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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re:) Chapter 11
)
MOVIE GALLERY, INC., et al.,¹) Case No. 10-30696-DOT
)
Debtors.)
_____)

SECOND NOTICE OF INITIATION OF ADDITIONAL STORE CLOSING SALES

PLEASE TAKE NOTICE THAT on February 2, 2010, the above-captioned debtors (collectively, the “Debtors”) filed petitions commencing cases under the Bankruptcy Code, 11 U.S.C. § § 101-1532 (the “Bankruptcy Code”), in the United States Bankruptcy Court for the Eastern District of Virginia (the “Bankruptcy Court”).

PLEASE TAKE FURTHER NOTICE THAT on February 3, 2010, the Court entered the Order Authorizing the Debtors to Assume the Store Closing Consulting Agreement with Gordon Brothers Retail Partners, LLC [Docket No. 74] (the “Order”). Pursuant to the terms of the Store Closing Consulting Agreement (the “Agreement”), which is attached as Exhibit 1 to the Order, the Debtors and Gordon Brothers Retail Partners, LLC (“Gordon Brothers”), may mutually agree to modify Exhibit A of the Agreement.

¹ The Debtors in the cases are Movie Gallery, Inc., Hollywood Entertainment Corporation, Movie Gallery US, LLC, MG Real Estate, LLC, and HEC Real Estate, LLC.



PLEASE TAKE FURTHER NOTICE THAT the Debtors and Gordon Brothers are exercising their rights under the Agreement and pursuant to the Order and have mutually agreed to modify Exhibit A of the Agreement. The Debtors and Gordon Brothers will immediately begin Store Closing Sales² at those stores set forth in **Exhibit A** to this Notice.

PLEASE TAKE FURTHER NOTICE THAT that the foregoing has been served upon all affected landlords and all necessary parties, which necessary parties consist of the creditors and parties in interest constituting the Core Group, the 2002 List and the Affected Entities, as such terms are defined in that certain Order Establishing Certain Notice, Case Management and Administrative procedures [Docket No. 188] entered by the Court on February 8, 2010.

Dated: March 25, 2010
Richmond, Virginia

KUTAK ROCK LLP

By: /s/ Jeremy S. Williams

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² As that term is defined in the Order (A) Authorizing the Debtors to Conduct Store Closing Sales, (B) Approving Procedures with Respect to Store Closing Sales, (C) Authorizing the Debtors to Pay Limited Liquidation and Closure Performance Bonuses, and (D) Authorizing the Debtors to Abandon Certain De Minimis Assets in Connection with Store Closing Sales [Docket No. 94].

EXHIBIT A

Store No.	Brand	Address	City	State	Zip
003969	HLYW	4304 W BELL RD	GLENDALE	AZ	85308
003998	HLYW	9069 W OLIVE STE 105	PEORIA	AZ	85345
005420	HLYW	2540 E AVE S	PALMDALE	CA	93550
005527	HLYW	4287 SONOMA BLVD	VALLEJO	CA	94589
005530	HLYW	705 LINCOLN AVE	NAPA	CA	94558
005549	HLYW	1560 E HATCH RD	MODESTO	CA	95351
005558	HLYW	9 MAIN STREET STE 101	WOODLAND	CA	95695
005560	HLYW	714 W ONSTOTT RD	YUBA CITY	CA	95991
005561	HLYW	1276 S MAIN ST STE B	SALINAS	CA	93901
005567	HLYW	2641 GEER RD	TURLOCK	CA	95382
005572	HLYW	640 BLOSSOM HILL RD	LOS GATOS	CA	95032
005573	HLYW	2418 W KETTLEMAN LN	LODI	CA	95242
005628	HLYW	4751 PACIFIC AVE	STOCKTON	CA	95207
005671	HLYW	3616 N ROSEMEAD BLVD	ROSEMEAD	CA	91770
005708	HLYW	2560 N PERRIS BLVD	PERRIS	CA	92571
005725	HLYW	4447 CANDLEWOOD ST	LAKEWOOD	CA	90712
005764	HLYW	3512 MANTHEY RD	STOCKTON	CA	95206
005784	HLYW	7943 WATT AVE	ANTELOPE	CA	95843
005797	HLYW	3030 N BROADWAY	LOS ANGELES	CA	90031
005806	HLYW	3525 MAC ARTHUR BLVD	OAKLAND	CA	94619
005848	HLYW	8447 ELK GROVE FLORIN RD	ELK GROVE	CA	95624
005903	HLYW	2684 MT VERNON AVE	BAKERSFIELD	CA	93306
005913	HLYW	550 MORELLO AVE STE A	MARTINEZ	CA	94553
005950	HLYW	17200 MAIN ST	HESPERIA	CA	92345
006665	HLYW	725 CHEYENNE MEADOWS RD	COLORADO SPRINGS	CO	80906
006670	HLYW	1490 S SHERIDAN BLVD	DENVER	CO	80232
006672	HLYW	6350 SHERIDAN BLVD	ARVADA	CO	80003
007121	HLYW	220 RTE. 12	GROTON	CT	06340
010464	HLYW	1747 GORNTO RD	VALDOSTA	GA	31601
012107	HLYW	1560 N LOCUST GROVE RD	MERIDIAN	ID	83642
012108	HLYW	1531 NORTHGATE MILE	IDAHO FALLS	ID	83401
012111	HLYW	1675 E SELTICE WY	POST FALLS	ID	83854
013833	HLYW	4103 W 44TH AVE	MOLINE	IL	61265
013907	HLYW	1510 E RIVERSIDE BLVD	LOVES PARK	IL	61111
013959	HLYW	5141 W 95TH ST	OAK LAWN	IL	60453
018489	HLYW	1630 E 70TH ST	SHREVEPORT	LA	71105
018506	HLYW	2950 RYAN ST	LAKE CHARLES	LA	70601
021109	HLYW	690 MERRILL RD	PITTSFIELD	MA	01201
021143	HLYW	460 RTE 134	SOUTH DENNIS	MA	02660
022269	HLYW	27895 23 MILE RD	CHESTERFIELD	MI	48051
022458	HLYW	17015 SILVER PKY	FENTON	MI	48430

Store No.	Brand	Address	City	State	Zip
023751	HLYW	2057 SNELLING AVE N	ROSEVILLE	MN	55113
023790	HLYW	4602 GRAND AVE STE A	DULUTH	MN	55807
024506	HLYW	1323 W GOVERNMENT ST STE A	BRANDON	MS	39042
027686	HLYW	5401 N 90TH ST UNIT 5403	OMAHA	NE	68134
028407	HLYW	7450 W LAKE MEAD RD STE 4	LAS VEGAS	NV	89128
030205	HLYW	1750 NORTH OLDEN AVE	EWING	NJ	08638
032606	HLYW	299 S MAIN ST STE 1	ELMIRA	NY	14904
032718	HLYW	22007 HILLSIDE AVE	QUEENS VILLAGE	NY	11427
032756	HLYW	1498 METROPOLITAN AVE	BRONX	NY	10462
035884	HLYW	6939 E BROAD ST	COLUMBUS	OH	43213
038101	HLYW	90 WEIS LN	WEST HAZLETON	PA	18201
038150	HLYW	1207 CARLISLE RD	YORK	PA	17404
038340	HLYW	853 JEFFERSON AVE.	WASHINGTON	PA	15301
038367	HLYW	1408 BALTIMORE ST	HANOVER	PA	17331
038987	HLYW	170 SARA WY	BELLE VERNON	PA	15012
038999	HLYW	1530 W 26TH ST	ERIE	PA	16508
042450	HLYW	4136 N. MT. JULIET ROAD	MT. JULIET	TN	37122
042959	HLYW	180 W MAIN ST	HENDERSONVILLE	TN	37075
043321	HLYW	805 S 14TH ST	KINGSVILLE	TX	78363
043333	HLYW	2000 BOCA CHICA BLVD	BROWNSVILLE	TX	78521
043357	HLYW	3122 FM 528 RD	WEBSTER	TX	77598
043377	HLYW	11615 W SAM HOUSTON PKY E	HOUSTON	TX	77089
043400	HLYW	1000 E 41ST ST STE 200	AUSTIN	TX	78751
043558	HLYW	4000 N 10TH ST	MCALLEN	TX	78504
043617	HLYW	7301 RANCH RD 620 N STE 105	AUSTIN	TX	78726
043619	HLYW	5707 4TH ST	LUBBOCK	TX	79416
043620	HLYW	3327 MILITARY DR SE	SAN ANTONIO	TX	78223
043644	HLYW	1923 W WHEELER AVE	ARANSAS PASS	TX	78336
043715	HLYW	903 N IH 35 STE 117	BELLMEAD	TX	76705
044609	HLYW	5543 S. REDWOOD RD. STE E	TAYLORSVILLE	UT	84123
044611	HLYW	227 N. MAIN ST.	TOOELE	UT	84074
044617	HLYW	231 N. RED CLIFFS DR.	ST. GEORGE	UT	84790
044655	HLYW	360 S MAIN STREET	SPRINGVILLE	UT	84663
044662	HLYW	496 NORTH 990 WEST	AMERICAN FORK	UT	84003
046726	HLYW	1194 BIG BETHEL RD.	HAMPTON	VA	23666
047254	HLYW	5060 STATE HWY 303 NE	BREMERTON	WA	98311
047268	HLYW	16783 SE 272ND ST	KENT	WA	98042
047275	HLYW	2715 W. COURT	PASCO	WA	99301
047314	HLYW	3411 169TH PL NE	ARLINGTON	WA	98223
050632	HLYW	459 W. JOHNSON ST.	FOND DU LAC	WI	54935
050653	HLYW	6001 S PACKARD AVE	CUDAHY	WI	53110

Store No.	Brand	Address	City	State	Zip
050661	HLYW	4700 WASHINGTON AVE.	RACINE	WI	53406
200023	MGUSA	1320 S. BRUNDIDGE ST.	TROY	AL	36081
200069	MGUSA	505 OLD PERRY STORE ROAD	OPP	AL	36467
200089	MGUSA	704 PELHAM ROAD SOUTH	JACKSONVILLE	AL	36265
200095	MGUSA	1344A HIGHWAY 231 SOUTH	OZARK	AL	36360
200105	MGUSA	600 BRANNEN ST.	STATESBORO	GA	30458
200108	MGUSA	11226 MIDDLE BEACH RD.	PANAMA CITY BEACH	FL	32407
200112	MGUSA	561 NORTH DALEVILLE AVENUE	DALEVILLE	AL	36322
200118	MGUSA	4655 CENTER POINT ROAD	PINSON	AL	35126
200209	MGUSA	439 FIELDSTOWN RD.	GARDENDALE	AL	35071
200212	MGUSA	752 MAIN STREET	MONTEVALLO	AL	35115
200235	MGUSA	3679 HIGHWAY 431	ROANOKE	AL	36274
200244	MGUSA	1717 DECATUR HIGHWAY	FULTONDALE	AL	35068
200287	MGUSA	19195 NORTH 3RD ST.	CITRONELLE	AL	36522
200318	MGUSA	1639 BRADLEY PARK DRIVE	COLUMBUS	GA	31904
200337	MGUSA	4467 WASHINGTON RD	EVANS	GA	30809
200348	MGUSA	1805 N. TIFT AVENUE	TIFTON	GA	31794
200363	MGUSA	2212 VILLAGE DRIVE	MOODY	AL	35004
200432	MGUSA	207 COLLEGE AVENUE	LEVELLAND	TX	79336
200457	MGUSA	5401 SOUTH FM 1626, STE 110	KYLE	TX	78640
200458	MGUSA	207 W. GONZALEZ ST.	YOAKUM	TX	77995
200482	MGUSA	1409 E. MAIN ST.	GATESVILLE	TX	76528
200684	MGUSA	2900 CEDAR LANE	COLONIAL HEIGHTS	VA	23834
200740	MGUSA	21 POINCIANA BLVD.	DESTIN	FL	32541
200743	MGUSA	912 ALBERMARLE ROAD	TROY	NC	27371
200777	MGUSA	396 SAM HOUSTON JONES PARKWAY	MOSS BLUFF	LA	70611
200848	MGUSA	3003 RICHMOND ROAD	TEXARKANA	TX	75503
200859	MGUSA	709 W. PERKINS AVENUE	SANDUSKY	OH	44870
200877	MGUSA	886 MAIN STREET	SANFORD	ME	04073
200878	MGUSA	120 CENTER ST.	AUBURN	ME	04210
200883	MGUSA	RT. 1	DAMARISCOTTA	ME	04543
200899	MGUSA	153 BENNETT DR.	CARIBOU	ME	04736
200923	MGUSA	1550 SOUTH U.S. HWY 29	CANTONMENT	FL	32533
200996	MGUSA	CHINA RD.	WINSLOW	ME	04901
200997	MGUSA	307 KIMBALL CROSSING	KIMBALL	TN	37347
201031	MGUSA	2940 US HGHWAY 27 S	SEBRING	FL	33870
201056	MGUSA	1406 S. MAIN STREET	MARYVILLE	MO	64468
201058	MGUSA	1021 W. BEACON STREET	PHILADELPHIA	MS	39350
201094	MGUSA	8803 SE BRIDGE RD	HOBE SOUND	FL	33455
201134	MGUSA	1209 W. WILL ROGERS BLVD, STE.	CLAREMORE	OK	74017
201147	MGUSA	326 WOODLAND DRIVE NORTH	FOREST	MS	39074

Store No.	Brand	Address	City	State	Zip
201209	MGUSA	814 EAST ROBERT TOOMBS AVE.	WASHINGTON	GA	30673
201215	MGUSA	228 OCILLA HIGHWAY	FITZGERALD	GA	31750
201222	MGUSA	621 E 3RD ST	JACKSON	GA	30233
201225	MGUSA	2061 N. COMMERCIAL STREET	HARRISONVILLE	MO	64701
201232	MGUSA	310 E. HOSKINS	NEW BOSTON	TX	75570
201245	MGUSA	1145 TENEHA STREET	CENTER	TX	75935
201268	MGUSA	514 WEST OGEECHEE STREET	SYLVANIA	GA	30467
201280	MGUSA	15687 HIGHLAND DRIVE	MC KENZIE	TN	38201
201286	MGUSA	413 N. BALTIMORE	KIRKSVILLE	MO	63501
201291	MGUSA	819 SOUTH 25 MILE AVENUE	HEREFORD	TX	79045
201302	MGUSA	700 SOUTH MISSISSIPPI STREET	ATOKA	OK	74525
201322	MGUSA	4 PINE GROVE VILLAGE DRIVE	GROVE CITY	PA	16127
201340	MGUSA	1416 GOLDEN SPRINGS RD.	ANNISTON	AL	36207
201368	MGUSA	15018 RANKIN AVENUE	DUNLAP	TN	37327
201373	MGUSA	27 MAIN STREET	JEWETT CITY	CT	06351
201396	MGUSA	137 NORTH BRADY STREET	RAMSEUR	NC	27316
201415	MGUSA	22361 HOLT HARRIGAN ROAD	GENOA	OH	43430
201419	MGUSA	102 W. TUCUMCARI BLVD	TUCUMCARI	NM	88401
201420	MGUSA	102 WEST AVE A	SEMINOLE	TX	79360
201455	MGUSA	830 HINCKLEY	HOLDENVILLE	OK	74848
201473	MGUSA	555 WEST LINCOLN TRAIL BLVD	RADCLIFF	KY	40160
201481	MGUSA	103 LINCOLN DRIVE	HODGENVILLE	KY	42748
201547	MGUSA	2105 ACADEMY ROAD	POWHATAN	VA	23139
201556	MGUSA	6336 JEFFERSON DAVIS HIGHWAY	SPOTSYLVANIA	VA	22553
201579	MGUSA	1217 MAIN STREET	WINFIELD	KS	67156
201658	MGUSA	2702 SOUTH CULBERHOUSE DRIVE	JONESBORO	AR	72401
202056	MGUSA	1052 SAGAMORE PARKWAY WEST	WEST LAFAYETTE	IN	47906
202092	MGUSA	414 NORTH NELSON ROAD	NEW LENOX	IL	60451
202167	MGUSA	1111 CLAREMONT AVENUE	ASHLAND	OH	44805
202172	MGUSA	ROUTE 255 & SHAFFER ROAD	DUBOIS	PA	15801
202256	MGUSA	900 E. MAIN ST.	PETERSBURG	IN	47567
202269	MGUSA	1735 GREEN AVENUE	PURCELL	OK	73080
202806	MGUSA	630 N. KANSAS AVENUE	LIBERAL	KS	67901
202938	MGUSA	2265 DOWNER STREET	BALDWINVILLE	NY	13027
202976	MGUSA	2595 NEW KENT HIGHWAY	QUINTON	VA	23141
203012	MGUSA	529 NORTH SECTION STREET	SULLIVAN	IN	47882
203032	MGUSA	23168 ST. FRANCIS BLVD.	SAINT FRANCIS	MN	55070
203050	MGUSA	805 MONROE STREET	CARTHAGE	NC	28327
203052	MGUSA	2236 SOUTH CROATAN HIGHWAY	NAGS HEAD	NC	27959
203095	MGUSA	2149 CASCADE AVENUE	HOOD RIVER	OR	97031
203096	MGUSA	24983 HIGHWAY 126	VENETA	OR	97487

Store No.	Brand	Address	City	State	Zip
203111	MGUSA	202 S. CASCADE DRIVE, P.O. BOX	SPRINGVILLE	NY	14141
203132	MGUSA	803 S.E. 1ST AVENUE	MOULTRIE	GA	31768
203140	MGUSA	120 NORTH 10TH ST	POPLAR BLUFF	MO	63901
203156	MGUSA	2750 OLD HARDIN ROAD	BILLINGS	MT	59101
203179	MGUSA	S. 831 2ND STREET	STILWELL	OK	74960
203184	MGUSA	600 W. TAYLOR STREET	CRESTON	IA	50801
203224	MGUSA	1607 7TH STREET	LAS VEGAS	NM	87701
203229	MGUSA	1330 E. GRAND RIVER AVE	PORTLAND	MI	48875
203245	MGUSA	10915 US RT. 11	ADAMS	NY	13605
203248	MGUSA	3209 MLK PARKWAY SOUTH	PHENIX CITY	AL	36868
203282	MGUSA	4624 NORTH M-37	MIDDLEVILLE	MI	49333
203334	MGUSA	19478 COASTAL HWY, UNIT 1	REHOBOTH BEACH	DE	19971
203336	MGUSA	1664 S. GOVERNORS AVENUE	DOVER	DE	19901
203339	MGUSA	V STATE LINE PLAZA, HIGHWAY 13	DELMAR	DE	19940
203397	MGUSA	1545 S. WASHINGTON STREET	MILLERSBURG	OH	44654
203403	MGUSA	24832 JOHN J WILLIAMS HWY UNIT	MILLSBORO	DE	19966
203404	MGUSA	32 RISING SUN TOWNE CENTRE	RISING SUN	MD	21911
203414	MGUSA	723 1ST AVENUE SOUTH	JAMESTOWN	ND	58401
203462	MGUSA	1114 LAKE AVENUE	STORM LAKE	IA	50588
203473	MGUSA	1100 SOUTH 2ND STREET STE C	RATON	NM	87740
203477	MGUSA	1011 NORTH BROADWAY	TECUMSEH	OK	74873
203505	MGUSA	1607 MARINETTE AVENUE	MARINETTE	WI	54143
203538	MGUSA	721 CONGRESS BLVD.	SMITHVILLE	TN	37166
203561	MGUSA	92-1329 PRINCE KUHIO BLVD.	OCEANVIEW	HI	96737
203615	MGUSA	117 W. SINTON STREET	SINTON	TX	78387
203687	MGUSA	1113 FLEDDER JOHN ROAD	CHARLESTON	WV	25314
203693	MGUSA	331 DIEDERICH BLVD	ASHLAND	KY	41101
203727	MGUSA	3266 RAY ROAD	SPRING LAKE	NC	28390
203730	MGUSA	4554 ROUTE 152	LAVALETTE	WV	25535
203737	MGUSA	1929 UNIVERSITY AVENUE	OXFORD	MS	38655
203744	MGUSA	550 EAST 4TH STREET	MT. VERNON	IN	47620
203747	MGUSA	9730 NORTH GREENVILLE ROAD	LAKEVIEW	MI	48850
203772	MGUSA	3269 MARICOPA AVENUE, STE 110	LAKE HAVASU CITY	AZ	86406
203783	MGUSA	861 HIGHWAY 377 NORTH, STE 101	WHITESBORO	TX	76273
203793	MGUSA	3858 ROME ROAD	PULASKI	NY	13142
203824	MGUSA	11615 HIGHWAY 70, STE 108	ARLINGTON	TN	38002
203862	MGUSA	250 LAKE STREET	PENN YAN	NY	14527
203878	MGUSA	3119 DALLAS HIGH SHOALS ROAD	DALLAS	NC	28034
203915	MGUSA	424 S. VICTORY DRIVE	LYONS	GA	30438
204007	MGUSA	103 MARKET PLACE	NORTH WILKESBORO	NC	28659
204058	MGUSA	40900 MERCHANT LANE	LEONARDTOWN	MD	20650

Store No.	Brand	Address	City	State	Zip
204105	MGUSA	90 E. THIRD ST. TENANT A1, STE	DOUGLAS	AZ	85607
204109	MGUSA	604 SH 78 NORTH, STE 121	FARMERSVILLE	TX	75442
204119	MGUSA	6134 HIGHWAY 98	HATTIESBURG	MS	39402
204166	MGUSA	511 NORTH MAIN ST	GRAFTON	OH	44044
204206	MGUSA	11628 HWY 57	VANCLEAVE	MS	39565