

Georgian Towers Is Sold at Auction

By Claude Koprowski Washington Post Staff Writer
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Part of Wolman Complex

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About 100 persons turned out yesterday in Silver Spring, Md., to see Jerry Wolman's Georgian Towers auctioned off for \$6.5 million—the only bid made. When completed, the complex will be worth an estimated \$10 million.

The buyer was American National Bank on behalf of itself and the Philadelphia National Bank. The two banks hold \$9.1 million in unpaid notes and interest on an original loan of \$10.5 million, said attorney John H. Somerville, representing American National.

property. But Kidwell, prompted by Somerville, refused to do so.

Welsh later said American Security probably would pursue further legal action. Another spokesman for AS&T said the bank objected to "the sale, the manner of sale, and if ratified, methods for distribution of proceeds."

American National will seek approval of its purchase from the Baltimore Court, Somerville said. If the bank gets the green light, construction will resume in four weeks, he said, and added, "We are also interested in selling the buildings."

American National said it lent Wolman \$850,000 for the project and that an additional \$7,750,000 had come from the Philadelphia National Bank. Somerville said the purchase price "will be applied against indebtedness based on the participation of the two banks."

Earlier in the month Joseph O. Kaiser, Federal referee in bankruptcy approved Wolman's plea to form a corporation that would assume his interest in four of his enterprises. They include the Philadelphia Eagles, the Yellow Cab Company of Philadelphia, and Philadelphia's Spectrum Arena and Connie Mack Stadium.

Wolman had been asked to come up with a reorganization plan to pay off his creditors. Wolman's last tabulation showed assets of \$74.6 million and liabilities of \$71.9 million.

Outside the half-finished 892-apartment hung signs describing the original financing. In the courtyard rust had already pitted primed metal railings. The two front towers are only half finished.

Construction on the building stopped last Fall when Wolman filed a petition for bankruptcy in Federal District Court in Baltimore. At the time the 40-year-old sportsman and builder owed 230 creditors \$72 million.

Somerville said his clients' bid of \$6.5 million represented the current value of the unfinished property based on a Carey Winston Co. Realtors report.

Prior attempts to stop American National from foreclosing and mortgage by American Security & Trust Co. were unsuccessful. American Security is the court-appointed trustee in bankruptcy for Adams Properties, Inc. which sold the land for the Georgian Towers to Wolman. American Security contends that Adams is owed \$430,000 on the property in a prior lien.

Just before the bidding began American Security lawyer T. Hammond Welsh Jr. asked auctioneer Wilson S. Kidwell to describe the liens and their priorities on the



T. HAMMOND WELSH
... American Security and Trust representative



JOHN H. SOMERVILLE
... makes \$6.5 million bid