

01-825-C.D.
RICHARD D. GATHAGAN -vs- CARL R. GATHAGAN et al

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

RICHARD D. GATHAGAN : No. 2001-825-CO

Plaintiff : Type of Case:
CIVIL - EJECTMENT

vs. : Type of Pleading:
COMPLAINT

CARL R. GATHAGAN and :
TAMARA A. GATHAGAN

Defendants : Filed on Behalf of:
PLAINTIFF

Attorney for this party:
Peter F. Smith, Esquire
Supreme Court No. 34291
30 South Second Street
P.O. Box 130
Clearfield, PA 16830
(814) 765-5595

FILED

MAY 30 2001

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

RICHARD D. GATHAGAN,	:	
Plaintiff	:	
	:	
vs.	:	No. 2001-
	:	
CARL R. GATHAGAN and	:	
TAMARA A. GATHAGAN,	:	
	:	
Defendants	:	

NOTICE TO DEFEND

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this Complaint and Notice are served, by entering a written appearance personally or by attorney and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so, the case may proceed without you, and a judgment may be entered against you by the Court without further notice for any money claimed in the Complaint or for any other claim or relief requested by the Plaintiff. You may lose money or other rights important to you.

**YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF
YOU DO NOT HAVE OR CANNOT AFFORD A LAWYER, GO TO OR
TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE
YOU CAN GET LEGAL HELP.**

Clearfield County Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA 16830
(814) 765-2641

AMERICANS WITH DISABILITIES ACT OF 1990

The Court of Common Pleas of Clearfield County is required by law to comply with the Americans with Disabilities Act of 1990. For information about accessible facilities and reasonable accommodations available to disabled individuals having business before the Court, please contact our office. All arrangements must be made at least 72 hours prior to any hearing or business before the Court. You must attend the scheduled conference or hearing.

Clearfield County Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA 16830
(814) 765-2641

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

RICHARD D. GATHAGAN,	:	
Plaintiff	:	
	:	
vs.	:	No. 2001-
	:	
CARL R. GATHAGAN and	:	
TAMARA A. GATHAGAN,	:	
Defendants	:	

COMPLAINT

COMES NOW, RICHARD D. GATHAGAN, by his attorney, Peter F. Smith, who avers in support of the complaint:

1. The name of the Plaintiff is **RICHARD D. GATHAGAN**, whose business address is 29 South Second Street, Clearfield, PA 16830.
2. The name of the First Defendant is **CARL R. GATHAGAN**, who currently receives mail at 619 Elizabeth Street, Houtzdale, PA 16651.
3. The name of the Second Defendant is **TAMARA A. GATHAGAN**, who resides at 417 West Locust Street, Clearfield, PA 16830.
4. The Defendants are husband and wife.
5. This is an ejectment action concerning a house and lot known as 417 West Locust Street, Clearfield Borough, Clearfield County, Pennsylvania, identified by Clearfield County Tax Map Number 4.1-K8-207-15 bounded and described as follows:

ALL that certain lot or piece of land situate in the Third Ward of the Borough of Clearfield, County of Clearfield, Commonwealth of Pennsylvania, bounded and described as follows:

BEGINNING at a point on the North side of West Locust Street, one hundred and forty (140) feet east from the intersection of West Locust Street and West Fourth Avenue; thence South eighty-six (86) degrees twenty-three (23) minutes East sixty-one and four tenths (61 4/10) feet along West Locust street to an alley; thence along said alley North four (4)

required by Act No. 6 of 1974, 41 Pa.C.S.A. Sections 101 et seq., and the Homeowner's Emergency Mortgage Assistance Act, 1959, Dec. 3, P.L. 1688, No. 621, art. IV-C, Section 402-C, added 1983, Dec. 23, P.L. 385, No. 91, Section 2, 35 P.S. Section 1680.401c et seq by Certified Mail on April 20, 2001, at each Defendants' last known addresses advising them of their default and their rights under this act. A true and correct copy of said notice is attached hereto and incorporated herein by reference as Plaintiff's Exhibit "B".

WHEREFORE, Plaintiff requests that this Honorable Court to:

- 1) Enter judgment in favor of Plaintiff and against the Defendants for possession of the real property described in paragraph five above; and
- 2) Enter an Order directing the Defendants to immediately remove any and all of their personal property from the real property subject to this action.

COUNT TWO - DAMAGES

14. Paragraphs 1 through 13 are incorporated herein by reference as those set forth in full.

15. Defendants failed to make the payment of accrued interest, which was due to Plaintiff November 14, 1998 in the amount of Five Thousand Seven Hundred Twenty (\$5,720.00) Dollars.

16. Defendants have failed to make the monthly payments of Four Hundred Seventy Six Dollars and Sixty-Seven (\$476.67) Cents from December 14, 1998 to present.

17. The Defendants are contractually obligated to makes these payments to Plaintiff.

18. An itemization of the amounts due Plaintiff from Defendants by virtue of their default follows:

a)	Principal	\$ 70,500.00
b)	Interest accrued to 4/20/01	\$ 12,993.45
c)	Interest accruing after 4/20/01 at \$15.45 per day (to be added)	\$ _____
d)	Court Costs (to be added)	\$ _____
e)	Attorney fees	\$ _____
	PRELIMINARY TOTAL	\$ 83,493.45
	FINAL TOTAL	\$ _____

WHEREFORE, Plaintiff prays judgment against Defendant in the amount of \$83,493.45 in paragraph 18 above.

Respectfully submitted,

Dated: 5-30-01

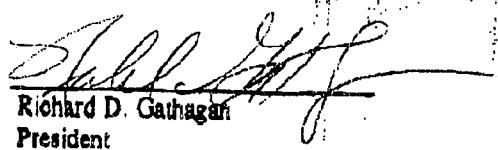


Peter F. Smith
Attorney for Plaintiff

AFFIDAVIT

STATE OF PENNSYLVANIA :
COUNTY OF CLEARFIELD : SS

RICHARD D. GATHAGAN, being duly sworn according to law, deposes and says that he is the President for R. GATHAGAN REAL ESTATE, and, as such, is duly authorized to make this Affidavit, and further, that the facts set forth in the foregoing Complaint are true and correct to the best of his knowledge, information and belief.



Richard D. Gathagan
President

SWORN TO AND SUBSCRIBED
before me this 30th
day of May, 2001.


Maggie S. Coudriet
Notary Public

NOTARIAL SEAL
MAGGIE S. COUDRIET, Notary Public
Clearfield Boro, Clearfield County, PA
My Commission Expires, October 21, 2002

ARTICLES OF AGREEMENT

MADE this 14th day of November, 1997 by and between **RICHARD D. GATHAGAN**, a single adult of Box 369, Route 53 North, Houtzdale, PA 16651; hereinafter "SELLER",

A
N
D

CARL R. GATHAGAN and TAMARA A. GATHAGAN currently of R.R. 2, Box 31, Ginter, PA 16651; hereinafter "BUYERS",

WHEREAS, SELLER is the owner of a house and parcel of land situate in Clearfield Borough, Clearfield County, PA; and,

WHEREAS, SELLER wishes to sell this property, and BUYERS wish to purchase it.

NOW WITNESSETH:

The parties, their heirs, executors, personal representatives, successors and assigns, intending to be legally bound hereby, and in consideration of their mutual promises stated herein, enter these Articles of Agreement according to the following terms:

1. PREMISES: The real estate subject to this Agreement consists of house situate in Clearfield Borough, Clearfield County, known as 417 West Locust Street and identified by Clearfield County Tax Map #4.1-K8-207-15 bounded and described as follows:

ALL that certain lot or piece of land situate in the Third Ward of the Borough of Clearfield, County of Clearfield, Commonwealth of Pennsylvania, bounded and described as follows:

Plaintiff's

Exhibit "A"

BEGINNING at a point on the North side of West Locust Street, one hundred and forty (140) feet east from the intersection of West Locust Street and West Fourth Avenue; thence South eighty-six (86) degrees twenty-three (23) minutes East sixty-one and four tenths (61 4/10) feet along West Locust Street to an alley; thence along said alley North four (4) degrees thirty-seven (37) minutes East one hundred and thirty (130) feet; thence along land of the Estate of John W. Wrigley North eighty-six (86) degrees twenty-three (23) minutes West sixty-one and four tenths (61 4/10) feet; thence along land of Wilbur J. Kerr South four (4) degrees thirty-seven minutes West one hundred and thirty (130) feet to the place of beginning. BEING known as 417 West Locust Street, Clearfield, Pennsylvania.

BEING the same premises conveyed to Richard D. Gathagan by deed dated November 14, 1997 and recorded in Clearfield County Deed Book 1887, page 331.

2. PRICE: The purchase price to be paid by BUYERS to SELLER in exchange for the premises is \$71,500.00.

3. PAYMENT: The parties agree that SELLER will finance the purchase price as follows: No payment of principal shall be due until the sixth anniversary of this agreement which will be November 14, 2003. BUYERS shall pay interest at the rate of 8% per annum on the amount financed of \$71,500.00. The finance charge shall be reduced if BUYERS exercise their option to prepay principal. BUYERS shall not be obligated to pay any interest until the first anniversary of this agreement which will be November 14, 1998, at which time they will pay the first year's accrued interest of \$5,720.00. Thereafter, BUYERS shall pay monthly accrued interest on the 14th day of each month in the amount of \$476.67. The parties agree that BUYERS shall pay principal and any accrued interest to SELLER in full on November 14, 2003.

The parties stipulate that BUYERS shall have the right to prepay this debt in whole or in part at any time. The parties agree that each payment shall first be applied toward accrued interest, and any balance remaining thereafter toward the reduction of principal. In the event or delay or default in payment, the parties agree that the contract interest rate of 8% per annum shall continue to apply even after entry of judgment.

Notwithstanding the foregoing, SELLER shall have the right to accelerate the payment of principal if BUYERS default in their obligation to pay interest when and as due or if BUYERS breach any of their other promises hereunder.

4. ADDITIONAL COLLATERAL: BUYERS shall also pledge to SELLER as additional collateral to secure their faithful performance hereunder 200 shares of stock in **Watson Pharmaceuticals**. Said stock shall be deposited with SELLER'S attorney, Peter F. Smith, as Escrow Agent, and BUYERS shall also execute stock powers in blank to provide for the transfer of this stock to SELLER or SELLER'S transferee in the BUYERS default, or BUYERS may leave this stock in a brokerage account upon condition that they execute all instructions, financial statements or other documents necessary to establish and preserve SELLER'S lien against this stock and upon condition that SELLER'S lien is acknowledged and will be respected by the broker or other custodian of said stock. The stock certificate and power shall be returned to BUYERS upon their full and punctual fulfillment of their obligations hereunder.

5. CLOSING: The parties agree that closing of this transaction shall take place on or before November 14, 1997.

6. APPORTIONMENT OF 1997 TAXES AND OTHER CHARGES: The 1997 county and township real estate taxes levied or assessed against the premises during 1997 shall be prorated on a calendar year basis as of the date on which these Articles are signed by the parties. The 1997-1998 school real estate taxes levied against this property shall be prorated on a fiscal year basis commencing July 1, 1997.

Thereafter, the BUYERS shall be responsible for all taxes and other charges against the premises and agrees to hold the SELLER harmless from the same. In the event that the BUYERS fail to pay said taxes or other charges on the premises on or before the become delinquent, then this failure shall constitute an event of default, and the SELLER may exercise his remedies described below.

7. TRANSFER TAXES: This conveyance is from parent to children and exempt from Pennsylvania Realty Transfer Tax.

8. ESCROW OF DEEDS: SELLER will convey the premises by Special Warranty Deed to be prepared by his attorney and at his expense. The deed shall be executed and acknowledged by SELLER at closing and delivered to SELLER'S attorney, Peter F. Smith, to be held in escrow pending final payment of the purchase price, interest and any other amounts due hereunder by BUYERS.

At closing, BUYERS shall also execute a Quit-Claim Deed to SELLER for the premises which shall also be delivered to SELLER'S attorney, Peter F. Smith, to be held in escrow, and in the event

that BUYER defaults hereunder, SELLER may record said deed to extinguish any right, claim, title or interest which BUYERS may have in the premises. If BUYERS pay all amounts due hereunder without default, then said Quit-Claim Deed shall be delivered to him along with the Special Warranty Deed within five (5) business days after payment.

9. WARRANTY OF TITLE: The premises are owned by SELLER and are accurately described in Paragraph 1. The SELLER specially warrants to the BUYERS that he has good and marketable title to the premises subject to this Agreement.

10. DISCLAIMER OF ALL OTHER WARRANTIES: The BUYER acknowledges that he or his agents have been given an opportunity to inspect the premises, buildings, contents, equipment, fixtures and other improvements thereon, and have been advised by the SELLER to do so. The BUYERS agree that they are buying the premises, well or water supply, septic system, buildings, contents, equipment, fixtures and other improvements, if any thereon, "AS IS" and "WHERE IS".

Excepting the warranty of title described in the paragraph above, the SELLER expressly disclaim all warranties, express or implied.

11. INSURANCE: BUYERS promise to obtain and maintain property, casualty and general liability insurance with a reputable company upon the premises in an amount at least equal to the amount they owe to SELLER under the terms of this Agreement and for so long as any amount is owed to SELLER. Said insurance policy shall

name SELLER as a loss-payee as his interest may appear. This policy shall also require the carrier to give SELLER at least ten (10) days prior written notice before the policy is cancelled, lapses or is terminated for any reason. If BUYER fails to carry said insurance, then SELLER may purchase it and add the amount of any premiums to the balance due hereunder together with interest at 8% per annum.

12. COUNSEL FEES: In the event of litigation, mediation or arbitration of a dispute between the parties, the prevailing party shall recover, as part of its damages, attorneys fees, expert witness fees and other costs reasonably and actually incurred by the prevailing party in conjunction with the litigation, mediation or arbitration.

13. DEFAULT AND CONFESSION OF JUDGMENT: If BUYERS fails to pay any amount or fulfill any other condition as specified in paragraph 3 above, including payment of taxes, or if BUYERS fail to maintain adequate insurance against the premises, SELLER may, at any subsequent time, after giving BUYER thirty (30) days prior written notice of such default, declare this Agreement "NULL AND VOID" and reenter the premises or any part thereof, with or without disturbing the peace, and fully repossess the premises.

IN ADDITION TO, AND NOT IN LIMITATION OF, THE FOREGOING RIGHT TO RECOVER POSSESSION OF THE PREMISES, BUYERS AUTHORIZE AND EMPOWER IRREVOCABLY THE PROTHONOTARY, CLERK OF COURT OR ANY ATTORNEY OF ANY COURT OF RECORD, TO APPEAR FOR THE BUYER IN SUCH COURT, IN TERM OR VACATION, AT ANY TIME AND CONFESS JUDGMENT IN FAVOR OF SELLER WITH OR WITHOUT THE FILING OF AN AVERMENT OR DECLARATION OF DEFAULT, FOR SUCH AMOUNTS AS MAY APPEAR TO BE UNPAID, TOGETHER WITH INTEREST AT 8 PERCENT PER ANNUM ACCRUING FROM THE DATE OF DEFAULT AND ALL REASONABLE COST INCURRED IN CONNECTION WITH THE COLLECTION OF SUCH

AMOUNT, TOGETHER WITH ATTORNEYS' FEES REASONABLY AND ACTUALLY INCURRED. THE BUYER WAIVE AND RELEASE ANY AND ALL ERRORS WHICH MAY INTERVENE IN ANY SUCH PROCEEDING AND WAIVE ALL RIGHT OF APPEAL AND CONSENT TO IMMEDIATE EXECUTION UPON SUCH JUDGMENT. BUYER SHALL NOT CAUSE ANY BILL IN EQUITY TO BE FILED OR INTERFERE IN ANY MANNER WITH THE OPERATION OF SUCH JUDGMENT, HEREBY RATIFYING AND CONFIRMING ALL THAT SAID ATTORNEY MAY DO BY VIRTUE HEREOF. THE AUTHORITY HEREIN ABOVE GRANTED SHALL NOT BE EXHAUSTED BY ONE EXERCISE THEREOF, BUT JUDGMENT MAY BE CONFESSED AS AFORESAID FROM TIME TO TIME AND AS OFTEN AS ANY DEFAULT SHALL OCCUR HEREUNDER.

BUYERS ACKNOWLEDGE THAT THEY UNDERSTAND THE MEANING AND EFFECT OF THE CONFESSION CONTAINED IN THE FOREGOING PARAGRAPH. SPECIFICALLY, BUYERS UNDERSTAND, AMONG OTHER THINGS, THAT (1) HE IS RELINQUISHING THE RIGHT TO HAVE NOTICE EXCEPT AS PROVIDED HEREIN, AN OPPORTUNITY TO BE HEARD AND THE RIGHT TO HAVE THE BURDEN OF PROOF OF DEFAULT REST ON SELLER PRIOR TO THE ENTRY OF JUDGMENT, (2) THE ENTRY OF JUDGMENT MAY RESULT IN A LIEN ON THEIR PROPERTY, (3) THEY WILL BEAR THE BURDEN AND EXPENSE OF ATTACKING THE JUDGMENT AND CHALLENGING EXECUTION OF THE LIEN AND SALE OF THE PROPERTY COVERED THEREBY, AND (4) ENOUGH OF THEIR PROPERTY MAY BE TAKEN TO PAY THE PRINCIPAL AMOUNT, INTEREST, COSTS AND ATTORNEY'S FEES.

14. MAINTENANCE, REPAIRS & ALTERATIONS: From and after closing, BUYERS shall be wholly and solely responsible for all maintenance and repair of the premises, and BUYERS bear all risk of loss for the same.

BUYERS promise that they shall maintain the premises, including all buildings, lawns, sidewalks, driveways, and other fixtures in a neat, safe and fit condition. BUYERS may not make alterations to the premises without the prior written consent of SELLER.

SELLER or his agents may inspect the premises upon two (2) days prior notice to BUYERS.

15. NOTICES: All notice or communications required by or bearing upon this Agreement or the premises shall be in writing and

sent by First Class Mail, postage prepaid, to the parties and their counsel as follows:

Richard D. Gathagan Route 53 N, Box 369 Houtzdale, PA 16651	Peter F. Smith, Attorney P.O. Box 130 Clearfield, PA 16830
---	--

Carl R. Gathagan/Tamara A. Gathagan
417 West Locust Street
Clearfield, PA 16830

16. GENERAL PROVISIONS:

- A) This Agreement shall be governed by the Laws of Pennsylvania. Jurisdiction and venue shall rest in the Court of Common Pleas of Clearfield County, PA, for all suits and claims;
- B) All rights, covenants, warranties and conditions herein shall extend to and bind the parties, their heirs, executors, administrators, guardians, successors and assigns, agents or officers;
- C) In construing this Agreement, SELLER and BUYER shall mean, whatever applicable, singular or plural, and masculine or feminine, an individual, individuals, or corporation, as the case may be;
- D) This Agreement (and Exhibits, if any) represents the sole agreement of the parties and supercedes all prior agreements, communications, representations and negotiations, whether oral or written;
- E) This Agreement can only be modified or amended by the prior written consent of all parties hereto;
- F) The parties deem that the premises subject to this Agreement are unique, and in addition to their other rights and remedies at law, and at equity, either party shall have the right to specifically enforce the terms of this Agreement; and,
- G) This Agreement shall be executed in two counterparts, either one of which shall serve as an original for all intents and purposes.
- H) Failure by either party to pursue remedies or assert rights under this Agreement shall not be construed as waiver of the party's rights and remedies nor shall a

party's failure to demand strict compliance with the terms and conditions of this Agreement prohibit or estop that party from insisting upon strict compliance in the future; and,

- I) This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted.

17. ASSIGNMENT: BUYERS may not assign their rights under this agreement without the prior written consent of SELLER.

18. POSSESSION: BUYERS shall receive possession of the premises upon execution of this Agreement and may enter quiet possession solely as they is not in default hereunder.

19. RECORDING: These Articles shall not be recorded.

20. SEWAGE FACILITY: In compliance with The Pennsylvania Sewage Facilities Act of January 24, 1966, No. 537, P.L. 1535, 35 P.S. Sections 750.1 et seq., as amended, specifically section 750.7(A), you are notified that the premises are serviced by a community sewage service.

IN WITNESS WHEREOF, the parties have hereunto set their hands intending to be legally bound the first day written above.

BUYERS:

Carl R. Gathagan

SELLER:

Richard D. Gathagan

Tamara A. Gathagan

ACT 6 / ACT 91 NOTICE

April 20, 2001

TAKE ACTION TO SAVE YOUR HOME FROM FORECLOSURE

This is an official notice that the mortgage on your home is in default, and the lender intends to foreclose. Specific information about the nature of the default is provided in the attached pages.

The HOMEOWNER'S MORTGAGE ASSISTANCE PROGRAM (HEMAP) may be able to help to save your home.

This Notice explains how the program works.

To see if HEMAP can help, you must MEET WITH A CONSUMER CREDIT COUNSELING AGENCY WITHIN 30 DAYS OF THE DATE OF THIS NOTICE. Take this Notice with you when you meet with the Counseling Agency.

The name, address and phone number of Consumer Credit Counseling Agencies serving your County are listed at the end of this Notice. If you have any questions, you may call the Pennsylvania Housing Finance Agency toll free at 1-800-342-2397. (Persons with impaired hearing can call (717) 780-1869.

This Notice contains important legal information. If you have any questions, representatives at the Consumer Credit Counseling Agency may be able to help explain it. You may also want to contact an attorney in your area. The local bar association may be able to help you find a lawyer.

LA NOTIFICACION EN ADJUNTO ES DE SUMA IMPORTANCIA, PUES AFECTA SU DERECHO A CONTINUAR VIVIENDO EN SU CASA. SI NO COMPRENDA EL CONTENIDO DE ESTA NOTIFICACION OBTENGA UNA TRADUCCION INMEDIATAMENTE LLAMANDO ESTA AGENCIA (PENNSYLVANIA HOUSING FINANCE AGENCY) SIN CARGOS AL NUMERO MENCIONADO ARRIBA. PUEDES SER ELIGIBLE PARA UN PRESTAMO POR EL PROGRAMA LLAMADO "Homeowner's Emergency Mortgage Assistance Program" EL CUAL PUEDE SALVAR SU CASA DE LA PERDIDA DEL DERECHO A REDIMIR SU HIPOTECA.

HOMEOWNERS' NAME(S):

Carl R. Gathagan
Tamara A. Gathagan

PROPERTY ADDRESS:

417 West Locust Street
Clearfield, PA 16830

LENDER:

Richard D. Gathagan

HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE PROGRAM YOU MAY BE ELIGIBLE FOR FINANCIAL ASSISTANCE WHICH CAN SAVE YOUR HOME FROM FORECLOSURE AND HELP YOU MAKE FUTURE MORTGAGE PAYMENTS.

IF YOU COMPLY WITH THE PROVISIONS OF THE HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE ACT OF 1983 (THE "ACT"), YOU MAY BE ELIGIBLE FOR

EMERGENCY MORTGAGE ASSISTANCE:

- * **IF YOUR DEFAULT HAS BEEN CAUSED BY CIRCUMSTANCES BEYOND YOUR CONTROL,**
- * **IF YOU HAVE A REASONABLE PROSPECT OF BEING ABLE TO PAY YOUR PAYMENTS, AND**
- * **IF YOU MEET OTHER ELIGIBILITY REQUIREMENTS ESTABLISHED BY THE PENNSYLVANIA HOUSING FINANCE AGENCY.**

TEMPORARY STAY OF FORECLOSURE-Under the Act, you are entitled to a temporary stay of foreclosure on your mortgage for thirty (30) days from the date of this Notice. During that time you must arrange and attend a "face-to-face" meeting with one of the consumer credit counseling agencies listed at the end of this Notice. *THIS MEETING MUST OCCUR WITHIN THE NEXT (30) DAYS. IF YOU DO NOT APPLY FOR EMERGENCY MORTGAGE ASSISTANCE, YOU MUST BRING YOUR MORTGAGE UP TO DATE. THE PART OF THIS NOTICE CALLED "HOW TO CURE YOUR MORTGAGE DEFAULT", EXPLAINS HOW TO BRING YOUR MORTGAGE UP TO DATE.*

CONSUMER CREDIT COUNSELING AGENCIES-If you meet with one of the consumer credit counseling agencies listed at the end of this notice, the lender may NOT take action against you for thirty (30) days after the date of this meeting. *The names addresses and telephone numbers of designated consumer credit counseling agencies for the county in which the property is located are set forth at the end of the Notice.* It is only necessary to schedule one face-to-face meeting. Advise your lender **immediately** of your intentions.

APPLICATION FOR MORTGAGE ASSISTANCE- Your mortgage is in default for the reasons set forth in this Notice (see following pages for specific information about the nature of your default.) If you have tried and are unable to resolve this problem with the lender, you have the right to apply for financial assistance from the Homeowner's Emergency Mortgage Assistance Program. To do so, you must fill out, sign and file a completed Homeowner's Emergency Assistance Program Application with one of the designated consumer credit counseling agencies listed at the end of this Notice. Only consumer credit counseling agencies have applications for the program and they will assist you in submitting a complete application to the Pennsylvania Housing Finance Agency. Your application **MUST** be filed or postmarked within thirty (30) days of your face-to-face meeting.

YOU MUST FILE YOUR APPLICATION PROMPTLY. IF YOU FAIL TO DO SO OR IF YOU DO NOT FOLLOW THE OTHER TIME PERIODS SET FORTH IN THIS LETTER, FORECLOSURE MAY PROCEED AGAINST YOUR HOME IMMEDIATELY AND YOUR APPLICATION FOR MORTGAGE ASSISTANCE WILL BE DENIED.

NOTE: IF YOU ARE CURRENTLY PROTECTED BY THE FILING OF A PETITION IN BANKRUPTCY, THE FOLLOWING PART OF THIS NOTICE IS FOR INFORMATION PURPOSES ONLY AND SHOULD NOT BE CONSIDERED AS AN ATTEMPT TO COLLECT THE DEBT.
(If you have filed bankruptcy you can still apply for Emergency Mortgage Assistance.)

AGENCY ACTION- Available funds for emergency mortgage assistance are very limited. They will be disbursed by the Agency under the eligibility criteria established by the Act. The Pennsylvania Housing Finance Agency has sixty (60) days to make a decision after it receives your application. During that time, no foreclosure

proceedings will be pursued against you if you have met the time requirements set forth above. You will be notified directly by the Pennsylvania Housing Finance Agency of its decision on your application.

HOW TO CURE YOUR MORTGAGE DEFAULT (Bring it up to date).

NATURE OF THE DEFAULT-The MORTGAGE debt held by the above lender on your property located at: 417 West Locust Street, Clearfield, Pennsylvania, 16830

IS SERIOUSLY IN DEFAULT because:

- A. YOU HAVE NOT MADE MONTHLY MORTGAGE PAYMENTS for the following months and the following amounts are now past due:

Balance from December 14, 1998-April 18, 2001	\$18,543.43
Total amount to pay this debt in full plus interest accruing at \$15.45 per day from 12/31/98	\$70,500.00

HOW TO CURE THE DEFAULT-You may cure the default within THIRTY (30) DAYS of the date of this Notice BY PAYING THE TOTAL AMOUNT PAST DUE TO THE LENDER, WHICH IS \$18,543.43, PLUS ANY MORTGAGE PAYMENTS AND LATE CHARGES WHICH BECOME DUE DURING THE THIRTY (30) DAY PERIOD. Payments must be made either by cash, cashier's check, certified check or money order made payable and sent to:

R. Gathagan Real Estate
Gathagan Enterprises
29 South Second Street
Clearfield, PA 16830

IF YOU DO NOT CURE THE DEFAULT-If you do not cure the default within THIRTY (30) DAYS of the date of this Notice, *the lender intends to exercise its rights to accelerate the mortgage debt.* This means that the entire outstanding balance of this debt will be considered due immediately and you may lose the chance to pay the mortgage in monthly installments. If full payment of the total amount past due is not made within THIRTY (30) DAYS, the lender also intends to instruct its attorneys to start legal action to *foreclosure upon your mortgaged property.*

IF THE MORTGAGE IS FORECLOSED UPON-The mortgaged property will be sold by the Sheriff to pay off the mortgage debt. If the lender refers your case to its attorneys, but you cure the delinquency before the lender begins legal proceedings against you, you will still be required to pay the reasonable attorney's fees that were actually incurred, up to \$50.00. However, if legal proceedings are started against you, you will have to pay all reasonable attorney's fees actually incurred by the lender even if they exceed \$50.00. Any attorney's fees will be added to the amount you owe the lender, which may also include other reasonable costs. *If you cure the default within the THIRTY (30) DAY period, you will not be required to pay attorney's fees.*

OTHER LENDER REMEDIES-The lender may also sue you personally for the unpaid principal balance and all other sums due under the mortgage.

RIGHT TO CURE THE DEFAULT PRIOR TO SHERIFF'S SALE-If you have not cured the default

within the THIRTY (30) DAY period and foreclosure proceedings have begun, *you will still have the right to cure the default and prevent the sale at any time up to one hour before the Sheriff's Sale. You may do so by paying the total amount then past due, plus any late or other charges then due, reasonable attorney's fees and costs connected with the foreclosure sale and any other costs connected with the Sheriff's Sale as specified in writing by the lender and by performing any other requirements under the mortgage. Curing your default in the manner set forth in this Notice will restore your mortgage to the same position as if you had never defaulted.*

EARLIEST POSSIBLE SHERIFF'S SALE DATE-It is estimated that the earliest date that such a Sheriff's Sale of the mortgaged property could be held would be **approximately 4 months from the date of this Notice**. A notice of the actual date of the Sheriff's Sale will be sent to you before the sale. Of course, the amount needed to cure the default will increase the longer you wait. You may find out at any time exactly what the required payment or action will be by contacting the lender.

HOW TO CONTACT THE LENDER:

R. Gathagan Real Estate
Gathagan Enterprises
29 South Second Street
Clearfield, PA 16830
(814) 765-1800

EFFECT OF SHERIFF'S SALE-You should realize that a Sheriff's Sale will end your ownership of the mortgaged property and your right to occupy it. If you continue to live in the property after the Sheriff's Sale, a lawsuit to remove you and your furnishings and other belongings could be started by the lender at any time.

ASSUMPTION OF MORTGAGE-You **may not** sell or transfer your home to a buyer or transferee who will assume the debt, provided that all the outstanding payments, charges and attorney's fees and costs are paid prior to or at the sale and that the other requirements of the mortgage are satisfied.

YOU MAY ALSO HAVE THE RIGHT:

- * **TO SELL THE PROPERTY TO OBTAIN MONEY TO PAY OFF THE MORTGAGE DEBT OR TO BORROW MONEY FROM ANOTHER LENDING INSTITUTION TO PAY OFF THIS DEBT.**

- * **TO HAVE THIS DEFAULT CURED BY ANY THIRD PARTY ACTING ON YOUR BEHALF.**

- * TO HAVE THE MORTGAGE RESTORED TO THE SAME POSITION AS IF NO DEFAULT HAD OCCURRED, IF YOU CURE THE DEFAULT. (HOWEVER, YOU DO NOT HAVE THIS RIGHT TO CURE YOUR DEFAULT MORE THAN THREE TIMES IN ANY CALENDAR YEAR.)
- * TO ASSERT THE NONEXISTENCE OF A DEFAULT IN ANY FORECLOSURE PROCEEDING OR ANY OTHER LAWSUIT INSTITUTED UNDER THE MORTGAGE DOCUMENTS.
- * TO ASSERT ANY OTHER DEFENSE YOU BELIEVE YOU MAY HAVE TO SUCH ACTION BY THE LENDER.
- * TO SEEK PROTECTION UNDER THE FEDERAL BANKRUPTCY LAW.

CONSUMER CREDIT COUNSELING SERVICE OF WESTERN PA, INC.

Keystone Economic Development Corporation
1954 Mary Grace Lane
Johnstown, PA 15901
(814) 535-6556
FAX # (814) 539-1688 —

Indiana County Community Action Program
827 Water Street, Box 187
Indiana, PA 15701
(412) 465-2657
FAX # (412) 465-5118

Consumer Credit Counseling Services of Western PA, Inc.
217 East Plank Road
Altoona, PA 16602
(814) 944-8100

—Lap over margin—

ED

Det
3/3/01 Catt Smith, PL
William A. Shaw
Pictonotary
SSCC

3cc at Catt Smith

PETER F. SMITH
ATTORNEY
30 SOUTH SECOND STREET
P.O. BOX 130
CLEARFIELD, PA. 16830

In The Court of Common Pleas of Clearfield County, Pennsylvania

Sheriff Docket #

11064

GATHAGAN, RICHARD D.

01-825-CD

VS.

GATHAGAN, CARL R. & TAMARA A.

COMPLAINT IN EJECTMENT

SHERIFF RETURNS

NOW JUNE 12, 2001 AT 9:10 AM DST SERVED THE WITHIN COMPLAINT IN EJECTMENT ON TAMARA A. GATHAGAN, DEFENDANT AT RESIDENCE, 417 W. LOCUST ST., CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO TAMARA A. GATHAGAN A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN EJECTMENT AND MADE KNOWN TO HER THE CONTENTS THEREOF.

SERVED BY: NEVLING

NOW JUNE 12, 2001 AT 9:55 AM DST SERVED THE WITHIN COMPLAINT IN EJECTMENT ON CARL R. GATHAGAN, DEFENDANT AT RESIDENCE, 619 ELIZABETH ST., HOUTZDALE, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO PATTY GATHAGAN, MOTHER A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN EJECTMENT AND MADE KNOWN TO HER THE CONTENTS THEREOF.

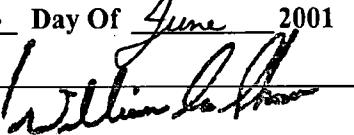
SERVED BY: DAVIS/MORGILLO

Return Costs

Cost	Description
64.78	SHFF. HAWKINS PAID BY: ATTY.
20.00	SURCHARGE PAID BY: ATTY.

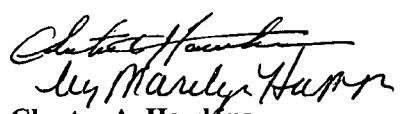
FILED
2:02
JUN 13 2001
William A. Shaw
Prothonotary

Sworn to Before Me This

13 Day Of June 2001


WILLIAM A. SHAW
Prothonotary
My Commission Expires
1st Monday in Jan. 2002
Clearfield Co., Clearfield, PA.

So Answers,


Chester A. Hawkins
Sheriff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

RICHARD D. GATHAGAN,
Plaintiff

vs.

CARL R. GATHAGAN and
TAMARA A. GATHAGAN,
Defendants

:
:
:
:
:
No. 2001- 825 CO

PRAECIPE TO ENTER DEFAULT JUDGMENT

To: William Shaw, Prothonotary

FILED

JUL 18 2001

Dear Sir or Madame:

**William A. Shaw
Prothonotary**

1. As counsel for Plaintiff I appear and request that you enter judgment in this ejectment in favor of the Plaintiff Richard D. Gathagan and against each of the Defendants Carl R. Gathagan and Tamara A. Gathagan for possession of real estate known as 417 West Locust Street, Clearfield Borough, Clearfield County, Pennsylvania, Tax Map #4.1-K8-207-15, to which the Plaintiff took title by deed in Clearfield County Deed Book 1887, Page 331; and

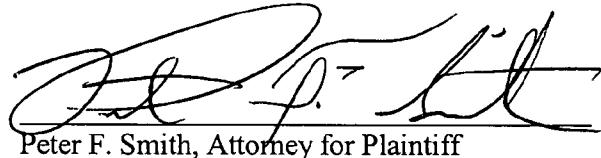
2. Enter monetary damages in favor of Plaintiff and against the Defendants as follows:

a)	Principal	\$ 70,500.00
b)	Interest accrued to 4/20/01	\$ 12,993.45
c)	Interest accruing after 4/20/01 at \$15.45 per day (to be added)	\$ _____.
d)	Court Costs (to be added)	\$ _____.
e)	Attorney fees	\$ _____.
	PRELIMINARY TOTAL	\$ 83,493.45
	FINAL TOTAL	\$ _____.

3. More than twenty (20) days have elapsed since service of the complaint on each of the Defendants, and they have failed to file an answer or responsive pleading. Plaintiff's counsel sent to each of the Defendants the Notice required by Pa.R.C.P. 237.1 on July 3, 2001, and neither

Defendant has filed an answer or other responsive pleading. A true and correct copy of said notice is attached hereto and incorporated herein by reference as Plaintiff's Exhibit "C".

Date: July 18, 2001



Peter F. Smith, Attorney for Plaintiff

—Lap over margin—

PETER F. SMITH

ATTORNEY

30 SOUTH SECOND STREET
P.O. BOX 130
CLEARFIELD, PA. 16830

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

RICHARD D. GATHAGAN,
Plaintiff

vs.

No. 2001- 825 CO

CARL R. GATHAGAN and
TAMARA A. GATHAGAN,
Defendants

Notice is given that a judgment has been entered of record in Clearfield County against Carl R. Gathagan and Tamara A. Gathagan, and in favor of the Plaintiff, in Ejectment and for monetary damages in the preliminary amount of \$ 83,493.45, plus interest and costs.

Prothonotary

By William J. Schaeffer, Deputy

Dated July 18, 2001

Rule of Civil Procedure No. 236

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA
STATEMENT OF JUDGMENT

Richard D. Gathagan
Plaintiff(s)

No.: 2001-00825-CD

Real Debt: \$83,493.45

Atty's Comm:

Vs.

Costs: \$

Int. From:

Carl R. Gathagan and
Tamara A. Gathagan
Defendant(s)

Entry: \$20.00

Instrument: Default Judgment

Date of Entry: July 18, 2001

Expires: July 18, 2006

Certified from the record this 18th of July, 2001



William A. Shaw

William A. Shaw, Prothonotary

SIGN BELOW FOR SATISFACTION

Received on _____, _____, of defendant full satisfaction of this Judgment, Debt, Interest and Costs and Prothonotary is authorized to enter Satisfaction on the same.

Plaintiff/Attorney

FILED

18 2001
Class Action
William A. Shaw
Prothonotary
P.D. \$20.00

not to do

Statement toatty

KA