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**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA**

TELMARK, LLC.,

Plaintiff,

vs.

THOMAS and LYNN GRAY,

Defendants.

I hereby certify that the real estate affected  
by this lien is located in:

Union Township, Clearfield County,  
Pennsylvania

By:   
Owen W. Katz, Esq.

**CIVIL DIVISION**

**NO:** 01-1139-CD

**Code and Classification:**

**TITLE OF PLEADING:**

COMPLAINT IN MORTGAGE  
FORECLOSURE

**FILED ON BEHALF OF:**

Telmark, LLC, Plaintiff

**COUNSEL OF RECORD:**

Owen W. Katz, Esquire  
Pa. I. D. # 36473  
938 Penn Avenue, 8<sup>th</sup> Floor  
Pittsburgh, PA 15222  
(412) 281-1015

**FILED**

JUL 16 2001

William A. Shaw  
Prothonotary

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA**

TELMARK, LLC.,

**CIVIL DIVISION**

Plaintiff,

NO: 01-1139-CD

vs.

THOMAS and LYNN GRAY,

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 property or other rights important to you.

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

Court Administrator  
Clearfield County Courthouse  
1 North Second Street  
Clearfield, PA 16830  
(814) 765-2641

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA**

TELMARK, LLC.,

**CIVIL DIVISION**

Plaintiff,

NO: 01-1139-CD

**vs.**

THOMAS and LYNN GRAY,

Defendants

**COMPLAINT IN MORTGAGE FORECLOSURE**

AND NOW comes TELMARK, LLC. ("Telmark") by and through the undersigned counsel, and files this Complaint in Mortgage Foreclosure, whereof the following is a statement:

**PARTIES**

1. Telmark is a limited liability company having a principle place of business at 333 Butternut Drive, DeWitt, New York, 13214.
2. THOMAS and LYNN GRAY ("Defendants") are adult individuals, believed to be residing at RR2, Box 66, Rockton, PA 15856.
3. Telmark entered into a Lease with Defendants, identified as Lease No. 15472, dated October 23, 1995, for a building as more specifically described in said Lease. A true and correct copy of the Lease and related documents are attached as Exhibit "A," and incorporated herein. On or about April 28, 2000, the parties agreed to Amend the Lease. A true and correct copy of the Amended Lease, is attached hereto as Exhibit "B," and incorporated herein.
4. In order to secure their obligations under the Lease, the Defendants made, executed and delivered to Plaintiff a mortgage (the "Mortgage"), a true and correct copy of which is attached as Exhibit "C." The Mortgage was dated October 9, 1995, and recorded in the Office of the

Recorder of Deeds of Clearfield County at DBV 1759, Page 338. The Mortgage covers the real estate as described in the attached Exhibit "C" (the "Mortgaged Premises").

5. In accordance with the terms of original and amended Lease, Defendants had an obligation to make monthly payments. Defendants fell in arrears and on December 13, 2000, Telmark demanded that the arrearages be cured or the Lease would be accelerated. A true and correct copy of the demand letter is attached hereto as Exhibit "D," and incorporated herein.

6. Defendants failed to cure the arrearages and on December 29, 2000, Telmark accelerated the balance due under the Lease.

7. The failure to timely pay the Lease also constituted a default under the Mortgage entitling Plaintiff to foreclose.

8. The amount presently due Telmark under the Lease (exclusive of interest) is as follows:

Principal (including residual value of Equipment)	\$20,890.00
Late Charges (through 1/10/01)	<u>29.50</u>
TOTAL	\$20,919.50

9. Defendants' failure to pay their obligations under the Lease has necessitated the instant legal action. Telmark estimates collection costs and expenses, including attorney's fees, of \$2000. Telmark is entitled to attorney fees under the Mortgage.

10. Plaintiff believes that compliance with 35 P.S. §1680.401 (c) of the 1983 Session of the General Assembly ("Act 91") of the Commonwealth of Pennsylvania was unnecessary because prior to the initiation of this action Defendants sought and were denied assistance. See Exhibit "E," and 12 Pa. Code §31.203(a)(3)(iv). Plaintiff complied with Section 403 of Act No. 6 of the 1974 Session of the General Assembly of the Commonwealth of Pennsylvania, 41 P.S. §403 ("Act 6"),

by mailing to Defendants, at their last known address, on May 30, 2001 the notice pursuant to Act 6, and the applicable time period has expired. A true and correct copy of such notice together with the proof of service is attached hereto, as Exhibit "F," and made a part hereof.

WHEREFORE, Plaintiff demands judgment against Defendants for foreclosure and sale of the Mortgaged Premises in the amount of \$20,919.50, together with attorney fees of \$2,000, plus the costs of this proceeding, along with interest at the state statutory rate from December 29, 2000, along with such other relief as should be deemed fair, just and equitable.

Respectfully Submitted,

TELMARK, LLC.

Date: 7/11/01

By: 

Owen W. Katz, Esq.

Pa. I. D. # 36473

938 Penn Avenue, 8<sup>th</sup> Floor

Pittsburgh, PA 15222

(412) 281-1015

## VERIFICATION

I, Mark Botwinick, state that I am  
[Print Name]

Region Collection Manager of/with Telmark, LLC, and am authorized  
[State position or title]

by it to make this verification, and that the facts set forth in the foregoing Pleading are true and correct to the best of my personal knowledge, information and belief, and that the Exhibits attached thereto are true and correct reproductions of the originals.

I further certify that the Defendants are not, to my knowledge, in the military service of the United States or any state or territory thereof or its allies as described in the Soldiers and Sailors Relief Act of 1940, as amended.

I understand that my statements are made subject to 18 Pa. Cons. Stat. §4904 providing for criminal penalties for unsworn falsification to authorities.

Date: 6/11/01

Mark Botwinick

**EXHIBIT "A"**



# BUILDING LEASE

## TELMARK INC.

P.O. BOX 4943, SYRACUSE, NEW YORK 13221-4943 TELEPHONE: 1-800-451-3322

LEASE No.: 15472

LESSEE THOMAS E GRAY  
 ADDRESS C. LYNN GRAY  
 CITY RDZ BN 66  
 STATE PA  
 COUNTY ROCK TON. PA 15856

ITEM LOCATION: \_\_\_\_\_ CHECK IF SAME AS LESSEE  
 ADDRESS OR INDICATE ADDRESS, CITY, STATE, COUNTY BELOW:

(CHECK ONE) A \_\_\_\_\_ CORPORATION \_\_\_\_\_ PARTNERSHIP ☒ PROPRIETORSHIP

NAME OF PERSON TO CONTACT THOMAS GRAY

SUPPLIER MORTON BUILDINGS INC

ADDRESS P.D BN 399

SUPPLIER SALESPERSON MORTON, ILLINOIS 61550

BUILDING DESCRIPTION: QUANTITY, MANUFACTURER, ITEM(S), MODEL NO., SERIAL NO., AND/OR OTHER IDENTIFICATION

42' x 14' x 40'  
TIMBER COLUMN Building  
STYLE - P390

RENTAL AMOUNT PER PAYMENT PERIOD	PAYMENTS WILL BE MADE		INITIAL TERM OF LEASE (NO. MONTHS)	NO. OF LEASE PAYMENTS REMAINING	ADVANCE PAYMENT
<u>277.00</u>	MONTHLY	OTHER (DESCRIBE PAYMENT SCHEDULE BELOW)	<u>120</u>	<u>119</u>	<u>277.00</u>
	<input checked="" type="checkbox"/>				

PAYMENT SCHEDULE

EACH LEASE PAYMENT IS SUBJECT TO SALES TAX OF PERCENTAGES OR AMOUNTS AS MAY FROM TIME TO TIME BE IN EFFECT. THE LESSEE IS RESPONSIBLE TO PROVIDE THE LESSOR AN EXEMPTION CERTIFICATE AS REQUIRED BY LAW.

EXHIBIT "TG" \_\_\_\_\_ YES \_\_\_\_\_ NO; OTHER EXHIBITS (LIST):

### TERMS AND CONDITIONS OF LEASE

1. LEASE. LESSOR leases to LESSEE the BUILDING hereinafter called the "Building" described on the Schedule together with all replacement parts, additions, accessories incorporated therein and/or affixed thereto. In consideration for LESSOR leasing said BUILDING and/or EQUIPMENT to the LESSEE, LESSOR and/or its assigns is hereby granted by the LESSEE for no further consideration the right to occupy the land upon which said BUILDING and/or EQUIPMENT is to be located during the term of the LEASE, along with adequate access, for a period of time equivalent to 125% of the original term of this LEASE commencing on the effective date of this LEASE.

2. ADVANCE RENTAL PAYMENTS AND RENTALS. The advance rental payments shall be due upon the execution of the lease or upon delivery of the BUILDING from the supplier. LESSEE shall pay the remaining rental payments as specified above as monthly or other period rentals multiplied by the number of months or periods specified above. LESSEE shall also pay a "late charge" not exceeding five per centum (5%) of any rental payment or ten dollars (\$10.00), whichever is greater, when any payment is made more than ten (10) days after the due date thereof.

All payments shall be made at the office of TELMARK INC., P.O. Box 4943, Syracuse, New York 13221, or as directed by LESSOR in writing.

3. ASSIGNMENTS. Neither this LEASE nor LESSEE'S rights hereunder shall be assignable in whole or in part by LESSEE except with LESSOR'S prior written consent and the provisions hereof shall bind any permitted successors and assigns of LESSEE. LESSOR shall have the right to assign this LEASE or any part thereof. If LESSOR assigns the rentals reserved herein or all or any of LESSOR'S other rights hereunder, or amounts equal thereto, the right of the Assignee to receive the rentals as well as any other right of the Assignee shall not be subject to any defense, setoff, counterclaim, or recoupment which may arise out of any breach or obligation of LESSOR in connection herewith or by reason of any other indebtedness or liability at any time owing by LESSOR to LESSEE. All rentals due hereunder shall be payable to the Assignee by LESSEE whether or not this LEASE is terminated by operation of law or otherwise, including without limitation, termination arising out of bankruptcy, reorganization or similar proceedings involving LESSOR. On receipt of notification of such assignment, LESSEE subject to its rights hereunder shall become the pledgeholder of the EQUIPMENT for and on behalf of the Assignee and will relinquish possession thereof only to the Assignee or pursuant to its written order. LESSEE on receiving notice of any such assignment shall abide thereby and make payment as may therein be directed.

LESSEE AGREES TO THE LEASE TERMS AND CONDITIONS ABOVE AND ON THE REVERSE SIDE ALONG WITH ALL EXHIBITS BY SIGNING BELOW THAT THIS CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. NO SUPPLIER, AGENT OR LESSEE MAY WAIVE OR MODIFY ANY TERM OF THIS LEASE AGREEMENT EXCEPT IN WRITING BY AN AUTHORIZED OFFICER AND AGREED TO BY THE LESSOR.

IN WITNESS WHEREOF LESSEE HAS HEREBY EXECUTED THIS NON CANCELABLE LEASE THIS 23 DAY OF OCT. 1995

IN THE EVENT THAT THIS LEASE IS EXECUTED BY A CORPORATE OFFICER, THAT CORPORATE OFFICER HEREBY CERTIFIES THAT HE/SHE IS DULY AUTHORIZED TO EXECUTE SAME BY A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CORPORATION

SIGNED BY Thomas E Gray

SIGNED BY C Lynn Gray

TITLE Lessee  
(INDICATE CORPORATE OFFICE, OR GENERAL PARTNER, OR A PARTNER, OR LESSEE)

TITLE Lessee  
(INDICATE CORPORATE OFFICE, OR GENERAL PARTNER, OR A PARTNER, OR LESSEE)

SIGNED BY X \_\_\_\_\_

SIGNED BY X \_\_\_\_\_

TITLE \_\_\_\_\_  
(INDICATE CORPORATE OFFICE, OR GENERAL PARTNER, OR A PARTNER, OR LESSEE)

TITLE \_\_\_\_\_  
(INDICATE CORPORATE OFFICE, OR GENERAL PARTNER, OR A PARTNER, OR LESSEE)

ACCEPTANCE: TELMARK INC., LESSOR

BY Amy Walters

Account Representative

DATE 10/27 1995

4. **WARRANTIES.** LESSOR SHALL AUTHORIZE LESSEE TO ENFORCE IN LESSEE'S NAME ALL WARRANTIES, AGREEMENTS, OR REPRESENTATIVES, IF ANY, WHICH MAY BE MADE BY THE SUPPLIER. LESSOR MAKES NO EXPRESS OR IMPLIED WARRANTIES AS TO ANY MATTER WHATSOEVER, INCLUDING WITHOUT LIMITATION, THE CONDITION OF THE BUILDING, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE. NO DEFECT OR UNFITNESS OF THE BUILDING SHALL RELIEVE LESSEE OF THE OBLIGATION TO PAY RENT AS PROVIDED IN THIS LEASE OR OF ANY OTHER OBLIGATION UNDER THIS LEASE. LESSOR SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES TO THE LESSEE OF ANY NATURE EITHER CAUSED DIRECTLY OR INDIRECTLY.

LESSEE hereby waives any and all rights it may have to setoff payments of rent under this LEASE for a claim arising from defect or unfitness of the BUILDING.

During the pendency of any proceeding involving an alleged breach of warranty by the supplier, the LESSEE shall continue to make all rental payments to the LESSOR. The LESSEE may request that all such rental payments shall be held in escrow by the LESSOR until final adjudication of the proceeding. The escrow account shall be established upon such terms and conditions as the LESSOR and LESSEE mutually agree.

5. **SECURITY DEPOSIT.** At the LESSOR's sole option any security deposit made hereunder may be applied to the payment of late charges, LEASE payments, expenses, attorney's fees and any other expenses related to this LEASE at LESSOR's discretion or returned to the LESSEE at the termination of this LEASE.

6. **TERM, RENEWAL AND PURCHASE OPTION.** The term of this LEASE shall commence on the date the Acceptance Notice is executed. The Lease shall terminate upon the payment of all the specified rentals and other charges, as set forth above or hereto agreed.

If no event of default shall have occurred, at termination, this LEASE may be renewed for additional periods of one year each at a rental equivalent to the fair rental value of the BUILDING at that time, or the BUILDING may be purchased for the fair market value; or the BUILDING shall be returned to the Lessor at the Lessee's sole expense and in the same condition, as when received by the Lessee, reasonable wear and tear resulting from proper use thereof expected, etc. All replacement parts, additions and accessories incorporated in or affixed to the BUILDING after the commencement of this LEASE shall become the property of LESSOR. LESSEE shall execute such supplemental instruments if necessary and shall otherwise cooperate to defend the title of LESSOR. During any renewal period, all of the provisions of this LEASE shall govern except rental rates. The LESSEE shall send written notice of LESSEE's option to renew or purchase addressed to the LESSOR at least 60 days prior to the expiration of the original or any renewal term.

7. **BUILDING AND LIABILITY.** LESSOR, at the request of the LESSEE, has ordered the BUILDING described above from a supplier and in accordance with specifications selected by the LESSEE.

8. **PLACE OF USE.** LESSEE shall keep the BUILDING on the real property as described above and will not remove the BUILDING and LESSEE shall comply with all environmental laws, rules and regulations.

9. **ACCEPTANCE AND REPAIRS.** LESSEE shall inspect the BUILDING promptly upon completion of construction and shall conclusively be presumed to have accepted the BUILDING except for defects of which LESSOR is given notice within forty-eight (48) hours after completion of construction. LESSEE at its own cost and expense shall keep the BUILDING in good repair and condition and shall not use the BUILDING beyond its capacities. LESSEE shall not without LESSOR's prior written consent incur any expense for LESSOR's account. LESSEE shall conform to all requirements of law relating to possession, use of maintenance of the BUILDING and shall pay any and all expenses and taxes arising from such use. LESSEE shall indemnify LESSOR and save LESSOR harmless against all asserted violations of law. LESSOR shall not be obligated to make any repairs or replacements to the BUILDING.

10. **INSURANCE.** LESSEE shall at its own expense keep the BUILDING insured against such risks and in such amounts and with such companies as requested by LESSOR and shall provide LESSOR with certifications of insurance. The insurance shall list LESSOR as Mortgagee, if applicable, and in any event provide for loss, if any, payable to the LESSOR for the value of its interest in the BUILDING. The proceeds of such insurance shall be applied, at the option of LESSOR, (a) toward all replacement, restoration or repair of BUILDING which may be lost, stolen, destroyed or damaged or (b) toward the obligations of LESSEE. In the event the LESSOR elects to apply insurance proceeds to the payment of all LESSEE's obligations, the LESSEE's obligation for all or part of the rent shall cease only with respect to the items damages, lost stolen or destroyed. The abatement of rents in such event being the amount of the insurance settlement received which is allocated to the item or items lost, stolen, damaged or destroyed. LESSEE shall, if so required by the LESSOR, prior to the commencement of this LEASE, make application for and obtain in connection with this LEASE decreasing term life insurance upon LESSEE's life, in an amount at least equal to the total rental obligations for the entire term of this LEASE. LESSEE agrees to name LESSOR as beneficiary, as its interests may appear and to assign ownership of said policy to LESSOR. LESSOR may require LESSEE at LESSEE's expense to provide and keep in force comprehensive liability insurance and contractual liability insurance in amounts and form as required by LESSOR. All insurances provided by LESSEE as required by LESSOR shall be carried in favor of LESSOR and LESSEE, as their respective interests may appear. In case of failure of LESSEE to pay said insurance fees and similar charges, LESSOR may invoice the LESSEE same and the amount thereof shall be payable by LESSEE as additional rent with the next rental payment.

11. **TAXES.** All taxes, fees and similar charges imposed on the ownership, possession or use of the BUILDING during the term of this LEASE shall be paid by the LESSEE. If LESSOR is required to pay said taxes, fees and similar charges, LESSOR may invoice the LESSEE for such charges and will be reimbursed by the LESSEE.

12. **TITLE.** THE LESSOR AND LESSEE agree that the BUILDING shall remain personal property and that title thereto shall remain in LESSOR exclusively notwithstanding the manner of affixation to the real property. LESSEE shall deliver to LESSOR waivers by any person presently having any claim to the real property and has delivered or delivers herewith their consent to the removal of the BUILDING in all forms satisfactory to LESSOR. LESSEE will not sell or mortgage the real estate or permit the creation of any other interest therein without procuring waivers in similar form satisfactory to LESSOR. Upon the expiration or other termination of this LEASE, LESSEE shall at its own expense return the BUILDING to LESSOR (permission being granted to disassemble the

BUILDING to the extent necessary for shipment) and in good condition, normal wear and tear alone accepted. At the sole discretion of the LESSOR, the LESSOR may enter upon the premises of the LESSEE during normal working hours, without hindrance, from the LESSEE to disassemble and remove the BUILDING. The rental provided hereunder shall continue at the rate herein provided until BUILDING has been removed from the LESSEE's premise.

13. **INSPECTION.** LESSEE shall give LESSOR immediate notice of any attachment or other judicial process, liens, or encumbrances affecting the BUILDING and shall indemnify and save LESSOR harmless from the loss or damage caused thereby. LESSOR may inspect the BUILDING during reasonable business hours.

14. **LESSEE'S FINANCIAL INFORMATION.** As requested, LESSEE shall, within ninety (90) days after the close of LESSEE's fiscal year, furnish to LESSOR financial statements of LESSEE (including a balance sheet as of the close of such year and income and expense statements for such year) prepared in accordance with generally accepted accounting principles and certified by LESSEE's independent public accountants. If requested by LESSOR, LESSEE shall also provide quarterly financial statements of LESSEE similarly prepared for each of the first three quarters of each fiscal year, which shall be certified (subject to normal year and audit adjustment) by LESSEE's chief financial officer and furnished to LESSOR within sixty (60) days following the end of the quarter.

15. **DEFAULT.** If LESSEE fails to pay any rent or other amount due herein, within ten (10) days, after the same is due and payable; or if LESSEE fails to observe, keep or perform any provision of this LEASE, including the failure to execute and deliver a mortgage to the LESSOR; or there is the entry of a decree or order for relief, by any court having jurisdiction, in respect to LESSEE, in any voluntary or involuntary case under the Federal Bankruptcy Laws; or if LESSEE, without LESSOR's prior consent, shall attempt to remove, sell, transfer, encumber, sublet or part with possession of the BUILDING; or if the LESSOR deems itself insecure, LESSOR shall have the right to exercise any one or more of the following remedies:

(a) To declare the entire amount of all rental, immediately due and payable which rental shall be discounted to its present value, at the rate of 8% per annum together with the residual value of the BUILDING, all late charges, attorneys fees and other expenses without notice or demand to LESSEE and to sue for and to recover from LESSEE that amount; or (b) To take possession of and/or relocate the BUILDING without demand notice, Court order or other process of law. Upon retaking possession of the BUILDING, LESSOR at its option may (i) Lease repossessed BUILDING or any part thereof to any third party on any such terms or conditions as LESSOR may determine, or (ii) sell said BUILDING or any part thereof to the highest bidder at public auction or private sale, (iii) LESSEE agrees that ten (10) days notice to LESSEE of any public or private sale, constitutes reasonable notice. Notice is deemed given on date of mailing. In the event LESSOR relets the repossessed BUILDING or sells such BUILDING, then LESSOR shall credit the value received from reletting or sale, less expenses incurred in connection with such disposition, to the unpaid balance of rental due and to become due hereunder. LESSEE hereby waives any and all damages occasioned by such taking of possession. Any such taking of possession shall not constitute a termination of this LEASE and shall not relieve LESSEE of its obligations unless LESSOR expressly so notifies LESSEE in writing. LESSOR shall have all the rights of a secured party under the Uniform Commercial Code.

LESSEE hereby authorizes LESSOR to detach the BUILDING from power, gas, telephone, sewer or storm drain lines or comparable connections, to break away foundations and replacements to the extent necessary or convenience, and LESSEE hereby authorizes LESSOR, its agents or contractors, to enter upon the real estate described above and any contiguous premises of LESSEE for such purpose and for the sale and exhibition of the BUILDING prior to removal. If any proceedings shall be instituted by LESSOR to recover any monies due and/or for the possession of the BUILDING, LESSEE shall pay the LESSOR's reasonable attorney fees, repossession expenses and other related expenses.

16. **LIABILITY.** LESSEE shall indemnify and save LESSOR harmless and shall promptly notify LESSOR from any claim or action whatsoever including any of LESSOR's attorney's fees or expenses arising in connection with the BUILDING including without limitations, its manufacture, selection, purchase, delivery, possession, use, operation, maintenance, leasing and return including the acts of the LESSEE in failing to maintain the BUILDING in good repair.

17. **RISK OF LOSS.** LESSEE hereby assumes and shall bear the entire risk of loss, theft, damage and destruction of BUILDING from any cause whatsoever and no loss, theft, damage or destruction of BUILDING shall relieve LESSEE of the obligation to pay rental or any other obligation of this LEASE. LESSEE shall promptly notify LESSOR in writing of any such loss, theft, damage or destruction of the BUILDING. In the event of damage of any kind whatever to any item of BUILDING (unless the same is damaged beyond repair), LESSEE, at the option of LESSOR, shall at LESSEE's expense (a) place the same in good repair, condition and working order, (b) replace the same with like BUILDING of the same or a later model, and in good repair, condition and working order. If the BUILDING, or any item thereof, is determined by LESSOR to be lost, stolen, destroyed or damaged beyond repair, LESSEE shall immediately pay LESSOR therefor an amount equal to the aggregate amount of unpaid total rent for the balance of the term of the LEASE plus an amount equal to the estimated value of the BUILDING at the termination date of the LEASE, in addition to performing all other obligations of this LEASE. Upon such payment this LEASE shall terminate with respect to the BUILDING so paid for, and LESSEE thereupon shall become entitled to the BUILDING as-is-where-is, without warranty, express or implied.

18. **APPLICABLE LAW.** This LEASE shall be deemed to have been made in Onondaga County, New York, and shall be interpreted and the rights and liabilities of the parties hereto determined in accordance with the laws of the State of New York.

19. **SEVERABILITY.** If any provision or any remedy be deemed invalid under any applicable law, such provision shall be inapplicable and omitted, but the remaining provisions shall be given effect.

20. **FINANCING STATEMENT.** The LESSEE hereby authorizes the LESSOR to file all necessary financing statements.

21. **NON-WAIVER.** LESSOR's failure at any time to require strict performance by LESSEE of any of the provisions hereof shall not waive or diminish LESSOR's right thereafter to demand strict compliance with the terms of this LEASE. LESSOR's rights hereunder are cumulative and not alternative.

22. **MISCELLANEOUS.** This LEASE is irrevocable for the full term and shall be binding upon the LESSEE, the LESSEE's successors, assigns and legal representatives.

**TELMARK INC.®**

P.O. BOX 4943, SYRACUSE, NEW YORK 13221-4943 TELEPHONE: 1-800-451-3322

LEASE No.: 1547A

LESSEE THOMAS E GRAY  
ADDRESS C. LYNN GRAY  
CITY KURTZ BN 66  
STATE PA  
COUNTY ROCKTON 15856

ITEM LOCATION: \_\_\_\_\_ CHECK IF SAME AS LESSEE  
ADDRESS OR INDICATE ADDRESS, CITY, STATE, COUNTY BELOW:

(CHECK ONE) A \_\_\_\_\_ CORPORATION \_\_\_\_\_ PARTNERSHIP ☒ PROPRIETORSHIPNAME OF PERSON TO CONTACT THOMAS GRAYSUPPLIER MORTON BUILDINGS INCADDRESS P.O. Box 399SUPPLIER SALESPERSON MORTON, ILLINOIS - 61550

BUILDING DESCRIPTION: QUANTITY, MANUFACTURER, ITEM(S), MODEL NO., SERIAL NO., AND/OR OTHER IDENTIFICATION

42' x 14' x 40'  
TIMBER COLUMN BUILDING  
STYLE - P 390

RENTAL AMOUNT PER PAYMENT PERIOD	PAYMENTS WILL BE MADE		INITIAL TERM OF LEASE (NO. MONTHS)	NO. OF LEASE PAYMENTS REMAINING	ADVANCE PAYMENT
	MONTHLY	OTHER (DESCRIBE PAYMENT SCHEDULE BELOW)			
<u>277.00</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>120</u>	<u>119</u>	<u>277.00</u>

PAYMENT SCHEDULE

EACH LEASE PAYMENT IS SUBJECT TO SALES TAX OF PERCENTAGES OR AMOUNTS AS MAY FROM TIME TO TIME BE IN EFFECT. THE LESSEE IS RESPONSIBLE TO PROVIDE THE LESSOR AN EXEMPTION CERTIFICATE AS REQUIRED BY LAW.

EXHIBIT "TG" \_\_\_\_\_ YES \_\_\_\_\_ NO; OTHER EXHIBITS (LIST): \_\_\_\_\_

**ACCEPTANCE NOTICE**ACCEPTANCE DATE 12/28/95 per FLHSIGNED BY Thomas E. Gray

IF THE DATE IS OMITTED THE LESSEE AUTHORIZES THE LESSOR TO COMPLETE THIS ACCEPTANCE BY DATING IT ON THE LESSEE'S BEHALF WHEN AUTHORIZED BY TELEPHONE OR IN PERSON TO DO SO.

TITLE \_\_\_\_\_  
(INDICATE CORPORATE OFFICE, OR GENERAL PARTNER, OR A PARTNER, OR LESSEE)SIGNED BY Thomas E. GrayTITLE \_\_\_\_\_  
(INDICATE CORPORATE OFFICE, OR GENERAL PARTNER, OR A PARTNER, OR LESSEE)

ALL THE ITEMS REFERRED TO ABOVE WERE RECEIVED BY US AND WERE AND ARE IN GOOD ORDER AND CONDITION AND ACCEPTABLE TO US. WE APPROVE FULL PAYMENT BY YOU TO THE SUPPLIER(S). WE UNDERSTAND THAT YOU MAKE NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND WITH RESPECT TO THE LEASED ITEMS AS MORE FULLY SET FORTH IN PARAGRAPH 4 OF THE LEASE.

SIGNED BY X \_\_\_\_\_

TITLE \_\_\_\_\_  
(INDICATE CORPORATE OFFICE, OR GENERAL PARTNER, OR A PARTNER, OR LESSEE)

NO SUPPLIER OR AGENT THEREOF IS AUTHORIZED TO WAIVE OR MODIFY ANY TERM OF THIS LEASE AGREEMENT.

SIGNED BY X \_\_\_\_\_

VENDOR: This acceptance must be signed by Lessee and returned to us before your invoice can be paid.

TITLE \_\_\_\_\_  
(INDICATE CORPORATE OFFICE, OR GENERAL PARTNER, OR A PARTNER, OR LESSEE)

**EXHIBIT "B"**

# PENNSYLVANIA BUILDING LEASE

**TELMARK LLC (Lessor)**

P.O. BOX 4943, SYRACUSE, NEW YORK 13221-4943 TELEPHONE: 1-800-451-3322

LEASE No.: 15472

LESSEE Thomas E. Gray  
C. Lynn Gray  
ADDRESS RR2, Box 66  
CITY Rockton, PA 15856

BUILDING LOCATION: \_\_\_\_\_ CHECK IF ADDRESS IS  
SAME AS LESSEE OR INDICATE ADDRESS BELOW INCLUDING  
CITY, COUNTY AND STATE.

STATE \_\_\_\_\_  
COUNTY \_\_\_\_\_  
(CHECK ONE) \_\_\_\_\_ CORPORATION \_\_\_\_\_ PARTNERSHIP ☒ PROPRIETORSHIP \_\_\_\_\_ LLC \_\_\_\_\_ LLP

NAME OF PERSON TO CONTACT Thomas Gray

BUILDER/SUPPLIER(S) Morton Buildings Inc.  
ADDRESS PO Box 399  
Morton, IL 61550

SALESPERSON \_\_\_\_\_

BUILDING DESCRIPTION (THE "BUILDING"):  
See original lease number 15472 dated 10/23/95 for complete equipment description.

This lease amends the terms of the original lease and any and all amendments thereto (the original lease) and lessee(s) consents to, agrees to abide by, and acknowledges the enforceability of all of the terms set forth herein. Except as otherwise specifically provided for herein, the terms and conditions of the original lease remain in full force and effect.

RENTAL AMOUNT PER PAYMENT PERIOD	PAYMENTS WILL BE MADE		TERM OF LEASE (NO. MONTHS)	NO. OF LEASE PAYMENTS REMAINING	ADVANCE PAYMENT
295.00	MONTHLY <input checked="" type="checkbox"/>	OTHER (DESCRIBE PAYMENT SCHEDULE BELOW) <input type="checkbox"/>	69	69	0

PAYMENT SCHEDULE

Lessor and Lessee hereby agree to amend the current remaining payment schedule as follows:  
Sixty-nine (69) consecutive monthly payments of \$295.00 commencing April 10, 2000.

EACH LEASE PAYMENT IS SUBJECT TO SALES TAX OR PERSONAL PROPERTY TAX AT PERCENTAGES OR AMOUNTS AS MAY FROM TIME TO TIME BE IN EFFECT. THE LESSEE IS RESPONSIBLE TO PROVIDE THE LESSOR AN EXEMPTION CERTIFICATE AS REQUIRED BY LAW.

EXHIBIT "TG" YES ☒ NO; OTHER EXHIBITS (LIST): \_\_\_\_\_

NOTICE TO LESSEE: DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES. YOU ARE ENTITLED TO A COPY OF THE AGREEMENT YOU SIGNED. KEEP IT TO PROTECT YOUR LEGAL RIGHTS.

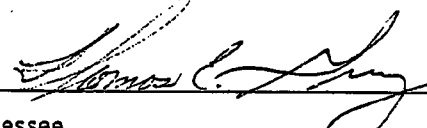
**WARNING - BY SIGNING THIS PAPER YOU GIVE UP YOUR RIGHT TO NOTICE AND A COURT TRIAL. IF YOU DO NOT PAY ON TIME, A COURT JUDGMENT MAY BE TAKEN AGAINST YOU WITHOUT YOUR PRIOR KNOWLEDGE AND THE POWERS OF A COURT CAN BE USED TO COLLECT FROM YOU REGARDLESS OF ANY CLAIMS YOU MAY HAVE AGAINST THE LESSOR INCLUDED BUT NOT LIMITED TO RETURNED GOODS, FAULTY GOODS, FAILURE ON LESSOR'S PART TO COMPLY WITH THE LEASE, OR ANY OTHER CAUSE.**

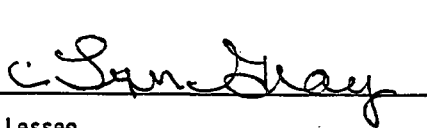
LESSEE AGREES TO THE LEASE TERMS AND CONDITIONS OF THIS ENTIRE AGREEMENT ALONG WITH ALL SCHEDULES AND EXHIBITS BY SIGNING BELOW THAT THIS CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. NO SUPPLIER, AGENT, OR LESSEE MAY WAIVE OR MODIFY ANY TERM OF THIS LEASE AGREEMENT EXCEPT AS AGREED TO BY THE LESSOR IN WRITING BY AN AUTHORIZED OFFICER.

IN THE EVENT THAT THIS LEASE IS EXECUTED BY A CORPORATE OFFICER, GENERAL PARTNER, MANAGING PARTNER OF A LIMITED PARTNERSHIP OR LLP OR MANAGER OF AN LLC, THAT PERSON HEREBY CERTIFIES THAT HE/SHE IS DULY AUTHORIZED TO EXECUTE SAME BY A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CORPORATION AND/OR BY MEMBERS OF THE LIMITED PARTNERSHIP, LLP OR LLC.

LESSEE REPRESENTS, SWEARS AND AFFIRMS THAT THE BUILDING IS BEING LEASED FOR COMMERCIAL OR BUSINESS USE AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD USE.

IN WITNESS WHEREOF LESSEE, INTENDING TO BE LEGALLY BOUND HEREBY, HAS EXECUTED THIS NON CANCELABLE LEASE DATED 4/25/00

SIGNED BY X   
TITLE Lessee  
(INDICATE CORPORATE OFFICE/GENERAL PARTNER/PARTNER/LESSEE/MANAGER)

SIGNED BY X   
TITLE Lessee  
(INDICATE CORPORATE OFFICE/GENERAL PARTNER/PARTNER/LESSEE/MANAGER)

SIGNED BY X \_\_\_\_\_  
TITLE \_\_\_\_\_  
(INDICATE CORPORATE OFFICE/GENERAL PARTNER/PARTNER/LESSEE/MANAGER)

SIGNED BY X \_\_\_\_\_  
TITLE \_\_\_\_\_  
(INDICATE CORPORATE OFFICE/GENERAL PARTNER/PARTNER/LESSEE/MANAGER)

THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL ACCEPTED BY THE LESSOR, ITS AGENT OR ASSIGNEES IN ITS COMPANY OFFICE IN THE STATE OF NEW YORK.

ACCEPTANCE: TELMARK LLC, LESSOR

 Regina Calkins Manager 5/1/00  
Y TITLE DATE

## TERMS AND CONDITIONS OF LEASE

1. **LEASE.** Lessor leases to Lessee the BUILDING described above. Lessor, at the request of the Lessee, has ordered the BUILDING from the supplier(s) in accordance with specifications selected by the Lessee. All replacement parts, additions, improvements and accessories incorporated in or affixed to the BUILDING become the property of Lessor.
2. **TERM.** The term of this LEASE shall commence on the date the Acceptance Notice is executed. At the end of the LEASE term, the LEASE terminates upon the payment of all specified rentals or other charges and the fulfillment of all other obligations of this LEASE. This LEASE is irrevocable and non-cancelable for the full term and shall be binding upon the Lessee, the Lessee's heirs, successors, assigns and legal representatives.
3. **RENTALS.** The non refundable advance rental payment shall be due upon the execution of the LEASE or at such other time as agreed to by Lessor and applied to satisfy Lessee's obligations under the LEASE. Lessee shall pay the remaining rental payments as specified above. The rent due is absolute and unconditional and is not subject to any adjustment by Lessee of any kind or for any reason. All payments shall be made to the office of Telmark LLC, PO Box 4943, Syracuse, NY 13221 or as directed by Lessor. Lessee shall pay a late charge of 3% of any rental payment or \$25, whichever is greater, when any payment is made more than ten days after the due date (subject to maximum limits imposed by state law). Any security deposit may be applied to the payment of late charges, expenses, attorneys' fees and any other payments or expenses related to this LEASE, at Lessor's discretion, with any remaining balance to be returned to the Lessee at the termination of this LEASE.
4. **BUILDING.** Lessee shall keep the BUILDING on the land as described above and will not remove the BUILDING. Lessor will have the right of access to the BUILDING and land, including all utilities for any lawful purpose subject to Lessee's rights under this LEASE. Lessor may inspect the BUILDING during reasonable business hours. Lessor will have the right of access to the BUILDING, including all utilities, for any lawful purpose subject to Lessee's rights under this LEASE. Lessor may inspect the BUILDING during reasonable business hours. Lessee agrees (a) not to allow the use of the BUILDING by others, except for employees of Lessee and (b) not to rent or sublet the BUILDING or any part thereof to others for their own use without the prior written consent of Lessor. Lessee shall comply with all laws, rules and regulations including all environmental laws. If requested by Lessor, Lessee agrees to execute and deliver a mortgage or similar instrument encumbering the BUILDING and/or the underlying land in favor of Lessor.
5. **ACCEPTANCE AND REPAIRS.** Lessee shall inspect the BUILDING promptly upon receipt and shall conclusively be presumed to have accepted the BUILDING except for defects of which Lessor and the supplier are given written notice upon delivery. Lessee at its own cost and expense shall keep the BUILDING in good repair and condition and shall not use the BUILDING beyond its capacities. Lessee shall not, without Lessor's prior written consent, incur any expense for Lessor's account. Lessor shall not be obligated to make any repairs or replacements to the BUILDING.
6. **TITLE.** Lessor and Lessee agree that the BUILDING is personal property and that title shall remain in Lessor's name exclusively even though affixed to real property. Lessee shall deliver to Lessor waivers by any person presently having any claim to the real property underlying the BUILDING. Lessee will not sell or mortgage the land or permit the creation of any other interest affecting the land without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Lessee shall give Lessor immediate notice of any attachment or other judicial process, liens, or encumbrances affecting the BUILDING.
7. **END OF TERM OPTIONS.** When the LEASE terminates, the Lessee's options are: (i) renew the LEASE at the fair rental value of the BUILDING for such term as the parties agree or (ii) purchase the BUILDING at fair market value or (iii) vacate and return the BUILDING. During any renewal period, all of the provisions of this LEASE remain in effect except for the new term and rental. The Lessee must provide Lessor with 60 days written notice prior to the end of the term that the Lessee will renew the LEASE, purchase the BUILDING or vacate and return the BUILDING.  
Should Lessee not elect to renew or purchase, Lessee will return the BUILDING to Lessor for Lessor's sole and exclusive use, at the Lessee's expense, in the same condition as when accepted, reasonable wear and tear excepted. Lessee shall cooperate with Lessor in taking possession of the BUILDING. Until Lessee vacates and returns the BUILDING, current rental shall continue. Lessor will have access to the BUILDING and land for an additional 25 percent of the original term of the LEASE for any lawful purpose including re-lease or to disassemble for removal.
- Lessee hereby authorizes Lessor to detach the BUILDING from power, gas, telephone, sewer or storm drain lines or comparable connections, to break away foundations and replacements to the extent necessary or convenient, and Lessee hereby authorizes Lessor, its agents or contractors, to enter upon the land of Lessee for such purpose and for the sale and exhibition of the BUILDING prior to removal.
8. **WARRANTIES.** LESSOR AUTHORIZES LESSEE TO ENFORCE IN LESSEE'S NAME ALL WARRANTIES, AGREEMENTS, OR REPRESENTATIONS, IF ANY, WHICH MAY BE MADE BY THE SUPPLIER. LESSOR MAKES NO EXPRESS OR IMPLIED WARRANTIES AS TO ANY MATTER WHATSOEVER, INCLUDING WITHOUT LIMITATION, THE CONDITION OF THE BUILDING, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, OR ANY WARRANTIES AGAINST INFRINGEMENT OR INTERFERENCE. NO DEFECT OR UNFITNESS OF THE BUILDING SHALL RELIEVE LESSEE OF THE OBLIGATION TO PAY RENT AS PROVIDED IN THIS LEASE OR OF ANY OTHER OBLIGATION UNDER THIS LEASE. LESSOR SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES TO THE LESSEE OF ANY NATURE EITHER CAUSED DIRECTLY OR INDIRECTLY OR FOR ANY DAMAGES DUE TO SUPPLIER DELAY IN PROVIDING THE BUILDING.
- LESSEE HEREBY WAIVES ANY AND ALL RIGHTS IT MAY HAVE TO SETOFF PAYMENTS OF RENT UNDER THIS LEASE FOR A CLAIM ARISING FROM DEFECT OR UNFITNESS OF THE BUILDING.
9. **LESSEE'S AND GUARANTOR'S WARRANTIES TO LESSOR.** Lessee and any guarantor(s) of Lessee's obligations under this LEASE expressly represent and warrant to Lessor, and Lessor relies on the fact that: (a) said parties have read and understood this LEASE before it was signed; (b) said parties have selected and are fully satisfied with both the BUILDING and the Supplier who sold the BUILDING to Lessor; (c) said parties have freely chosen to lease, not buy, from Lessor only after having considered other means of obtaining the use of the BUILDING; (d) NEITHER THE SUPPLIER OF THE BUILDING NOR ANY OF ITS SALESPERSONS ARE, OR HAVE ACTED, AS LESSOR'S AGENTS OR EMPLOYEES; (e) financial information and other statements provided to Lessor are accurate and correct, and will be updated upon Lessor's request during the term of this LEASE; (f) said parties are currently meeting all debts as such come due; (g) the BUILDING is leased exclusively for Lessee's business purposes and not for starting a new business or for personal, family or household purposes; (h) Lessee has unrestricted power to enter into this LEASE, has duly authorized the person executing it, and certifies that all signatures are authentic; (i) Lessor owns the BUILDING and therefore has no duty on Lessee's default to repossess or remarket the BUILDING; and (j) the BUILDING has a remaining economic life of the greater of at least the initial term of this LEASE plus two years or as allowed by the IRS depreciation schedules at the commencement of this Lease.
10. **INDEMNITY.** Lessee shall indemnify and save Lessor harmless from any and all liability, including Lessor's attorneys' fees or expenses, arising in connection with the BUILDING or the lease thereof to Lessee, including without limitation, its manufacture, construction, selection, purchase, delivery, possession, use, injury to Lessee's employees, operation, maintenance, leasing and return including the acts of the Lessee in failing to maintain the BUILDING in good repair and the collection of all Lessee's obligations to Lessor under this LEASE.
11. **RISK OF LOSS.** Lessee hereby assumes and shall bear the entire risk of loss, damage and destruction of BUILDING from any cause whatsoever and no loss, damage or destruction of BUILDING shall relieve Lessee of the obligation to pay rentals or any other due and unpaid obligations of Lessee under this LEASE. Lessee shall promptly notify Lessor in writing of any such loss, damage or destruction of the BUILDING. In the event of damage of any kind whatever to any part of BUILDING, Lessee shall at Lessee's expense place the BUILDING in good repair, condition and working order. If the BUILDING is determined by Lessor to be destroyed or damaged beyond repair, Lessee shall immediately pay Lessor an amount equal to all rentals due or to become due under this Lease plus any other unpaid charges discounted to its present value, at the nominal rate of 6% per annum. Upon such payment and fulfillment of all other obligations, this LEASE shall terminate and Lessee thereupon shall become the owner of the BUILDING.
12. **INSURANCE.** Lessee shall at its own expense keep the BUILDING insured for physical damage and shall maintain commercial general liability insurance, both on such forms and in such amounts as requested from time to time by Lessor, and shall provide Lessor with acceptable certification of insurance and upon request shall provide copies of required policies to Lessor. All requested insurance shall provide that insurance thereunder is primary with respect to any and all insurance that Lessor may maintain on its own behalf and shall be endorsed to name Lessor as an additional insured. Physical damage insurance shall

also name Lessor as first loss payee under the terms of Mortgage Clause. The proceeds of such insurance shall be applied, at the option of Lessor, as set forth in the Risk of Loss Section (paragraph 11). In the event the Lessor elects to apply insurance proceeds to items lost, damaged or destroyed, the Lessee's obligation for a portion of the rent shall cease only with respect to the amount applied toward the items lost, damaged or destroyed in the amount of the insurance settlement received by Lessor.

Lessee shall, if so required by Lessor, obtain term life insurance upon Lessee's life, in an amount required by Lessor. Lessee agrees to name Lessor as sole beneficiary and to assign ownership of said policy to Lessor.

In the event of failure of Lessee to provide and maintain any and all insurance required under this Section or to provide acceptable evidence thereof, Lessor may but is not required to obtain said insurance and shall charge all premiums therefor to Lessee as additional rent.

13. **TAXES.** All taxes, fees and other charges imposed on the BUILDING shall be paid by the Lessee. Lessor is required to pay taxes, fees and other charges, Lessee will charge any payments to Lessee as additional rent.

14. **DEFAULT.** If Lessee fails to pay any rent or other amount due within ten days, or if Lessee fails to observe, keep or perform any provision of this LEASE, or a decree or order for relief, by any court having jurisdiction over Lessee in any voluntary or involuntary case under the Federal Bankruptcy or State Insolvency Laws is entered; or if Lessee, without Lessor's prior written consent, shall attempt to remove sell, transfer, encumber, sublet or part with possession of the BUILDING or any part thereof, or if Lessee deems itself insecure, such an event will be deemed to be a "Default" of the LEASE and Lessor shall have the right without notice to: (a) declare the entire amount of all unpaid rentals, immediately due and payable computed as the sum of any outstanding rentals due and unpaid, other unpaid charges including all late charges, attorneys' fees and other expenses, plus the present value of the remaining rentals and its estimated fair market value of the BUILDING at the end of the term of this LEASE, discounted on a monthly basis at the nominal rate of six (6) percent per annum, and to sue for and recover that amount; and (b) take possession of the BUILDING or any and all items of the BUILDING without demand or notice wherever the same may be located without any court order or process of law. Lessee shall cooperate with Lessor in taking possession of the BUILDING. Lessor will have access to the BUILDING after taking possession thereof for any lawful purpose including to re-lease or to disassemble the BUILDING for removal.

Upon taking possession of the BUILDING, Lessor at its option may (i) sell the BUILDING or any part thereof to the highest bidder at public auction or private sale, or (ii) engage in any lawful purpose including to re-lease or to disassemble the BUILDING for removal. Lessee agrees that ten days written notice of any public or private sale constitutes reasonable notice. Notice is deemed given on date of mailing. Lessee hereby waives any and all damages occasioned by such taking of possession. Any such taking of possession shall not constitute a termination of this LEASE and shall not relieve Lessee of its LEASE obligations.

If any proceedings shall be instituted by Lessor to recover any monies due and/or for the possession of the BUILDING, Lessee shall pay the Lessor's reasonable attorneys' fees, repossession expenses and other related expenses incurred by the Lessor.

15. **CONFESSION OF JUDGMENT.** UPON A DEFAULT UNDER THIS LEASE, LESSEE, HEREBY IRREVOCABLY AND UNCONDITIONALLY AUTHORIZES THE PROTHONOTARY OR ATTORNEY OF ANY COURT OF RECORD WITHIN THE UNITED STATES OF AMERICA OR ELSEWHERE TO APPEAR FOR LESSEE AND, WITH OR WITHOUT COMPLAINT FILED, CONFESS JUDGMENT, OR A SERIES OF JUDGMENTS, AGAINST LESSEE AND IN FAVOR OF LESSOR, AND ITS SUCCESSORS AND ASSIGNS, AT ANY TIME FOR ALL OR ANY PORTION OF THE UNPAID BALANCE OF ALL UNPAID OBLIGATIONS UNDER THIS LEASE, WHETHER BY ACCELERATION OR OTHERWISE (THE "OBLIGATIONS"), WITH OR WITHOUT DECLARATION, WITH COSTS OF SUIT, WITHOUT STAY OF EXECUTION AND WITH REASONABLE ATTORNEYS' FEES FOR COLLECTION. TO THE EXTENT PERMITTED BY LAW, LESSEE RELEASES ALL ERRORS IN SUCH PROCEEDINGS. IF A COPY OF THE LEASE VERIFIED BY AFFIDAVIT OF LESSOR OR SOMEONE ON LESSOR'S BEHALF IS FILED IN SUCH ACTION, IT WILL NOT BE NECESSARY TO FILE THE ORIGINAL LEASE AS A WARRANT OF ATTORNEY. THE AUTHORITY AND POWER TO APPEAR FOR AND ENTER JUDGMENT AGAINST THE LESSEE WILL NOT BE EXHAUSTED BY THE INITIAL EXERCISE THEREOF, AND THE SAME MAY BE EXERCISED, FROM TIME TO TIME, AS OFTEN AS LESSOR SHALL DEEM NECESSARY AND DESIRABLE, AND THIS LEASE SHALL BE SUFFICIENT WARRANT THEREFOR. LESSOR MAY ENTER ONE OR MORE JUDGMENTS IN THE SAME OR DIFFERENT COUNTIES FOR ALL OR PART OF THE OBLIGATIONS INCURRED BY LESSEE UNDER THE LEASE, WITHOUT REGARD TO WHETHER JUDGMENT HAS BEEN RENDERED ON MORE THAN ONE OCCASION FOR THE SAME OBLIGATIONS. THE LESSOR'S RIGHT TO CONFESS JUDGMENT IS IN ADDITION TO AND NOT IN LIEU OF ANY OTHER RIGHT OR REMEDY AVAILABLE TO LESSOR UNDER THIS LEASE OR OTHERWISE.

LESSEE, BEING FULLY AWARE OF THE RIGHT TO NOTICE AND A HEARING CONCERNING THE VALIDITY OF ANY AND ALL CLAIMS THAT MAY BE ASSERTED AGAINST LESSEE BY LESSOR BEFORE A JUDGMENT CAN BE ENTERED HEREUNDER OR BEFORE EXECUTION MAY BE LEVIED ON SUCH JUDGMENT AGAINST ANY AND ALL PROPERTY OF SUCH LESSEE, HEREBY WAIVES THESE RIGHTS AND AGREES AND CONSENTS TO JUDGMENT BEING ENTERED BY CONFESSION IN ACCORDANCE WITH THE TERMS HEREOF AND EXECUTION BEING LEVIED ON SUCH JUDGMENT AGAINST ANY AND ALL PROPERTY OF LESSEE, IN EACH CASE WITHOUT FIRST GIVING NOTICE AND THE OPPORTUNITY TO BE HEARD ON THE VALIDITY OF THE CLAIM OR CLAIMS UPON WHICH SUCH JUDGMENT IS ENTERED.

LESSEE ACKNOWLEDGES THAT LESSEE HAS EITHER BEEN REPRESENTED BY COUNSEL, OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY COUNSEL, IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THIS LEASE AND THAT LESSEE UNDERSTANDS THIS PROVISION FOR CONFESSION OF JUDGMENT.

16. **CROSS-DEFAULT.** Any default by Lessee under this LEASE will be considered a default under any other agreements between Lessee and Lessor and any default by Lessee under any other agreements between Lessee and Lessor shall be deemed a default by Lessee under this LEASE.

17. **UCC.** The Lessee hereby authorizes the Lessor to file all necessary financing statements and to produce, obtain, or file notices of lien or other evidences of ownership or security interest of the Lessor without Lessee's signature and irrevocably appoints Lessor as its ATTORNEY-IN-FACT with power to sign its name for this purpose. This power being coupled with an interest is irrevocable until all obligations of Lessee hereunder are paid in full. Lessee acknowledges and agrees that this LEASE constitutes a finance lease within the meaning of the Uniform Commercial Code Article 2A.

18. **FINANCIAL STATEMENTS.** Lessee shall furnish current financial statements to Lessor if requested. Lessee grants permission for Lessor to obtain credit reports of Lessee during the term of the LEASE.

19. **ASSIGNMENTS.** NEITHER THIS LEASE NOR LESSEE'S RIGHTS HEREUNDER SHALL BE ASSIGNABLE IN WHOLE OR IN PART BY LESSEE EXCEPT WITH LESSOR'S PRIOR WRITTEN CONSENT AND THE LEASE PROVISIONS SHALL BIND ANY PERMITTED SUCCESSORS AND ASSIGNS OF LESSEE. LESSOR SHALL HAVE THE RIGHT TO ASSIGN THIS LEASE OR ANY PART THEREOF. If Lessor assigns the rentals or any of Lessor's other rights under this LEASE, the right of the Lessor's assignee (the "Assignee") to receive the rentals as well as any other rights of Lessor shall not be subject to any defense, setoff, counterclaim, or recoupment which may arise out of any breach or obligation of Lessor or by reason of any other indebtedness or liability at any time owing by Lessor to Lessee. All rentals due hereunder shall be payable to Assignee by Lessee whether or not this LEASE is terminated by operation of law or otherwise, including without limitation, termination arising out of bankruptcy, reorganization or similar proceedings involving Lessor. On receipt of notification of such assignment, Lessee, subject to its rights hereunder, shall become the pledgeholder of the BUILDING for and on behalf of the Assignee and will follow all of Assignee's written directions. Lessee on receiving notice of any such assignment shall make rental payments as directed by Assignee.

20. **NON-WAIVER.** Lessor's failure at any time or from time to time to require strict performance by Lessee of any of the LEASE provisions shall not waive or diminish Lessor's right thereafter to demand strict compliance with the terms of this LEASE. Lessor's rights are cumulative and not alternative.

21. **SEVERABILITY.** If any provision or any remedy be deemed invalid, the remaining provisions shall be given effect.

22. **APPLICABLE LAW.** This LEASE shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without regard to its principles of conflict of laws.

23. **JOINT AND SEVERAL LIABILITY.** If more than one person and/or entity executes this LEASE, each and all persons and/or entities shall be jointly and severally liable hereunder.

24. **ENTIRE AGREEMENT.** This document along with all schedules and exhibits are a single agreement. This Agreement constitutes the entire agreement between the parties.

**EXHIBIT "C"**

## MORTGAGE

THIS MORTGAGE, made as of this 9<sup>th</sup> day of OCT. 1995, between THOMAS E. GRAY and C. LYN GRAY  
RD #2, BOX 66, ROCKTON, PA 15856  
 who together with their heirs, assigns and personal representatives, are hereinafter called "Mortgagor",

AND

TELMARK INC., a New York corporation with a principal office at 5814 Bridge Street, DeWitt, New York, who together with its successors and assigns, is hereinafter called "Mortgagee". \$17,038.00

WHEREAS, Mortgagor has entered into a certain written Lease Agreement with Mortgagee dated           , 19  , whereby Mortgagor stands bound unto Mortgagee to make 119 consecutive lease payments of \$ 277.00 per Month (hereinafter called the "Lease"); among other obligations set forth in the Lease, which Lease is incorporated herein by this reference thereto.

NOW, THEREFORE, for good and valuable consideration, and for better securing Mortgagor's full and faithful performance of the obligations set forth in the Lease, Mortgagor does grant, bargain, sell, alien, enfeoff, release and confirm unto Mortgagee,

ALL that certain tract or parcel of land located in ROCKTON, PA  
UNION TOWNSHIP, CLEARFIELD

County, Pennsylvania, more particularly described on Exhibit "A", attached hereto and made a part hereof, hereinafter called the "Property",

I hereby CERTIFY that this document  
 is recorded in the Recorder's Office of  
 Clearfield County, Pennsylvania.



*Karen L. Starck*  
 Karen L. Starck  
 Recorder of Deeds

CLEARFIELD COUNTY  
 ENTERED OF RECORD  
 TIME 1:30 pm 5-20-95  
 BY Telmark  
 FEES 13.50  
 Karen L. Starck, Recorder

TOGETHER with all and singular the buildings and improvements, streets, lanes, alleys, passages, ways, waters, water-courses, rights, liberties, privileges, hereditaments and appurtenances whatsoever thereunto belonging, or in anywise appertaining and the reversions and remainders, rents, issues and profits thereof.

Until Mortgagor has fully satisfied the terms and obligations set forth in the Lease, Mortgagor represents, covenants and warrants to Mortgagee as follows:

## LEASE

1. Mortgagor will make payments under the Lease and perform all other obligations thereunder according to its terms. This Mortgage also secures any amendments, modifications and supplements to the Lease above described, as well as any and all future obligations of whatsoever nature of the Mortgagor to the Mortgagee.

## INSURANCE

2. Mortgagor will keep the buildings on the Property insured against loss by fire and other risks included in the standard form of extended coverage insurance. The amount shall be approved by Mortgagee. The policies shall contain a standard Pennsylvania Mortgagee clause in the name of the Mortgagee. Within thirty (30) days after notice and demand, Mortgagor must insure the Property against any additional risk reasonably required by Mortgagee.

## TAXES

3. Mortgagor will pay all real estate taxes, assessments, sewer and water charges and other lienable items within thirty (30) days after they are due. Mortgagor must show receipts for these payments within ten (10) days of Mortgagee's demand for them.

MORTGAGEE'S  
RIGHT TO  
CURE

4. Mortgagor authorizes Mortgagee to make any payments necessary to correct any failure by Mortgagor to provide insurance or pay taxes or other items listed in paragraphs 2 and 3 of this Mortgage.

Mortgagee may make an interest charge of 9% percent per year, or the highest legal rate of interest at the time of the payment, whichever is greater, on any payments of this kind and if Mortgagor does not pay the advances and interest to Mortgagee within ten (10) days after being asked to do so, the amount of the payments and interest will be added to the Mortgage.

MAINTENANCE  
AND REPAIR

5. Mortgagor will keep the Property in reasonably good repair.



## EXHIBIT "A"

ALL that certain piece or parcel of land situate, lying and being in Union Township, Clearfield County, Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point at the intersection of the centerline of Township Road T-364 and Township Road T-372; thence South 30 degrees 45 minutes East along the centerline of Township Road T-372, a distance of 103.3 feet to a point; thence South 61 degrees 05 minutes West a distance of 344.2 feet to a metal post; thence North 73 degrees 00 minutes West a distance of 180.0 feet to a metal post; thence North 17 degrees 00 minutes East along the Easterly line of 0.69 acre tract conveyed to Roy A. and Rebecca L. Curley recorded in Deed Book 885, page 562, a distance of 316.5 feet to a point on the centerline of Township Road T-364; thence South 73 degrees 00 minutes East along the centerline of Township Road T-364 a distance of 342.3 feet to the place of beginning, CONTAINING 2.14 acres.

BEING the same premises granted and conveyed to Robert L. Coccimiglio by deed of Florence L. Thompson, dated February 26, 1992, and recorded in the Clearfield County Recorder's Office in Deed Book 1445, Page 556 on March 4, 1992.

NO SALE OR  
ALTERATION

TITLE

DEFAULTS  
AND REMEDIES

DEFEASANCE

JOINT AND  
SEVERAL

NOTICES

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6. Mortgagor may not, without the written consent of the Mortgagee, (a) alter, demolish, or remove the buildings and improvements on the Property, or (b) sell the Property or any part of it or interest therein.

7. Mortgagor warrants good and marketable fee simple ownership of the entire Property.

8. The following are defaults: (a) Mortgagor fails to make any payment required by the Lease; (b) Mortgagor fails to keep any other promise or agreement in this Mortgage or in the Lease; (c) Mortgagor transfers the Property voluntarily, involuntarily or by operation of law without the prior written consent of the Mortgagee.

If Mortgagor defaults hereunder, at the option of Mortgagee, the Mortgagee may declare due and immediately payable the full amount of all Lease payments remaining unpaid for the balance of the term, discounted to the present value thereof at 6% per annum, any other sums due under the Lease or under this Mortgage, together with costs and an attorney's commission of ten (10) percent of the Lease payments remaining unpaid (hereinafter called the "Judgment Amount"), without further stay, any law, usage or custom to the contrary notwithstanding. In addition to all other rights and remedies hereunder and available at law and equity, Mortgagee may institute an action of mortgage foreclosure upon this Mortgage and proceed to judgment and execution for the recovery of the Judgment Amount with interest at the highest legal rate allowed by law, and in the event of a default Mortgagor hereby empowers any attorney to appear for Mortgagor and confess judgment against Mortgagor in favor of Mortgagee for the Judgment Amount with interest at the highest rate allowed by law, waiving stay of execution, inquisition and all exemption laws, and Mortgagor further agrees the Property may be sold upon a writ of execution in one or several parcels. If Mortgagor defaults hereunder, Mortgagee shall have the right to take possession of the Property as mortgagee in possession and/or to have a receiver appointed to take control of the Property, and Mortgagor authorizes and empowers any attorney to appear for Mortgagor to sign an agreement for entering an amicable action of ejectment for possession of the Property, whereupon a writ of possession may immediately issue for possession of the Property, 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, without further stay, and with a full release of errors, any law, usage or custom to the contrary notwithstanding.

9. Provided always, nevertheless, that if Mortgagor fully satisfies all the provisions of this Mortgage and the Lease, then, and from thenceforth, this Mortgage and the estate hereby granted, shall cease, determine and become void, anything herein contained to the contrary notwithstanding.

10. If there are more than one Mortgagor, each shall be jointly and separately liable hereunder.

11. Notices, demands or requests may be in writing and may be delivered in person or sent by mail.

IN WITNESS WHEREOF, with intent to be legally bound, this Mortgage has been duly executed by the Mortgagor as of the day and year first above written.

WITNESS:

MORTGAGOR:

Andrew P. Booth

Thomas E. Gray (SEAL)

Susan P. Leaker

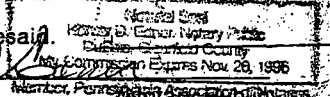
Cheryl Gray (SEAL)

COMMONWEALTH OF PENNSYLVANIA:

COUNTY OF CLEARFIELD : SS:

On this, the 9th day of OCT Anno Domini 1995, before me, the undersigned officer, personally appeared the above-named THOMAS E. GRAY & CRYN GRAY and in due form of law acknowledged the above INDENTURE OF MORTGAGE to be THEIR act and deed, and desired the same might be recorded as such.

WITNESS my hand and official seal the day and year aforesaid.



I hereby certify that the precise address of the Mortgagee and person entitled to interest on this Mortgage is: 5814 Bridge Street, Dewitt, New York 13214.

COMMONWEALTH OF PENNSYLVANIA:

COUNTY OF : SS:

Recorded on this \_\_\_\_\_ day of \_\_\_\_\_ Anno Domini 19\_\_\_\_, in the Recorder's Office of the said County in Mortgage Book \_\_\_\_\_, Volume \_\_\_\_\_, Page \_\_\_\_\_

Given under my hand and seal of the said office, the date above written.

Recorder

Entered of Record 5-20 1996 : 136 pr Karen L. Starck, Recorder

**EXHIBIT "D"**

# Telmark LLC

December 13, 2000

THOMAS E & C LYNN GRAY  
R R 2 BOX 66  
ROCKTON PA 15856

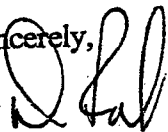
Re: Lease No. 47960-15472  
Total Past Due: **\$604.75** as follows: \$590.00 Rental + \$14.75 Late Charges

Dear MR & MRS GRAY:

Please consider this letter to be Telmark LLC's (formerly Telmark Inc.) formal demand that \$604.75 be received in our office on or before DECEMBER 23, 2000. Your failure to pay the total past due will leave Telmark no alternative but to declare the balance of the remaining lease payments, plus accrued late charges, any other charges, and residual value, immediately due and payable pursuant to the default section of the above-referenced lease agreement.

If you have any questions, please contact me.

Sincerely,



Dan Frost  
Collection Specialist  
1-800-806-3294 ext. 7575

*P.O. Box 4943, Syracuse, NY 13221-4943  
Phone (800) 806-3294*

# Telmark LLC

December 29, 2000

THOMAS E GRAY  
C LYNN GRAY  
R R #2 BOX 66  
ROCKTON PA 15856

Re: Lease No. 47960-15472

Dear MR & MRS GRAY:

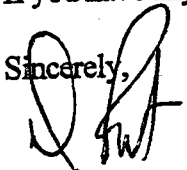
Since you have failed to respond to Telmark's efforts to cure the delinquency on the above referenced lease, PLEASE TAKE NOTICE that Telmark LLC (formerly Telmark Inc.) has elected to exercise its right to declare the entire balance of the remaining rental payments of \$18,290.00 plus sales tax, late charges, , residual value and sales tax, immediately due and payable.

If applicable, the remaining rental payments will be discounted as outlined in the Default section of the above referenced lease agreement that you acquired on DECEMBER 10 , 1995. Discount will be entered upon entry of a final judgment, order or decree of the court.

If the full balance is not received by JANUARY 9, 2001, it may be necessary to forward your file to our attorney to proceed with suit.

If you have any questions in regard to the above, please do not hesitate to contact me.

Sincerely,

  
Dan Frost  
Collection Specialist  
1-800-806-3294 ext. 7575

*P.O. Box 4943, Syracuse, NY 13221-4943  
Phone (800) 806-3294*

**EXHIBIT "E"**

**Pennsylvania  
Housing Finance Agency**

**Homeowners' Emergency  
Mortgage Assistance Loan Program**

Payments: 2101 North Front Street, P.O. Box 15206  
Harrisburg, PA 17105-5206

Correspondence: 2101 North Front Street, P.O. Box 15530  
Harrisburg, PA 17105-5530

(717) 780-3940 1-800-342-2397 FAX (717) 780-3995  
TDD # For Hearing Impaired (717) 780-1869

03/01/01

TELEMARK INC  
PO BOX 4943  
SYRACUSE, NY. 13221

Dear Lender:

Be advised that the Pennsylvania Housing Finance Agency is in receipt of an application for mortgage assistance filed in accordance with Act 91, 1983 by the individual(s) listed below. Pursuant to Act 91 no Mortgagee may commence legal action to foreclose upon its Mortgage with the Mortgagor during the time that the application is pending provided the Homeowner has met all time limitations as set forth in the Act.

The Agency will make a determination of eligibility within sixty (60) calendar days of the date of receipt. The Agency will notify you within five (5) business days of making this determination.

Mortgagor

THOMAS GRAY  
RR2 BOX 66  
ROCKTON, PA. 15856

Date of Receipt

2/26/2001

Bank Loan #: 47960-15472

THE PENNSYLVANIA HOUSING FINANCE  
AGENCY - Homeowners' Emergency  
Mortgage Assistance Program

cc: ACS

HEMAP-4

**Pennsylvania  
Housing Finance Agency****Homeowners' Emergency  
Mortgage Assistance Loan Program**

Payments: 2101 North Front Street, P.O. Box 15206  
Harrisburg, PA 17105-5206

Correspondence: 2101 North Front Street, P.O. Box 15530  
Harrisburg, PA 17105-5530  
(717) 780-3940 1-800-342-2397 FAX (717) 780-3995  
TDD # For Hearing Impaired (717) 780-1869

4/26/2001

TELEMARK INC  
PO BOX 4943  
SYRACUSE, NY. 13221

SUBJECT:  
THOMAS GRAY  
RR2 B 66  
ROCKTON, PA. 15856  
Loan #: 47960-15472  
SS#: 211-66-3713

Your application for a HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE LOAN has been DENIED pursuant to Act 91 of 1983, 35 P.S. Section 168.401-C et seq. and/or Agency Guidelines 12 PA Code Section 31.201 et seq. for the following reasons:

**DELETED IN LENDER'S COPY**

You may be entitled to an appeal hearing if you disagree with our decision. We must receive a written request for a hearing within 15 days of the postmark date of this letter. (Appeal requests must be in writing; a verbal request is not acceptable). The hearing may be conducted by a telephone conference call; therefore, you must include your telephone number. Requests for hearings must state the reason(s) that a hearing is requested and must be sent first class, registered or certified mail to: Chief Counsel - Hearing Request, PHFA/HEMAP, 2101 North Front Street, P.O. Box 15628, Harrisburg, Pennsylvania, 17105-5628. The Agency will attempt to schedule the hearing within thirty (30) days after the request is received. When sending your appeal, please be sure to print your name legibly and include your social security number.

You have a right to be represented by an attorney in connection with your appeal. If you cannot afford an attorney you may be eligible for Legal Services representation. You can contact a Legal Services representative through the following toll free number: 1-800-732-3545. Please be aware that scheduling an appeal hearing does not necessarily stay foreclosure proceedings.

**DISCLOSURE OF USE OF INFORMATION OBTAINED FROM OUTSIDE SOURCE:****1. Disclosure inapplicable.**

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal Agency that administers compliance with this law concerning this creditor is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C.

The Pennsylvania Housing Finance Agency



**EXHIBIT "F"**

**OWEN W. KATZ**  
ATTORNEY AT LAW  
938 PENN AVENUE, 8<sup>TH</sup> FLOOR  
PITTSBURGH, PA 15222

PHONE (412) 281-1015

FAX (412) 325-1532

May 30, 2001

VIA U.S. MAIL, FIRST CLASS POSTAGE PREPAID  
and CERTIFIED MAIL, RETURN RECEIPT REQUESTED

THOMAS and C. LYNN GRAY  
RR2, Box 66  
Rockton, PA 15856

Re: Lease No. 15472  
Mortgage at Volume 1759, Page 338

**NOTICE OF INTENTION TO FORECLOSE MORTGAGE**

The Lease secured by the mortgage on the above property IS IN DEFAULT because you have not made the monthly payments of \$295 for the months of November 2000 through the date of this letter. Late charges (and other charges) have also accrued to this date in the amount of \$627.13. The total amount now required to cure this default, i.e., to bring your payments current, as of the date of this letter, is \$2,692.13.

You may cure this default within thirty (30) days of the date of this letter, by paying to us the above amount of \$2,692.13, plus any additional monthly payments and late charges which may fall due during the period. Such payment must be made either by cashier's check, certified check or money order, and made payable to us at the address stated above.

If you do not cure the default within thirty (30) days, we intend to exercise our right to accelerate the mortgage payments. This means that whatever is owing on the original amount borrowed will be considered due immediately and you may lose the chance to pay off the original mortgage in monthly installments. If full payment of the amount of default is not made within thirty days, we also intend to instruct our attorneys to start a lawsuit to foreclose on the mortgage property. If the mortgage is foreclosed, your mortgaged property will be sold by the sheriff, and the net proceeds will be credited against the amount you owe.

If we refer your case to our attorneys, but you cure the default before they begin legal proceedings against you, you will still have to pay the reasonable attorneys' fees, actually incurred. Any attorneys' fees will be added to whatever you owe us, which may also include our reasonable

costs. If you cure the default with the thirty-day period and the mortgage is subject to 41 P.S. §403 (Act 6 of 1974), you will not be required to pay attorneys' fees incurred with respect to the mortgage foreclosure aspects of this matter.

We may also sue you personally for the unpaid principal balance and all other sums due under the mortgage. If you have not cured the default within the thirty-day period, and foreclosure proceedings have begun and the mortgage is subject to 41 P.S. §403 (Act 6 of 1974), you have the right to cure the default and prevent the sale at any time up to one hour before the sheriff's foreclosure sale. You may do so by paying the total amount of the unpaid monthly payment plus any later or other charges then due, as well as the reasonable attorneys' fees and costs connected with the foreclosure sale (and perform any other requirements under the mortgage). It is estimated that the earliest date that such a sheriff's sale could be held would be approximately September, 2001. A notice of the date of the sheriff's sale will be sent to you before the sale.

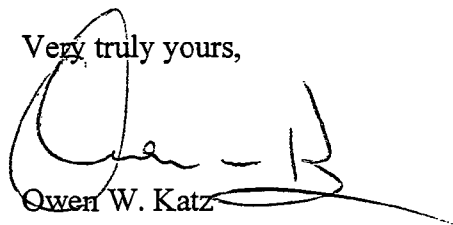
Of course, the amount needed to cure the default will increase the longer you wait. You may find out at any time exactly what the required payment will be by calling us at the following number: (412) 281-1015. This payment must be by cashier's check, certified check or money order, and made payable to us at the address stated above.

You should realize that a sheriff's sale will end your ownership of the mortgaged property and your right to remain in it. If you continue to live in the property after the sheriff's sale, a lawsuit could be started to evict you.

You have additional rights to help protect your interest in the property. YOU 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. (YOU MAY HAVE THE RIGHT TO SELL OR TRANSFER THE PROPERTY SUBJECT TO THE MORTGAGE TO A BUYER OR TRANSFEREE WHO WILL ASSUME THE MORTGAGE DEBT, PROVIDED THAT ALL THE OUTSTANDING PAYMENTS, CHARGES AND ATTORNEYS' FEES AND COSTS ARE PAID PRIOR TO OR AT THE SALE; AND THAT THE OTHER REQUIREMENTS UNDER THE MORTGAGE ARE SATISFIED.) CONTACT US TO DETERMINE UNDER WHAT CIRCUMSTANCES THIS RIGHT MIGHT EXIST. YOU HAVE THE RIGHT TO HAVE THIS DEFAULT CURED BY ANY THIRD PARTY ACTING ON YOUR BEHALF.

In you cure the default and the mortgage is subject to 41 P.S. §403 (Act 6 of 1974), the mortgage will be restored to the same position as if no default had occurred. However, you are not entitled to this right to cure your default more than three times in any calendar year.

Very truly yours,



Owen W. Katz

**U.S. POSTAL SERVICE CERTIFICATE OF MAILING**  
MAY BE USED FOR DOMESTIC AND INTERNATIONAL MAIL, DOES NOT  
PROVIDE FOR INSURANCE — POSTMASTER

Received From: **Owen W. Katz**  
Attorney At Law  
938 Penn Avenue, 8<sup>th</sup> Floor  
Pittsburgh, PA 15222

One piece of ordinary mail addressed to:  
**THOMAS and C. LYNN GRAY**  
RR2, Box 66  
Rockton, PA 15856

0000

U.S. POSTAGE  
PAID  
PITTSBURGH, PA  
15219  
MAY 30, 01  
AMOUNT

**\$0.75**

PITTSBURGH, PA GRANT ST. STA. MAY 30 2001 USPS

PS Form 3817, Mar. 1989

**U.S. Postal Service CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

Article Sent to:  
**ROCKTON PA 15856**

Postage	\$ <b>\$0.34</b>
Certified Fee	\$ <b>\$1.90</b>
Return Receipt Fee (Endorsement Required)	\$ <b>\$1.50</b>
Restricted Delivery Fee (Endorsement Required)	\$ <b>\$0.00</b>
Total Postage & Fees	\$ <b>\$3.74</b>

THOMAS and C. LYNN GRAY  
RR2, Box 66  
Rockton, PA 15856

PITTSBURGH, PA GRANT ST. STA. MAY 30 2001 USPS

05/30/2001

7099 3220 0010 3892 4289

**SENDER: COMPLETE THIS SECTION**

1. Article Addressed to:  
**THOMAS and C. LYNN GRAY**  
RR2, Box 66  
Rockton, PA 15856

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) **Gray** B. Date of Delivery **6-1-01**

C. Signature **[Signature]** ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes ☒ No  
If YES, enter delivery address below:

3. Service Type ☒ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

2. Article Number (Copy from service label)  
7099 3220 0010 3892 4289

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

**FILED**

JUL 16 2001

*del*

William A. Shaw  
Prothonotary

pc \$ 80.00 - Katz  
1 cc - Atty Katz  
2 cc - Sheriff

**In The Court of Common Pleas of Clearfield County, Pennsylvania**

Sheriff Docket # 11240

TELMARK LLC

01-1139-CD

VS.

GRAY, THOMAS & LYNN

**COMPLAINT IN MORTGAGE FORECLOSURE**

**SHERIFF RETURNS**

NOW JULY 25, 2001 AT 9:55 AM DST SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON THOMAS GRAY, DEFENDANT, AT RESIDENCE, RR # 2, BOX 66, ROCKTON, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO THOMAS GRAY A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN TO HIM THE CONTENTS THEREOF.  
SERVED BY: SNYDER

NOW JULY 25, 2001 AT 9:55 AM DST SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON LYNN GRAY, DEFENDANT AT RESIDENCE, RR# 2, BOX 66, ROCKTON, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO LYNN GRAY A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN TO HER THE CONTENTS THEREOF.  
SERVED BY: SNYDER

**Return Costs**

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

**FILED**  
012-30781  
JUL 31 2001

William A. Shaw  
Prothonotary

**Sworn to Before Me This**

31<sup>st</sup> Day Of July 2001

*William A. Shaw*

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

**So Answers,**

*Chester A. Hawkins*

Chester A. Hawkins  
Sheriff

IN THE COURT OF COMMON PLEAS OF  
CLEARFIELD COUNTY, PENNSYLVANIA

TELEMARK, LLC.,  
Plaintiff

v.

THOMAS and LYNN GRAY,  
Defendants

\*  
\*  
\*  
\*  
\*  
\*

Case No. 01-1139-CD

Civil Action - Mortgage Foreclosure

*Entry of Appearance*

Now comes Barbor & Vaporis, P.C., by and through Michael N. Vaporis,  
Esquire, who hereby enter their appearance on behalf of Thomas Gray and Cecilia  
Lyn Gray.

Respectfully submitted,

**FILED**

JUL 31 2001

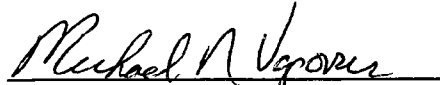
William A. Shaw  
Prothonotary



Michael N. Vaporis, Esquire  
Barbor & Vaporis, P.C.  
917 Philadelphia Street  
Indiana, Pennsylvania 15701  
(724) 465-5618  
Attorney for Thomas and Cecilia Lyn Gray

**CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing was mailed to Owen W. Katz, Esquire  
on July 28, 2001 by regular mail, postage prepaid.



Michael N. Vaporis

			<p>BARBOR &amp; VAPORIS, P.C. ATTORNEYS AT LAW 917 PHILADELPHIA STREET INDIANA, PENNSYLVANIA 15701</p>
--	--	--	--

FILED

JUL 31 2001  
m/12:20/14  
William A. Shaw  
Prothonotary

2 cc TO ATTS (JK)



IN THE COURT OF COMMON PLEAS OF  
CLEARFIELD COUNTY, PENNSYLVANIA

TELEMARK, LLC.,  
Plaintiff

v.

THOMAS and LYNN GRAY,  
Defendants

\*  
\*  
\*  
\*  
\*  
\*

Case No. 01-1139-CD

Civil Action - Mortgage Foreclosure

*ANSWER AND NEW MATTER WITH JURY DEMAND OF  
THOMAS GRAY AND CECILIA LYN GRAY*

Now come Thomas Gray and Cecilia Lyn Gray, by and through their attorney, Michael N. Vaporis, Esquire, and demanding a trial by jury in this action, plead as follows.

1. Admitted.
2. Denied. To the contrary, living at that address are Thomas Gray and Cecilia Lyn Gray.
3. Denied in part. The averment is admitted, except for the identity of the parties to the lease. The lease clearly designates as lessees Thomas Gray and C. Lyn Gray.
4. Denied in part. The averment is admitted, except for the identity of the parties to the mortgage. The mortgage clearly designates as mortgagor Thomas Gray and C. Lyn Gray.

5-7 Admitted.

**FILED**

AUG 03 2001

William A. Shaw  
Prothonotary

8. Denied. It is specifically denied that the Plaintiff has properly calculated the amount presently due.

9. Denied in part. The first and third averments contained in paragraph 9 are admitted. The second averment, after reasonable investigation, Thomas Gray and Cecilia Lyn Gray are without knowledge or information sufficient to form a belief as to its truth, and deny it. It is further denied that the Plaintiff is entitled to a judgement on its "estimate".

10. The averments contained in paragraph 10 constitute conclusions of law to which no response is necessary. To the extent a response is deemed required, Thomas Gray and Cecilia Lyn Gray deny the averments as untrue.

*NEW MATTER*

11. The Plaintiff has failed to comply with the requirements of 35 P.S. §1680.401c, and is therefore barred from proceeding with this action.

Wherefore, the Thomas and Cecilia Lyn Gray pray for the dismissal of this action, with an award of costs.

Respectfully submitted,

Michael N. Vaporis

Michael N. Vaporis, Esquire  
Barbor & Vaporis, P.C.  
917 Philadelphia Street  
Indiana, Pennsylvania 15701  
(724) 465-5618  
Attorney for Thomas Gray & Cecilia Lyn Gray

TO: Plaintiff

You are hereby notified to file a  
written response to the enclosed

New Matter

within twenty (20) days from  
service hereof or a judgement  
may be entered against you.

### **CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing was mailed to Owen W. Katz, Esquire  
on August 1, 2001 by regular mail, postage prepaid.

Michael N. Vaporis

Michael N. Vaporis

FILED

AUG 03 2001  
M1135/00C  
William A. Shaw  
Prothonotary

BARBOR & VAPORIS, P.C.  
ATTORNEYS AT LAW  
917 PHILADELPHIA STREET  
INDIANA, PENNSYLVANIA 15701

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA**

TELMARK, LLC.,

Plaintiff,

vs.

THOMAS and LYNN GRAY,

Defendants.

**CIVIL DIVISION**

**NO: 2001 - 1139 - CD**

**Code and Classification:**

**TITLE OF PLEADING:**

REPLY TO NEW MATTER

**FILED ON BEHALF OF:**

Telmark, LLC, Plaintiff

**COUNSEL OF RECORD:**

Owen W. Katz, Esquire  
Pa. I. D. # 36473  
938 Penn Avenue, 8<sup>th</sup> Floor  
Pittsburgh, PA 15222  
(412) 281-1015

**FILED**

AUG 09 2001

**William A. Shaw**  
Prothonotary

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA**

TELMARK, LLC.,

**CIVIL DIVISION**

Plaintiff,

**NO: 2001 - 1139 - CD**

**vs.**

THOMAS and LYNN GRAY,

Defendants.

**REPLY TO NEW MATTER**

AND NOW comes TELMARK, LLC. ("Telmark") by and through the undersigned counsel,  
and files this Reply to New Matter, whereof the following is a statement:

*NEW MATTER*

11. The averment set forth in this paragraph is an erroneous conclusion of law to which  
no responsive pleading is required and same is denied.

WHEREFORE, Plaintiff demands that the Court strike Defendants' improper demand for  
a jury trial, and enter judgment against Defendants for foreclosure and sale of the Mortgaged  
Premises in the amount of \$20,919.50, together with attorney fees of at least \$2,000, plus the costs  
of this proceeding, along with interest at the state statutory rate from December 29, 2000, along with  
such other relief as should be deemed fair, just and equitable.

Respectfully Submitted,

TELMARK, LLC.

Date: 8/7/01

By: 

Owen W. Katz, Esq.

Pa. I. D. # 36473

938 Penn Avenue, 8<sup>th</sup> Floor

Pittsburgh, PA 15222

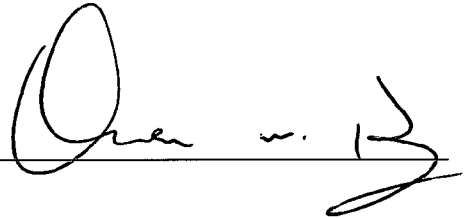
(412) 281-1015

**CERTIFICATE OF SERVICE**

I, the undersigned, do certify that I served, on 8/7/04, a copy of the foregoing pleading on the following parties, at the addresses indicated, by U.S. Mail, first class, postage prepaid.

Michael N. Vaporis, Esq.  
Barbor & Vaporis, P.C.  
917 Philadelphia Street  
Indiana, PA 15701

Date: 8/7/04

  
\_\_\_\_\_



FILED

MAY 23 2007  
AUG 19 2007

William A. Shaw  
Prothonotary

EWMS

NO  
CC

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA**

TELMARK, LLC.,

Plaintiff,

vs.

THOMAS and LYNN GRAY,

Defendants.

**CIVIL DIVISION**

**NO: 2001 - 1139 - CD**

**TITLE OF PLEADING:**

PLAINTIFF'S PRAECIPE TO SETTLE  
AND DISCONTINUE

**FILED ON BEHALF OF:**

TELMARK, LLC, Plaintiff

**COUNSEL OF RECORD:**

Owen W. Katz, Esquire  
Pa. I. D. # 36473  
938 Penn Avenue, Suite 701  
Pittsburgh, PA 15222  
(412) 281-1015

**FILED**

DEC 15 2003

William A. Shaw  
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA

TELMARK, LLC.,

CIVIL DIVISION

Plaintiff,

NO: 2001 - 1139 - CD

vs.

THOMAS and LYNN GRAY,

Defendants.

**PLAINTIFF'S PRAECIPE TO SETTLE AND DISCONTINUE**

TO: PROTHONOTARY

Kindly mark the above-captioned matter settled and discontinued.

Respectfully Submitted:

TELMARK, LLC

Date: 12/11/03

By: 

Owen W. Katz, Esq.

Pa. I. D. # 36473

938 Penn Avenue, Suite 701

Pittsburgh, PA 15222

(412) 281-1015

FILED

M 2.10 84 100 & 100 to 100,  
DEC 15 2003

William A. Shaw  
Prothonotary

**IN THE COURT OF COMMON PLEAS OF  
CLEARFIELD COUNTY, PENNSYLVANIA**

**CIVIL DIVISION**

**Telmark, LLC**

**Vs.  
Thomas Gray  
Lynn Gray**

**No. 2001-01139-CD**

**CERTIFICATE OF DISCONTINUATION**

Commonwealth of PA  
County of Clearfield

I, William A. Shaw, Prothonotary of the Court of Common Pleas in and for the County and Commonwealth aforesaid do hereby certify that the above case was on December 15, 2003, marked:

Discontinued, settled and ended

Record costs in the sum of \$132.79 have been paid in full by Attorney.

IN WITNESS WHEREOF, I have hereunto affixed my hand and seal of this Court at Clearfield, Clearfield County, Pennsylvania this 15th day of December A.D. 2003.

---

William A. Shaw, Prothonotary