 AM 10:01
QUEEN ANNE'S COUNTY

Law Offices of
GOLDBERG & SINROD
11300 Rockville Pike
Rockville, Maryland 208521

Trustee's Sale

OF VALUABLE IMPROVED REAL ESTATE
2 PARCELS

By virtue of a certain deed of trust dated October 23, 1979 and recorded among the land records of Queen Anne's County, Maryland et Liber 156, Folio 517, and upon default end at the request of the party secured thereby, the undersigned trustees will sell, at public auction, in front of the Courthouse door, Queen Anne's County Courthouse, Centreville, Maryland, on Thursday, January 27, 1983, at 12:00 o'clock P.M., all of the property described in the deed of trust, and designated as follows:

Lot No. 1. All that lot of land beginning for the same at a point on the Queenstown Road to Carmichael Road and in the Southeast corner of said lot, said point of beginning being a corner for the land known as "The Joseph Price Land", and running thence with this last named land North 31-1/2 degrees East, 10 perches to a corner for Lot No. 2 described below; thence with Lot No. 2 described below North 50 degrees West 8.10 perches to a point, a corner for said Lot No. 2 and the northeast corner of the land of Margaret Green; thence South 31 degrees West 10 perches to a point on said road; thence South 50 degrees East 8.10 perches to beginning; containing one-half (1/2) of an acre and 3 square perches of land, more or less; end

Lot No. 2. All that lot of land beginning for the same at a point at the end of the first line of the lot of land described above as Lot No. 1, and running thence with the second line of Lot No. 1 described above North 50 degrees West 8.72 perches to a point; thence North 31-1/2 degrees East 9.28 perches; thence South 50 degrees East 8.72 perches, thence South 31-1/2 degrees West 9.28 perches, to the place of beginning; containing 1/2 acre and 3 square perches of land, more or less.

BEING the same and all of the land which was granted and conveyed to Lillian C. Radway and George H. Radway, her husband, by deed dated November 15, 1957, end recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 38, folio 88.

ALL that lot or parcel of land known as "The Mary Elizabeth Griffin Property", situate, lying and being in the Fifth Election District of Queen Anne's County, State of Maryland, on the left hand side of the public road leading from Queenstown to Carmichael, bounded on the northwest by said public road, on the northeast by land of or formerly of Luvina Hutchins, on the southeast by the lands of or formerly of Estella L. Johnson, and on the southwest by the lands formerly of Irving Hazelton, containing 1 acre, 3 rods and 5 square perches of land, more or less.

BEING a part of the same land described as Parcel No. 1 in the deed dated October 21, 1919, from David B. Stewart, et. al. to Mary Elizabeth Griffin and recorded among the land records of said Queen Anne's County in Liber J.F.R. No. 7, folio 316. The said Mary Elizabeth Griffin having departed this life on March 25, 1938, leaving the said Ethel H. Green, Cameron S. Hutchins, Clifford H. Hutchins, and James H. Wilson, her children, as her only heirs at law.

TOGETHER with the buildings and improvements thereupon erected, made or being, and all and every the rights, roads, ways, waters, privileges, appurtenances and advantages to the same belonging or in any way appertaining.

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TERMS: All cash upon ratification of sale by the Court. A deposit of \$4,000.00 will be required at time of sale, in cash or certified check, or in such other form as the trustees may determine, in their sole discretion. Conveyancing, recording, State and County transfer and stamp taxes, etc. at purchaser's cost. Adjustment of taxes, special assessments, front foot benefit charges, etc., if any, to be adjusted to date of sale. Purchaser will be required to pay interest at 10% per annum on the balance of the purchase price from the date of sale to the date of transfer. The terms of sale are to be complied with within five days after final ratification of the sale by the Court; otherwise the property will be resold at the risk and cost of the defaulting purchaser.

Donald E. Sinrod
Stevan H. Hofberg

Substituted Trustees

RO-1-12-31-06

17-777

17-778

EXHIBIT A

Lot No. 1. All that lot of land beginning for the same at a point on the Queenstown Road to Carmichael Road and in the Southeast corner of said lot, said point of beginning being a corner for the land known as "The Joseph Price Land", and running thence with this last named land North 31-1/2 degrees East, 10 perches to a corner for Lot No. 2 described below; thence with Lot No. 2 described below North 50 degrees West 8.10 perches to a point, a corner for said Lot No. 2 and the northeast corner of the land of Margaret Green; thence South 31 degrees West 10 perches to a point on said road; thence South 50 degrees East 8.10 perches to beginning; containing one-half (1/2) of an acre and 3 square perches of land, more or less; and

Lot No. 2. All that lot of land beginning for the same at a point at the end of the first line of the lot of land described above as Lot No. 1, and running thence with the second line of Lot No. 1 described above North 50 degrees West 8.72 perches to a point; thence North 31-1/2 degrees East 9.28 perches; thence South 50 degrees East 8.72 perches, thence South 31-1/2 degrees West 9.28 perches, to the place of beginning; containing 1/2 acre and 3 square perches of land, more or less.

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BEING a part of the same land described as Parcel No. 1 in the deed dated October 21, 1919, from David B. Stewart, et. al., to Mary Elizabeth Griffin and recorded among the land records of said Queen Anne's County in Liber J.F.R. No. 7, folio 316. The said Mary Elizabeth Griffin having departed this life on March 25, 1968, leaving the said Ethel H. Green, Cameron S. Hutchins, Clifford H. Hutchins, and James H. Wilson, her children, as her only heirs at law.

TOGETHER with the buildings and improvements thereupon erected, made or being, and all and every the rights, roads, ways, waters, privileges, appurtenances and advantages to the same belonging or in any way appertaining.

The hereinabove described land is being encumbered as additional security for the same loan described in a Deed of Trust of same date, recorded in the Mortgage Records of Caroline County, Maryland, on October 23, 1979.

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND

Donald E. Sinrod
Steven H. Hofberg,

Plaintiffs,

v.

Francis Gray
Inez P. Gray,

Defendants.

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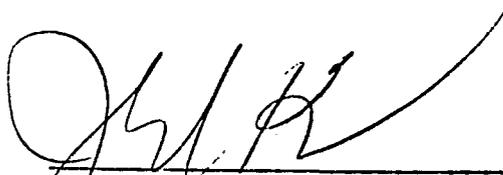
Equity No. 7286

AFFIDAVIT OF PURCHASER

State of Maryland
County of Montgomery:

Jacob I. Krampf, being first duly sworn, deposes and says:

1. That I attended the sale of the property described in the Deed of Trust filed in these proceedings held in QUEEN ANNE'S County, Maryland, on January 27, 1983, and purchased same.
2. That no other persons, firms, or corporations are financially interested or involved, as principal or otherwise.
3. That I did not directly or indirectly discourage anyone from bidding on the property.



Jacob I. Krampf
MDK Associates

Subscribed and sworn to, before me, this 28th day of February, 1983.



Susan G. Perkins
Notary Public
My Commission Expires:

RECEIVED
CLERK OF THE CIRCUIT COURT
GSF-9
1983 FEB 28 10:02 AM
QUEEN ANNE'S COUNTY

SUSAN G. PERKINS
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires July 1, 1986

LAW OFFICES GOLDBERG & SINROD

17 780

IN THE CIRCUIT COURT FOR Queen Anne's COUNTY, MARYLAND

**Military Affidavit under Soldiers' and Sailors' Civil Relief Act
of 1940 and Amendment thereto of October 6, 1942**

Donald E. Sinrod
Steven H. Hofberg, Trustees,
Plaintiffs,

vs.

Francis Gray
Inez P. Gray, Grantors,
Defendants.

~~XXXX~~
EQUITY NO. 7286

RECEIVED
CLERK, CIRCUIT COURT
1983 MAR 23 AM 10:02
QUEEN ANNE'S COUNTY

STATE OF MARYLAND, MONTGOMERY COUNTY, TO WIT:

I HEREBY CERTIFY that, before me, the subscriber, a Notary Public of said State, in
and for said County, personally appeared Steven E. Mirsky

and made oath in due form of law that he (she) knows the defendant herein, and that to
the best of his (her) information, knowledge and belief

- (1) said defendant is not in the military service of the United States,
- (2) said defendant is not in the military service of any nation allied with the
United States,
- (3) said defendant has not been ordered to report for induction under the Selective
Training and Service Act of 1940 as amended,
- (4) said defendant is not a member of the Enlisted Reserve Corps who has been or-
dered to report for military service.

Steven E. Mirsky
Affiant.

Subscribed and sworn to before me

this 21 day of March 1983

Victoria A. Roney
Notary Public

My Commission Expires: 7-1-86

ORDER NISI ON SALE

DONALD E. SINROD and
STEVEN H. HOFBLRG, Substitute
Trustees

vs.

FRANCIS GRAY and
INEZ GRAY

In the Circuit Court
for Queen Anne's County
In Equity

Cause No. 7286

ORDERED, this 23rd day of March, 1983, that
the sale of the real property, made and reported in this cause by
Donald E. Sinrod and Steven H. Hofberg, Sub. Trustees, be ratified and confirmed,
on or after the 25th day of April, 1983, unless
cause to the contrary thereof be previously shown; provided a copy of this order be inserted
in some newspaper published in Queen Anne's County, Maryland, once in each of three suc-
cessive weeks before the 18th day of April, 1983.

The report states the amount of sales to be \$ 30,000.00.

Marquitta H. Markin Clerk

Filed March 23, 1983

17 751

Centreville, Md. 4/13 19 83

We Hereby Certify

That the annexed advertisement of
NTGj - Gray - Cause #7286
was published in the RECORD
OBSERVER, a newspaper published
in Queen Anne's County, Maryland, once
in each of 3 successive weeks before
the 18th day of April 19 83.

And that the first insertion of said ad-
vertisement in the said RECORD
OBSERVER was on the 30th day of
March 19 83, and the last
insertion on the 13th day of
April 19 83.

Publishers, Record Observer

Per *Marguerite W. Mankin*

RECEIVED
CLERK OF COURT

RECEIVED JUN 13 1983 1983 JUN 15 AM 10:49

QUEEN ANNE'S COUNTY

17-792

ORDER NISI
ON SALE
DONALD E. SINROD and
STEVEN H. HOFBERG,
Substitute Trustees

vs.
FRANCIS GRAY and INEZ
GRAY

In the Circuit Court
for

Queen Anne's County

In Equity

Cause No. 7283

ORDERED, this 23rd day
of March, 1983, that the
sale of the real property,
made and reported in this
cause by Donald E. Sinrod
and Steven H. Hofberg,
Sub. Trustees, be ratified
and confirmed, on or after
the 25th day of April, 1983,
unless cause to the con-
trary thereof be previously
shown; provided a copy of
this order be inserted in
some newspaper published
in Queen Anne's County,
Maryland, once in each of
three successive weeks
before the 18th day of
April, 1983.

The report states the
amount of sales to be
\$30,000.00

Marguerite W. Mankin
Clerk

True Copy, Test:
Marguerite W. Mankin
Clerk

By: Betty M. Comegys
Deputy Clerk

Filed March 23, 1983

RO-3-30-31-055

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND

Donald E. Sinrod
Steven H. Hofberg,

Plaintiffs,

v.

Francis Gray
Inez P. Gray,

Defendants.

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Equity No. 7286

FINAL ORDER OF RATIFICATION

Upon review of this proceeding, it is this 16th day of June, 1983, by the Circuit Court for QUEEN ANNE'S County,

LAW OFFICES GOLDBERG & SINROD

ORDERED, that the sale made and reported by Donald E. Sinrod and Steven H. Hofberg, Trustees, be, and the same hereby is, FINALLY RATIFIED AND CONFIRMED, no cause to the contrary having been shown, although due notice appears to have been given as required by the Order Nisi passed in this case; and it is further,

ORDERED, that the papers of this proceeding be referred to the Court Auditor to state an account.

Clayton C. Carter

JUDGE, C. E. COURT

1983 JUN 16 PM 1:49

QUEEN ANNE'S COUNTY

Submitted by:

GOLDBERG & SINROD
One Central Plaza
Suite 1204
11300 Rockville Pike
Rockville, Maryland 20852
(301) 770-3020

GSF-11

17 783

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND

DONALD E. SINROD
STEVEN H. HOFBERG,

Plaintiffs

*
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*
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*
*

vs.

Equity No.: 7286

FRANCIS GRAY
INEZ P. GRAY,

Defendants

PETITION FOR SUBSTITUTION OF PURCHASER

DONALD E. SINROD and STEVEN H. HOFBERG, Trustees, petition this Honorable Court for an Order substituting the purchaser, and in support thereof, state as follows:

1. As more fully stated in the Report of Sale filed herein, Petitioners, as Trustees, sold the subject property at auction to MDK ASSOCIATES.
2. The purchaser, MDK ASSOCIATES, has requested Petitioners to substitute as purchaser, KING FOODS, INC. as assignee of its rights in the subject property.
3. Pursuant to Maryland Rule W74(g)(3), all parties have consented to the relief prayed for.

WHEREFORE, Petitioners pray that this Honorable Court pass an Order substituting KING FOODS, INC. in the place of MDK ASSOCIATES.

STEVEN E. MIRSKY
11300 Rockville Pike, Suite 1204
Rockville, Maryland 20852
(301) 770-3020
Attorney for Trustees

We consent to the foregoing Petition.

DONALD E. SINROD, Trustee

MDK ASSOCIATES:

Barry H. Deutschman, Partner

STEVEN H. HOFBERG, Trustee

KING FOODS, INC.
James R. Friel, Jr., President

LAW OFFICES GOLDBERG & SINROD

03 SEP -9 11:23 32
QUEEN ANNE'S COUNTY

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND

DONALD E. SINROD
STEVEN H. HOFBERG,
Plaintiffs

vs.

FRANCIS GRAY
INEZ P. GRAY,
Defendants

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*

Equity No.: 7286

APPLICATION FOR EXTENSION OF TIME FOR COMPLETION OF AUDIT

DONALD E. SINROD and STEVEN H. HOFBERG, Trustees, petition this Honorable Court for an Order extending the time within which to complete the audit of this matter, and in support thereof, state as follows:

1. As explained in the Petition for Substitution of Purchaser, filed herein, it was the desire of the parties herein to substitute as purchaser, KING FOODS, INC.

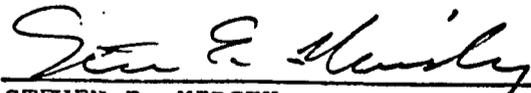
2. The Petition was delayed by the untimely death of JAMES R. FRIEL, SR., one of the principals of KING FOODS, INC.

3. On July 18, 1983, all vouchers for expenses and a Suggested Accounting were submitted to the Court Auditor for his review. At this time, only the actual settlement is necessary for the completion of the Audit.

4. It is expected that this settlement will take place within 2-3 weeks.

WHEREFORE, Petitioners pray that this Honorable Court extend the time for completion of the Audit in this matter.

Respectfully submitted,



STEVEN E. MIRSKY
11300 Rockville Pike, Suite 1204
Rockville, Maryland 20852
(301) 770-3020
Attorney for Trustees

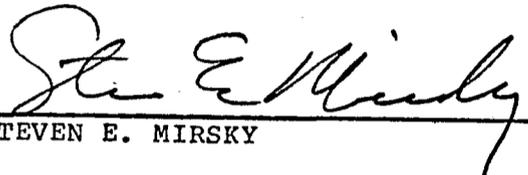
LAW OFFICES
GOLDBERG & SINROD

1983 SEP 13 AM 10:46
QUEEN ANNE'S COUNTY

17-758

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the Petition and attached Order was mailed, postage prepaid to: John W. Sause, Jr., Court Auditor, 204 North Commerce Street, P.O. Box 70, Centreville, Maryland 21617 and J. Donald Braden, Esquire, Farmers National Bank Building, Centreville, Maryland 21617, on this 9th day of September, 1983.


STEVEN E. MIRSKY

LAW OFFICES GOLDBERG & SINROD

IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY, MARYLAND

DONALD E. SINROD
STEVEN H. HOFBERG,

Plaintiffs

vs.

FRANCIS GRAY
INEZ P. GRAY,

Defendants

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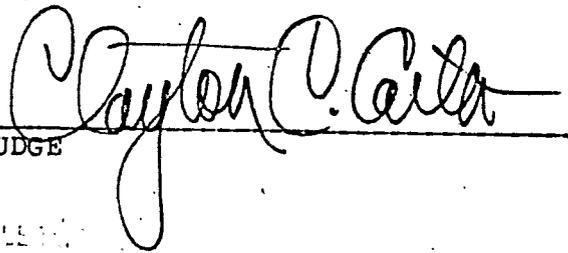
Equity No.: 7286

ORDER

UPON CONSIDERATION of the Trustees' Application for Extension of Time, and for good cause shown, it is, this 10th day of September, 1983, by the Circuit Court for Queen Anne's County, Maryland

ORDERED, that the time for completion of the Audit in this cause be and the same hereby is, extended to and including October 14, 1983.

JUDGE



Submitted by:

GOLDBERG & SINROD
11300 Rockville Pike
Suite 1204
Rockville, Maryland 20852
(301) 700-3020

1983 SEP 20 AM 8 49
QUEEN ANNE'S COUNTY

17 MAR 787

LAW OFFICES GOLDBERG & SINROD

9. Inspection of the documents furnished by Mr. Braden indicated a settlement between MKD Associates, the reported purchaser at the Trustees' sale, and King Foods, Inc. The recited consideration was \$9,500.00.

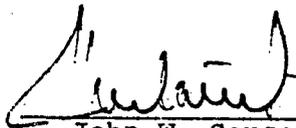
10. Since these documents did not reflect any settlement between the Trustees and the reported purchaser, the Auditor inspected the Land Records and found that the Deed dated October 6, 1983, and recorded in Liber M.W.M. 203, folio 585, the Trustees had conveyed the property to Paul J. Myers, Barry H. Deutschman, and Jacob I. Krampf, trading as MDK Associates, for a recited consideration of \$10,000.00. The Clerk's endorsement indicates that recordation and transfer taxes were paid on that amount.

11. The amount of sale contained in the Report filed by the Trustees on March 23, 1983, and in the Order Nisi is \$30,000.00.

12. In addition to the foregoing, the Statement of Mortgage Debt, filed on January 5, 1983, indicates, in one place, interest at 11.5% and, at another, at 16.5%. The Deed of Trust contains no interest rate; and the Note which it secures has not been filed in the proceeding.

13. In addition, folio 531 of the subject Deed of Trust indicates that it was given as additional security in connection with a loan on property in Caroline County. The Statement of Mortgage Debt suggests that credits are due as a result of a foreclosure sale of the Caroline County property; but, as there computed, appear to include as principal amounts (eg. interest) which ordinarily should not be classified as such.

FOR THE FOREGOING REASONS, the Auditor asks that the Court give further direction as to the manner of proceeding and/or direct that a hearing be held in accordance with Maryland Rule 595.



John W. Sause, Jr.
Auditor

CLERK
1983 APR 25 PM 3:15
CAROLINE COUNTY

FINAL REPORT OF AUDITOR

Subsequent to the Special Report filed on May 25, 1984, the Trustees filed supplemental information. A copy of the Caroline County Audit (Chancery #8338) was furnished on January 24, 1985. Events during the interval are set forth in some detail in my Request for Additional Compensation. A brief chronology of other events is important to an understanding of the accompanying Account.

Facts

The subject Deed of Trust was executed on October 23, 1979, to secure payment of a debt owed Security Finance Group in the principal amount of \$83,000.00. Paragraph 11 indicates that the loan is "solely for the purpose of carrying on or acquiring a business or commercial investment"; and other provisions suggest the involvement of investment rental property. Among the other provisions is a statement that the investment is "additional security for the same loan described in a Deed of Trust of the same date, recorded in . . . Caroline County, Maryland, on October 23, 1979"; and it elsewhere appears that "recordation tax on the entire \$83,000.00 was paid in Caroline County." It is also stated that "Tax on \$60,000.00 was paid on the deed; tax on \$23,000.00 was paid on the Deed of Trust", from which it may be inferred that the transaction involved the purchase of property there. However, the Deed of Trust recorded in this County involves only property located here.

Prior to the institution of this proceeding, foreclosure proceedings were begun in Caroline County as Equity #8338; and it appears that \$60,000.00 was realized from a sale conducted there on October 29, 1982. This cause was filed on January 5, 1983.

Sale was held in Queen Anne's County on January 27, 1983. The advertisement refers to "2 Parcels"; and the Report of Sale states that "the Trustees sold the described property unto MDK Associates at and for the sum of \$30,000.00 . . . and the purchaser has complied with the terms of sale". It turns out that, although there was one purchaser at the sale, one of the parcels was conveyed to the sale purchaser ("MKD") on October 6, 1983, and the other parcel was conveyed to MKD on March 2, 1984. These sales are hereafter referred to as "the 1983 transfer" and "the 1984 transfer".

Final Report of Auditor

Chancery #7286

FILED
Page 1

FEB 8 1985

CIRCUIT COURT
QUEEN ANNE'S CO.

The reason for the bifurcated transfer is apparently to be found in the fact (earlier suggested by the Petition for Substitution of Purchaser, which was denied, and the Application for Extension of Time for Completion of Audit) that, upon acquiring a deed from the Trustees, MKD immediately conveyed title to third parties. Indeed, the settlement statements submitted in support of the Amended Suggested Account reflect the names of the third parties as purchasers.

Amount realized from sale

Because of their different dates, the 1983 and 1984 transfers, although treated as one sale for purposes of ratification are treated separately in the Amended Suggested Account. The Trustees attributed \$10,000.00 of the purchase price to the 1983 transfer and \$20,000.00 of the purchase price to the 1984 transfer. The Amended Suggested Account indicates that the deposit of \$4,000.00 required in the advertisement of sale "was applied equally to each parcel". The Account is stated on the basis of those predicates.

That is perhaps the easiest part of the calculation. As earlier noted, the settlement statements submitted with the Amended Suggested Account actually involve transactions between MDK and the purchasers from them. One of the anomalies is that the settlement statement for the 1983 transaction, to which the Trustees ascribe \$10,000.00 of the purchase price, reflects a sale price by MDK of only \$9,500.00; the settlement statement for the 1984 transaction, to which the Trustees ascribe \$20,000.00, reflects a sale price to the ultimate purchasers of \$32,500.00. While this does not affect the calculations to be made here (see, McKenna v. Sachse, 225 Md. 595, 599-600; Moss v. Savings Institution, 177 Md. 135, 144; Farmers' Bank v. Clark, 28 Md. 145, 146), it does somewhat complicate the verification. Specifically, since the settlement statements actually reflected transactions between MDK and third parties, they do not reflect interest payable by MDK to the estate.

The settlement statements are further unsatisfactory in that the settlement statement for the 1984 transaction shows a settlement date of February 15, 1984; the Deed from the Trustees is dated March 2, 1984, and was recorded on March 6, 1984 (MWM 206, folio 510). In their Amended Suggested Account, the Trustees have computed interest from the January 27, 1983, sale date to the date when the deed was recorded. As they were closer to the transaction and as no injury is seen to the debtors, this calculation is accepted.

Likewise, the settlement statement for the 1983 transaction shows a settlement date of October 1, 1983, while the deed is dated October 6, 1983. Again, the Trustees have used

the date of recording as the actual date of the transaction, which is accepted.

In addition to charging interest, the Trustees suggest certain adjustments on the basis of real property taxes.

The fiduciaries state that "Parcel 1 [identified in the Deed of Trust and elsewhere in the Amended Suggested Account as that involved in the 1984 transaction] taxes were paid, and show as a credit." As reflected on their Amended Suggested Account, however, this amount is shown as a charge against the debtors -- in addition to the fact that the amount used relates to Parcel 2. Some of the difficulty stems from the fact that the focus of the settlement statement was on the transaction between MDK and the third party purchaser.

Resolution of those inconsistencies is unnecessary, since the settlement sheet furnished by the Trustees and a copy of the tax bill supplied by the attorney who conducted the 1983 settlement clearly indicate that those taxes were for the fiscal year commencing July 1, 1983, and were paid on October 13, 1983; and since the advertisement of sale provides that the taxes were to be adjusted as of the day of sale (January 27, 1983) those taxes would not be involved either as a credit or debit to the debtors. In fact, it is inferable that they should have received a credit for taxes payable for the period between the date of sale and the beginning of the period for which they were charged.

The Trustees assert, with respect to the other transaction, that "Parcel 2 taxes were unpaid, and show as a debit." These charges, reflected on the settlement statement for what is otherwise identified as Parcel 1, are also not involved here, since they are stated to be for the period "2/15 to 7/1/84", over a year after the date of sale.

Expenses

The Trustees seek an attorney fee of \$750.00. Paragraph 20 provides for "reasonable counsel fees" in the event of foreclosure. Such fees are not allowable in the absence of special order. Meyer v. Gyro Trans. Systems, 263, Md. 518, 531; Johnson v. Phillips, 143 Md. 16, 26-27. This would include the charge for "title update." A similar result was reached in Caroline County. Charges for appointment of substitute trustees appear to be an intramural transaction rather than an expense of the sale chargeable to the debtors. These amounts have not been allowed.

The fee of the auctioneer exceeds that allowable under Circuit Rule BR8f and has been disallowed to that extent.

The indebtedness

The Statement of Mortgage Debt Remaining Due and Payable, filed on January 5, 1983, may be summarized as follows:

Original principal amount	\$ 83,000.00
Interest to 10/29/82	10,537.53
Late charges	456.48
Acceleration charge	50.00
Expenses of Caroline County foreclosure	<u>4,480.90</u>
	\$ 98,524.91

From that is subtracted the \$60,000.00 sale price in Caroline County and a \$250.00 "Payment on account" -- indicating "Total Deficiency as of first foreclosure" of \$38,274.91. To that amount is added \$1,052.56 for interest to December 29, 1982 -- for a "Total Debt Due and Payable as of 12/29/82 (excluding current foreclosure charges)" of \$39,327.47. Interest is said to accrue at \$526.28 per month (\$17.54 per day)."

The deficiency, as found by the Auditor of the Circuit Court for Caroline County and finally ratified on November 13, 1984, is \$37,871.00. Since interest following the date of sale in Caroline County was expressly waived in that proceeding, \$37,871.00 would seem to be the total amount involved as of October 29, 1982.

The Amended Suggested Account (which was filed before completion of the Caroline County audit) brings forward the \$38,274.91 "Total Deficiency as of first foreclosure" shown in the Statement filed here. At a minimum, this has the effect of reinstating the amounts disallowed in Caroline County; but it even exceeds those amounts. Having taken no exception to the Caroline County audit, the lender is bound by its finding. The Account here must and does proceed on the basis that the principal amount due on October 29, 1982, was \$37,871.00, the amount of the deficiency found in Caroline County. (Since the Amended Suggested Account was filed before the Caroline County audit was filed, it is probable that the Trustees do not currently make a contrary contention.)

Interest

The general equitable rule, absent the statute, is stated in Aurora Fed. Sav. & Loan Assoc., 223 Md. 135, 140: "interest on the principal amount of the mortgage claim plus simple interest at the rate named in the mortgage [is allowable] until the Auditor's report, if promptly made, could be ratified".

The Statement of Debt filed here claims interest of \$1,052.56 for the period from October 29 to December 29, 1982, and interest at the rate of \$17.54 per day thereafter. The latter interest is computed in the Amended Suggested Account to be \$1,578.84 from December 29, 1982, to "60 days after sale (3/28/83)" and this claim is first addressed.

There can be no doubt that interest did not accrue in Caroline County after December 28, 1982. Prior to Chapter 602 of the Acts of 1983 and at the time of both the Caroline and Queen Anne's County sales, §7-105 (d) of the Real Property Article provided that in those counties:

(1) . . . the interest provided in a mortgage or deed of trust is payable for the period provided in paragraph (2) of this subsection or until the audit of the sale is ratified, whichever occurs first.

(2) under paragraph (1) of this subsection, the time period following sale is:

(i) 60 days

As a result of these limitations, the burden is placed squarely on the creditor to protect his rights with respect to interest by obtaining a deficiency decree (Rule W75) or bringing a separate action for the amount of the deficiency (Katz v. Simcha Co., 251 Md. 227, 238; Brown v. Fraley, 229 Md. 445, 452). There is, of course, no reason why the creditor may not also assert his rights under another mortgage, as was the case here. But, that is not the question here. Rather, the question involves the effect of that second proceeding upon interest. Stated otherwise, does the second foreclosure proceeding extend the statutory limitation which came into effect by reason of the Caroline County case.

From a factual standpoint, there cannot be the slightest doubt that the instruments in both Counties secured but a single debt. Even had the creditor sought a deficiency decree or relief in another proceeding on the covenants of the note, the interest involved would have been on the judgment then rendered and not on the basis of the original undertaking. See, Rule 2-604; Court Article §11-107; City of Baltimore v. Kelso, 294 Md. 267, 272-275. It would not in effect revive the interest under the original debt and, indeed, under §11-107, might be less than the contractual rate. As a result, allowance here of interest after December 28, 1982 (60 days after the Caroline County sale) would be an artificial and unsanctioned circumvention of the statute. In my

opinion, interest on the original obligation is not allowable after that date.

The matter of interest for the 60-day period between October 29 and December 28, 1982 is similarly controlled by the Caroline County proceeding. As earlier seen, that interest was expressly waived at the time of the audit. The question boils down to whether interest may be allowed in this proceeding in the face of that waiver.

There was a clear right under the statute to claim interest for a period of 60 days after the date of sale. That interest was expressly, and one must assume deliberately, waived. The audit in Caroline County, speaks as of November 13, 1984, when it was ratified (Aurora Fed. Sav. & Loan Assoc., supra), and states that no interest was due at that time. The legal effect of the waiver was to apply the amount as an offset against interest otherwise due. Compare, Garland v. Hill, 277 Md. 710, 713.

Respectfully submitted,



John W. Sause, Jr.
Auditor

February 7, 1985

17-718

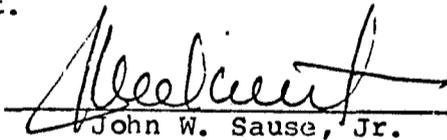
IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

DONALD E. SINROD, et al.	:	
	:	
v.	:	Chancery #7286
	:	
FRANCIS GRAY, et ux.	:	
	:	
	:	
:	:	:

REQUEST FOR ADDITIONAL COMPENSATION

The above-entitled cause having been referred to the Auditor in accordance with Maryland Rule W74, the Auditor respectfully requests the allowance of extra compensation for the services performed by him for the reasons that he has been required, in addition to his customary and usual duties:

1. To correspond with the Fiduciary to obtain required information and to file an interim Special Report, as will appear by reference to the chronology attached to this Request.
2. To review and allocate the obligations of the purchaser under the sale, as ratified, on the basis of two separate transactions with third parties.
3. To obtain, review and assess the results of an audit made in Caroline County with respect to the same indebtedness.
4. To conduct legal research and prepare a Final Report setting forth the reasons for disallowance of certain amounts claimed in Suggested Accounts and the basis for the allowances made in the Account.



 John W. Sause, Jr.
 Auditor

RECEIVED
 CLERK OF COURT
 1985 FEB -8 PM 2:51
 QUEEN ANNE'S COUNTY

06/16/83 Order Ratified

07/19/83 Suggested Account received from Trustee.

07/29/83 Trustee advised by telephone that audit cannot be undertaken until Deed is recorded.

Trustee advised by mail that settlement statement and real property tax bill would be required.

09/06/83 Letter to Trustee requesting above information.

09/13/83 Application for extension of time filed.

09/19/83 Court grants extension to 10/14/83.

02/10/84 Court advised of no further action. Letter sent by Court to Trustee.

05/23/84 Special report filed by Auditor. Research and investigation as there detailed.

Telephone conference with Trustee regarding required information. Indication by Trustee of involvement of additional property.

Letter of 05/29/84 received from Trustee, enclosing copy of Deed of 03/02/84 for additional property.

06/18/84 Letter from Trustee containing Amended Suggested Account.

06/21/84 Letter by Auditor to Caroline County Clerk requesting status of audit in sale in that County under same Deed of Trust.

Reply from Caroline County Clerk that audit not completed.

Conference with the Court. Court indicates that the matter will be referred to the Circuit Judicial Conference.

09/25/84 Trustee advised that Judicial Conference had directed that no audit be completed in this County until audit ratified in Caroline County.

12/03/84 Letter to Trustee requesting status report.

01/17/85 Letter to Trustee again requesting status report.

01/21/85 Telephone conference with Trustee.

01/24/85 Letter received from Trustee enclosing Caroline County audit.

CCC:mfe:2/8/85

17 718

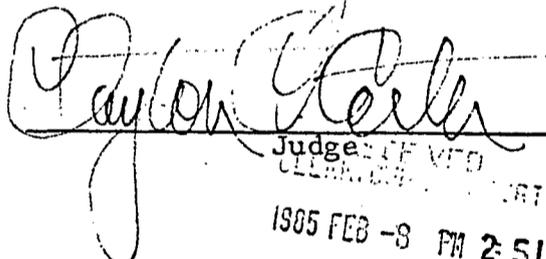
DONALD E. SINROD, et al. : IN THE CIRCUIT COURT
vs. : FOR QUEEN ANNE'S COUNTY
FRANCIS GRAY, et ux. : EQUITY NO. 7286

SHOW CAUSE ORDER

The Request for Additional Compensation and Final Report of Auditor having been read and considered, and it appearing to the Court that the Auditor should be allowed a total fee of \$750 and that \$500 of that fee should be paid from the commissions allowed the Substitute Trustees, it is

ORDERED, this 8th day of February, 1985, by the Circuit Court for Queen Anne's County, that Donald E. Sinrod and Steven H. Hofberg, Substitute Trustees, show cause, if any they may have, on or before the 25th day of February, 1985, why this Court should not grant the request of John W. Sause, Jr., Auditor, for additional compensation in allowing a total fee of \$750 and to further show cause why \$500 of that compensation should not be paid from the commissions allowed the Substitute Trustees; provided a copy of the Request for Additional Compensation and Final Report of Auditor and this Order be mailed by the Clerk of this Court to the Substitute Trustees by ordinary mail or or before the 11th day of February, 1985.

Distribution:
Original - Court File
True Copies:
John W. Sause, Jr.,
Auditor


Judge of the
Circuit Court
1985 FEB -8 PM 2:51
QUEEN ANNE'S COUNTY

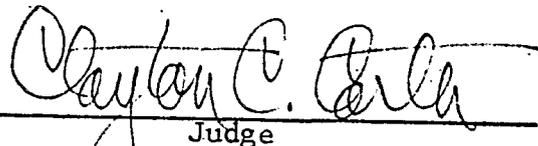
CCC:mfe:3/6/85

DONALD E. SINROD, et al. : IN THE CIRCUIT COURT
vs. : FOR QUEEN ANNE'S COUNTY
FRANCIS GRAY, et ux. : EQUITY NO. 7286

ORDER

The foregoing Application of the Court Auditor having been read and considered, and it appearing (1) that the Auditor has performed duties other than the customary and usual duties performed in an audit, and (2) that the Substitute Trustees having failed to respond to the Show Cause Order of this Court dated February 8, 1985, it is this 6th day of March, 1985, by the Circuit Court for Queen Anne's County,

ORDERED, that the Auditor is allowed a total fee of \$750, together with out of pocket traveling and other expenses allowed by Second Circuit Rule 12 b, such fee and expenses to be paid from the commissions allowed the Substitute Trustees to the extent of \$500 and any balance to be paid from the proceeds of sale; subject to the right of any interested person to file exceptions to this allowance in the manner provided by Maryland Rule 2-543 (f).


Judge

Distribution:
Original - Court File
Photocopies:
John W. Sause, Jr., Court Auditor
Steven E. Mirsky, Esq.

RECEIVED
CIRCUIT COURT
1985 MAR -6 PM 12:02
QUEEN ANNE'S COUNTY

NOTICE

The attached Account was filed on March 7, 1985. Exceptions to the Account must be filed within ten (10) days of that date. If timely exceptions are not filed, the Account may thereupon be ratified. The amount allowed to each claimant is stated in the attached Account.

CERTIFICATE OF AUDITOR

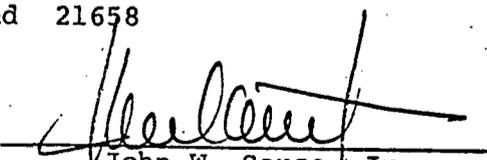
I hereby certify that I have examined the Suggested Account, together with the receipts, vouchers, statements, suggested distribution and affidavit submitted by the Fiduciary in Chancery Cause #7286. On the basis of the facts which appear upon the face of the proceedings and proofs submitted to me, it is my opinion that the claims set forth in the foregoing Auditor's Account have been established and are properly allowable by law in the amounts there set forth.

I further certify that copies of the Final Report of Auditor, Auditor's Account and Notice conforming to the requirements of Maryland Rule 2-543 and Second Circuit Rule 12 d were mailed to the following persons on March 7, 1985:

Donald E. Sinrod, Esquire
Steven H. Hofberg, Esquire
One Central Plaza, Suite 1204
11300 Rockville Pike
Rockville, Maryland 20852

Francis Gray
Route 1, Box 323
Grasonville, Maryland 21658

Inez Gray
Route 1, Box 323
Grasonville, Maryland 21658


John W. Sausey Jr.
Auditor

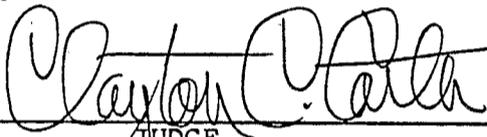
IN THE CIRCUIT COURT FOR QUEEN ANNE'S COUNTY

DONALD E. SINROD, et al. : :
 : :
 v. : : Chancery #7286
 : :
 FRANCIS GRAY, et ux. : :
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ORDER RATIFYING AUDIT

The matter coming before the Court on the Account heretofore filed by the Auditor, it appearing from the Auditor's Certificate that the requirements of Rule 2-543 (e) have been met, and no exceptions having been filed within 10 days of the date when the Account was filed, it is this 20th day of March, 1985,

ORDERED that the Account of the Auditor is hereby ratified and confirmed, and the Fiduciary shall apply the proceeds accordingly with a due proportion of interest after same has been or may be received.



 JUDGE

CLERK OF COURT
 1985 MAR 20 PM 2:28
 QUEEN ANNE'S COUNTY