

02-429-CD  
DEPOSIT BANK -vs- PATRICK W. KALGREN et al

In The Court of Common Pleas of Clearfield County, Pennsylvania

Sheriff Docket # 12291

DEPOSIT BANK

02-429-CD

VS.

KALGREN, PATRICK W., KAREN L. & THE U.S.A.

COMPLAINT

**SHERIFF RETURNS**

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NOW MARCH 25, 2002 PETER DEFAZIO, SHERIFF OF ALLEGHENY COUNTY  
WAS DEPUTIZED BY CHESTER A. HAWKINS, SHERIFF OF CLEARFIELD COUNTY  
TO SERVE THE WITHIN COMPLAINT ON MARY BETH BUCHANAN, U.S. ATTORNEY  
GENERAL FOR WESTERN DISTRICT OF PA., DEFENDANT.

**FILED**

3/14/03  
MAR 06 2003



William A. Shaw  
Prothonotary

NOW APRIL 2, 2002 SERVED THE WITHIN COMPLAINT ON MARY BETH BUCHANAN  
U.S. ATTORNEY GENERAL FOR WESTERN DISTRICT OF PA., DEFENDANT BY  
DEPUTIZING THE SHERIFF OF ALLEGHENY COUNTY. THE RETURN OF SHERIFF  
DEFAZIO IS HERETO ATTACHED AND MADE A PART OF THIS RETURN STATING  
THAT HE SERVED JANET HENLINE, P.I.C.

NOW APRIL 9, 2002 AT 2:15 PM DST SERVED THE WITHIN COMPLAINT ON  
KAREN L. KALGREN, DEFENDANT AT RESIDENCE, RD#2 BOX 470, DUBOIS,  
CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO KAREN KALGREN A  
TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT AND MADE KNOWN  
TO HER THE CONTENTS THEREOF.

SERVED BY: COUDRIET

NOW APRIL 9, 2002 AT 2:15 PM DST SERVED THE WITHIN COMPLAINT ON  
PATRICK W. KALGREN, DEFENDANT AT RESIDENCE, RD#2 BOX 470, DUBOIS,  
CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO KAREN KALGREN, WIFE  
A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT AND MADE KNOWN  
TO HER THE CONTENTS THEREOF.

SERVED BY: COUDRIET

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

Sheriff Docket # 12291

DEPOSIT BANK

02-429-CD

VS.

KALGREN, PATRICK W., KAREN L. & THE U.S.A.

**COMPLAINT**

**SHERIFF RETURNS**

NOW MARCH 9, 2002 SERVED THE WITHIN COMPLAINT ON UNITED STATES OF AMERICA, ATTY. GEN. OF THE U.S. , DEFENDANT BY CERTIFIED MAIL # 7001 1940 0001 9405 9840 AT ROOM 5111 MAIN JUSTICE BLDG., 10TH & CONSTITUTION AVE., NORTHWEST, WASHINGTON, D.C. 20530 BEING HIS LAST KNOWN ADDRESS. THE RETURN RECEIPT IS HERETO ATTACHED AND MADE A PART OF THIS RETURN ENDORSED BY AGENT FOR DEFENDANT.

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**Return Costs**

Cost	Description
101.32	SHFF. HAWKINS PAID BY: <i>atty</i>
28.00	SHFF. DEFAZIO PAID BY: ATTY.
3.00	NOTARY PAID BY: ATTY.
30.00	SURCHARGE PAID BY : PLFF.
<u>10.00</u>	<u>SUCHARGE PAID BY: ATTY.</u>
<u>172.32</u>	

Sworn to Before Me This

16<sup>th</sup> Day Of March 2003  
William A. Shaw

WILLIAM A. SHAW  
Prothonotary  
My Commission Expires  
1st Monday in Jan. 2006  
Clearfield Co., Clearfield, PA

So Answers,

*Chester Hawkins*  
*by Marilyn Harris*  
Chester A. Hawkins  
Sheriff



*Handline* 7/30 AM 12791

PETER R. DEFAZIO  
Sheriff

# ALLEGHENY COUNTY SHERIFF'S DEPARTMENT

436 GRANT STREET  
PITTSBURGH, PA 15219-2496  
PHONE (412) 350-4700

DENNIS SKOSNIK  
Chief Deputy

25B1

PLAINTIFF DEPOSIT BANK

VS.

DEFT. PATRICK W. KALGREN a1 USA  
ADD. DEFT. SERVE: MARY BETH BUCHANAN, U.S. Atty. Gen.  
ADD. DEFT. for Western District of Pa.  
GARNIShee 633 U.S. Post Office & Courthouse  
ADDRESS Pittsburgh, Pa. 15219

CASE# 02-429-CD

EXPIRES 4/21/02

SUMMONS/PRAECIPE

SEIZURE OR POSSESSION

NOTICE AND COMPLAINT

REVIVAL of SCI FA

INTERROGATORIES

EXECUTION - LEVY OR GARNIShee

OTHER

MUNICIPALITY or CITY WARD \_\_\_\_\_  
DATE: 19 ATTY. Michael P. Yeager  
ATTY'S Phone 814-765-9611 ADDRESS POBox 7521 110 N. Second St.  
Clearfield, Pa. 16830

INDICATE TYPE OF SERVICE:  PERSONAL  PERSON IN CHARGE  DEPUTIZE  CERT. MAIL  POSTED  OTHER  LEVY  SEIZED & STORE

Now, March 25, 2002 xx, I, SHERIFF OF ALLEGHENY COUNTY, PA do hereby depose the Sheriff of ALLEGHENY County to execute this Writ and make return thereof according to law

NOTE: ONLY APPLICABLE ON WRIT OF EXECUTION: N.B. WAIVER OF WATCHMAN - Any deputy sheriff levying upon or attaching any property under within writ may leave same without a watchman, in custody of whomever is found in possession, after notifying person or attachment without liability on the part of such deputy herein for any loss, destruction or removal of any property before sheriff's sale thereof.

Seize, levy, advertise and sell all the personal property of the defendant on the premises located at: \_\_\_\_\_

MAKE	MODEL	MOTOR NUMBER	SERIAL NUMBER	LICENSE NUMBER
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

## SHERIFF'S OFFICE USE ONLY

I hereby CERTIFY AND RETURN that on the 2 day of April at 10:00 AM o'clock A.M. Address Above/Address Below. County of Allegheny, Pennsylvania

I have served in the manner described below: \_\_\_\_\_

Defendant(s) personally served.

Adult family member with whom said Defendant(s) reside(s). Name & Relationship \_\_\_\_\_

Adult in charge of Defendant's residence who refused to give name or relationship. \_\_\_\_\_

Manager/Clerk of place of lodging in which Defendant(s) reside(s). \_\_\_\_\_

Agent or person in charge of Defendant(s) office or usual place of business. \_\_\_\_\_

Other \_\_\_\_\_

Property Posted \_\_\_\_\_

Defendant not found because:  Moved  Unknown  No Answer  Vacant  Other \_\_\_\_\_

Certified Mail  Receipt \_\_\_\_\_  Envelope Returned \_\_\_\_\_  Neither receipt or envelope returned: writ expired \_\_\_\_\_

Regular Mail Why \_\_\_\_\_

You are hereby notified that on \_\_\_\_\_, 19 \_\_\_\_\_, levy was made in the case of \_\_\_\_\_  
Possession/Sale has been set for \_\_\_\_\_, 19 \_\_\_\_\_ at \_\_\_\_\_ o'clock.

**YOU MUST CALL DEPUTY ON THE MORNING OF SALE/POSSESSION BETWEEN 8:30 - 9:30 A.M.**

ATTEMPTS \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

**PETER R. DEFAZIO, Sheriff**

*Shelia O'Brien* By *Robert J. Fink*  
Deputy  
District \_\_\_\_\_

Additional Costs Due \$ \_\_\_\_\_, This is placed  
on writ when returned to Prothonotary. Please check before  
satisfying case.

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

## 1. Article Addressed to:

United States of America  
Attorney General of the U.S.  
Room 5111, Main Justice Bldg.  
10th & Constitution Ave. Northwest  
Washington, D.C. 20530

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

**X**

*James S. P. A.*  
D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below *10th & Constitution Ave. Northwest*  No

## 3. Service Type

Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

## 2. Article Number (Copy from service label)

7001 1940 0001 9405 9840

UNITED STATES POSTAL SERVICE



First-Class Mail  
Postage & Fees Paid  
USPS  
Permit No. G-10

- Sender: Please print your name, address, and ZIP+4 in this box •

CHESTER A. HAWKINS  
Sheriff of Clearfield County  
1 N. 2nd ST. Suite 116  
Clearfield, Pa. 16830

12491



**(Domestic Mail Only; No Insurance Coverage Provided)**

### **Certified Mail Provides:**

- A mailing receipt
- A unique identifier for your mailpiece
- A signature upon delivery
- A record of delivery kept by the Postal Service for two years

### **Important Reminders:**

- Certified Mail may ONLY be combined with First-Class Mail or Priority Mail.
- Certified Mail is not available for any class of international mail.
- NO INSURANCE COVERAGE IS PROVIDED with Certified Mail. For valuables, please consider Insured or Registered Mail.
- For an additional fee, a Return Receipt may be requested to provide proof of delivery. To obtain Return Receipt service, please complete and attach a Return Receipt (PS Form 3811) to the article and add applicable postage to cover the fee. Endorse mailpiece "Return Receipt Requested". To receive a fee waiver for a duplicate return receipt, a USPS postmark on your Certified Mail receipt is required.
- For an additional fee, delivery may be restricted to the addressee or addressee's authorized agent. Advise the clerk or mark the mailpiece with the endorsement "Restricted Delivery".
- If a postmark on the Certified Mail receipt is desired, please present the article at the post office for postmarking. If a postmark on the Certified Mail receipt is not needed, detach and affix label with postage and mail.

**IMPORTANT: Save this receipt and present it when making an inquiry.**

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL ACTION - LAW

DEPOSIT BANK, : NO. 02 -429 - CD  
Plaintiff :  
vs : Type of Case: CIVIL  
: Type of Pleading: COMPLAINT  
PATRICK W. KALGREN and : Filed on Behalf of: PLAINTIFF  
KAREN L. KALGREN and :  
THE UNITED STATES OF AMERICA, : Counsel of Record:  
Defendants : MICHAEL P. YEAGER, ESQ.  
: Supreme Court No.: 15587  
: P.O. Box 752  
: 110 North Second Street  
: Clearfield, PA 16830  
: (814) 765-9611

**FILED**

MAR 22 2002

William A. Shaw  
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL ACTION - LAW

DEPOSIT BANK, :  
Plaintiff :  
: :  
vs : No. 02 - - CD  
: :  
PATRICK W. KALGREN and :  
KAREN L. KALGREN and :  
THE UNITED STATES OF AMERICA, :  
Defendants :  
:

NOTICE

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 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  
2nd & Market Streets  
Clearfield, PA 16830  
814-765-2641 Ext. 5982

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL ACTION - LAW

DEPOSIT BANK, :  
Plaintiff :  
vs : No. 02- - CD  
: :  
PATRICK W. KALGREN and :  
KAREN L. KALGREN and :  
THE UNITED STATES OF AMERICA, :  
Defendants :  
:

COMPLAINT

1. Deposit Bank, Plaintiff, is a banking institution organized and existing under the laws of the Commonwealth of Pennsylvania having its principal office located at 5 N. Main Street, DuBois, PA 15801.

2. Defendant, Patrick W. Kalgren, is an adult individual with a last known address of R.D. #2, Box 470, DuBois, PA 15801.

3. Defendant, Karen L. Kalgren, is an adult individual with a last known address of R.D. #2, Box 470, DuBois, PA 15801.

4. The Defendant, United States of America is named as a party Defendant in this action pursuant to 28 U.S.C.A. Section 2410 as a result of two (2) liens filed by the Internal Revenue Service Office located at Pittsburgh, Pennsylvania, against Defendant Patrick W. Kalgren, Kalgren's East Side Garage, in the Prothonotary's Office of Clearfield County, Pennsylvania as follows:

(a) Federal tax lien filed on June 22, 1992 at Volume 3827 page 115 in the amount of \$9,075.86.

(b) Federal tax lien filed on September 21, 1992, at Volume 3868, page 116, in the amount of \$952.25.

Copies of said Notices of Federal Tax Lien are attached hereto, made part hereof and incorporated herein by reference as "Exhibit A".

The liens of the Defendant, United States of America, are junior to the lien of the Plaintiff on the real property which is the subject of this action.

5. Pursuant to 28 U.S.C.A. Section 2410, the United States of America, as a party Defendant to this action, may be served process by certified mail to the Attorney General of the United States, Room 5111, Main Justice Building, 10th and Constitution Avenues Northwest, Washington, D.C. 20530, and by serving the process of the court with a copy on the United States Attorney for the District in which the action is brought, namely Mary Beth Buchanan, United States Attorney General for the Western District of Pennsylvania, 633 U.S. Post Office and Courthouse, Pittsburgh, Pennsylvania 15219.

6. On August 26, 1988, Defendants made, executed and delivered to Plaintiff, an Adjustable Rate Note and Mortgage upon the premises hereinafter described which Mortgage was recorded on August 29, 1988 in Clearfield County Deeds & Records Volume 1391 at page 352. True and correct copies of said Adjustable Rate Note and Mortgage are attached hereto, made part hereof and incorporated herein by reference as "Exhibits B and C"

respectively.

7. Said Mortgage has not been assigned.

8. The 30-day Notice required by Act No. 6, 41 P.S. Section 403 and the Notice of Homeowners' Emergency Mortgage Assistance Act of 1983 were mailed to the Defendants on May 10, 2001, by certified mail, return receipt requested and by regular first class mail, postage prepaid. True and correct copies of said Notices and copies of return receipts are attached hereto, made part hereof and incorporated herein by reference as "Exhibits D and E", respectively.

9. More than thirty (30) days have elapsed since the Notice of Homeowners' Emergency Mortgage Assistance was mailed to the Defendants and the Defendants have not requested a face-to-face meeting with the Plaintiff, nor has Plaintiff received notice that the Defendants have requested such a meeting with a consumer credit counseling agency or applied for assistance under the Act.

10. The premises subject to the Mortgage is the property located at R.D. #2, Oklahoma-Salem Road, DuBois, Clearfield County, Pennsylvania 15801, and is described on "Exhibit F" attached hereto, made part hereof and incorporated herein by reference.

11. Said mortgage is in default because the principal payments due upon said mortgage are overdue and in default for a period of more than thirty (30) days and, by the terms of said Adjustable Rate Note and Mortgage, the whole of said unpaid

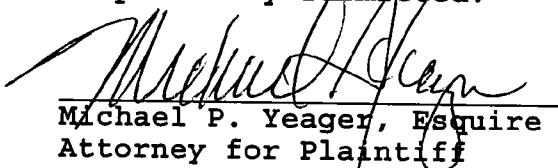
balance of principal is immediately due and payable.

12. The unpaid balance of the indebtedness due Plaintiff under the terms of said Mortgage and Note secured thereby is:

Principal Balance	\$ 12,916.81
Interest Due through 1/22/02	308.87
Late Fees as of 2/15/00	5,068.55
Attorney's fees	<u>600.00</u>
 Total due through	 \$ 18,894.23

WHEREFORE, Plaintiff demands judgment in the amount of \$18,894.23, plus interest thereon at a per diem rate of \$2.6118 on unpaid principal balance from January 22, 2002, and any escrows, late fees and costs, and for foreclosure and sale of the mortgaged property described in Exhibits D & E against the Defendants, Patrick W. Kalgren and Karen L. Kalgren.

Respectfully submitted:



Michael P. Yeager, Esquire  
Attorney for Plaintiff  
P.O. Box 752  
Clearfield, PA 16830  
(814) 765-9611

## Notice of Federal Tax Lien Under Internal Revenue Laws

District  Pittsburgh, PA	Serial Number  759208187	For Optional Use by Recording Office
<p>As provided by sections 6321, 6322, and 6323 of the Internal Revenue Code, notice is given that taxes (including interest and penalties) have been assessed against the following-named taxpayer. Demand for payment of this liability has been made, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.</p>		
<p>Name of Taxpayer PATRICK W KALGREN KALGREN'S EAST SIDE GARAGE (1)</p>		
<p>Residence RR 2 BOX 470 DUBOIS, PA 15801-9526</p>		

FILED

2:10 PM  
JUN 22 1992

LE

T

IMPORTANT RELEASE INFORMATION: With respect to each assessment listed below, unless notice of lien is refiled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ended (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refileing (e)	Unpaid Balance of Assessment (f)
941	03/31/91	25-1563047	05/27/91	06/26/01	1229.46
941	06/30/91	25-1563047	03/09/92	04/08/02	2947.59
941	09/30/91	25-1563047	03/09/92	04/08/02	2818.58
941	12/31/91	25-1563047	03/30/92	04/29/02	2080.23

Place of Filing  Clearfield Prothonotary Clearfield County Clearfield, PA 16830	Total \$ 9075.86
---------------------------------------------------------------------------------------------	------------------

This notice was prepared and signed at Pittsburgh, PA, on this,

the 17th day of June, 19 92

Signature

for

Francis Evans



Manager

No. 3827 J-115

United States

vs.

JUN 22 1992

## Notice of Tax Lien

Filed this \_\_\_\_\_, 19\_\_\_\_\_, at \_\_\_\_\_ m.

Clerk (or Registrar).

Form 668 (M) (Rev. 1-91)

### Excerpts From Internal Revenue Code

#### Sec. 6321. Lien For Taxes

If any person liable to pay any tax neglects or refuses to pay the same after demand, the amount (including any interest, additional amount, addition to tax, or assessable penalty, together with any costs that may accrue in addition thereto) shall be a lien in favor of the United States upon all property and rights to property, whether real or personal, belonging to such person.

#### Sec. 6322. Period Of Lien.

Unless another date is specifically fixed by law, the lien imposed by section 6321 shall arise at the time the assessment is made and shall continue until the liability for the amount so assessed (or a judgment against the taxpayer arising out of such liability) is satisfied or becomes unenforceable by reason of lapse of time.

#### Sec. 6323. Validity and Priority Against Certain Persons.

(a) **Purchaser's, Holders Of Security Interests, Mechanic's Liens, And Judgment Lien Creditors.**—The lien imposed by section 6321 shall not be valid as against any purchaser, holder of a security interest, mechanic's lienor, or judgment lien creditor until notice thereof which meets the requirements of subsection (f) has been filed by the Secretary.

#### (f) Place For Filing Notice; Form.—

(1) **Place For Filing.**—The notice referred to in subsection (a) shall be filed—  
(A) Under State Laws

(i) **Real Property.**—In the case of real property, in one office within the State (or the county, or other governmental subdivision), as designated by the laws of such State, in which the property subject to the lien is situated; and

(ii) **Personal Property.**—In the case of personal property, whether tangible or intangible, in one office within the State (or the county, or other governmental subdivision), as designated by the laws of such State, in which the property subject to the lien is situated; except that State law merely conforming to reenacting Federal law establishing a national filing system does not constitute a second office for filing as designated by the laws of such State; or

(B) **With Clerk Of District Court.**—In the office of the clerk of the United States district court for the judicial district in which the property subject to lien is situated, whenever the State has not by law designated one office which meets the requirements of subparagraph (A), or

(C) **With Recorder Of Deeds Of The District Of Columbia.**—In the office of the Recorder of Deeds of the District of Columbia, if the property subject to the lien is situated in the District of Columbia.

(2) **Situs Of Property Subject To Lien.**—For purposes of paragraphs (1) and (4), property shall be deemed to be situated—  
(A) **Real Property.**—In the case of real property, at its physical location; or

(B) **Personal Property.**—In the case of personal property, whether tangible or intangible, at the residence of the taxpayer at the time the notice of lien is filed.

For purposes of paragraph (2) (B), the residence of a corporation or partnership shall be deemed to be the place at which the principal executive office of the business is located, and the residence of a taxpayer whose residence is without the United States shall be deemed to be in the District of Columbia.

(3) **Form.**—The form and content of the notice referred to in subsection (a) shall be prescribed by the Secretary. Such notice shall be valid notwithstanding any other provision of law regarding the form or content of a notice of lien.

**Note:** See section 6323(b) for protection for certain interests even though notice of lien imposed by section 6321 is filed with respect to:

1. Securities
2. Motor vehicles
3. Personal property purchased at retail
4. Personal property purchased in casual sale
5. Personal property subjected to possessory lien
6. Real property tax and special assessment liens
7. Residential property subject to a mechanic's lien for certain repairs and improvements
8. Attorney's liens
9. Certain insurance contracts
10. Passbook loans

(g) **Refiling Of Notice.**—For purposes of this section—

(1) **General Rule.**—Unless notice of lien is filed in the manner prescribed in paragraph (2) during the required refiling period, such notice of lien shall be treated as filed on the date on which it is filed (in accordance with subsection (f) after the expiration of such refiling period).

(2) **Place For Filing.**—A notice of lien refiled during the required refiling period shall be effective only—

(A) If—

(i) such notice of lien is filed in the office in which the prior notice of lien was filed, and

(ii) in the case of real property, and the fact of refiling is entered and recorded in an index to the extent required by subsection (f) (4), and

(B) in any case in which, 90 days or more prior to the date of a refiling of notice of lien under subparagraph (A), the

Secretary received written information (in the manner prescribed in regulations issued by the Secretary) concerning a change in the taxpayer's residence, if notice of such lien is also filed in accordance with subsection (f) in the State in which such residence is located.

(3) **Required Refiling Period.**—In the case of any notice of lien, the term "required refiling period" means—

(A) the one-year period ending 30 days after the expiration of 10 years after the date of the assessment of the tax, and

(B) the one-year period ending with the expiration 10 years after the close of the preceding required refiling period for such notice of lien.

#### Sec. 6325. Release Of Lien Or Discharge Of Property

(a) **Release Of Lien.**—Subject to such regulations as the Secretary may prescribe, the Secretary shall issue a certificate of release of any lien imposed with respect to any internal revenue tax not later than 30 days after the date on which—

(1) **Liability Satisfied or Unenforceable.**—The Secretary finds that the liability for the amount assessed, together with all interest in respect thereof, has been fully satisfied or has become legally unenforceable; or

(2) **Bond Accepted.**—There is furnished to the Secretary and accepted by him a bond that is conditioned upon the payment of the amount assessed, together with all interest in respect thereof, within the time prescribed by law (including any extension of such time), and that is in accordance with such requirements relating to terms, conditions, and form of the bond and sureties thereon, as may be specified by such regulations.

#### Sec. 6103. Confidentiality and Disclosure of Returns and Return Information

#### (k) Disclosure of Certain Returns and Return Information For Tax Administration Purposes.—

(2) Disclosure of amount of outstanding lien. If notice of lien has been filed pursuant to section 6323(f), the amount of the outstanding obligation secured by such lien may be disclosed to any person who furnishes satisfactory written evidence that he has a right in the property subject to such lien or intends to obtain a right in such property.

## Notice of Federal Tax Lien Under Internal Revenue Laws

District

Pittsburgh, PA

Serial Number

259211765

For Optional Use by Recording Office

As provided by sections 6321, 6322, and 6323 of the Internal Revenue Code, notice is given that taxes (including interest and penalties) have been assessed against the following-named taxpayer. Demand for payment of this liability has been made, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer PATRICK W KALGREN  
KALGREN'S EAST SIDE GARAGE  
111

Residence RR 2 BOX 470  
DUBOIS, PA 15801-9526

IMPORTANT RELEASE INFORMATION: With respect to each assessment listed below, unless notice of lien is refiled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ended (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refilling (e)	Unpaid Balance of Assessment (f)
941	03/31/92	25-1563047	06/15/92	07/15/02	952.25

FILED

SEP 21 1992

ALLEN D. BIETZ  
Prothonotary

Place of Filing

Clearfield Prothonotary  
Clearfield County  
Clearfield, PA 16830

Total \$ 952.25

This notice was prepared and signed at Pittsburgh, PA, on this,

the 16th day of September 92.

Signature

for R. Bacon

Title

Revenue Officer  
25-01-1311

United States

vs.

## Notice of Tax Lien

Filed this 19 day of SEP 21 1992 at 4411/100 FILED m.ATTEND (or Registrar).  
Prothonotary

Form 688 (M) (Rev. 1-91)

## Excerpts From Internal Revenue Code

## Sec. 6321. Lien For Taxes

If any person liable to pay any tax neglects or refuses to pay the same after demand, the amount (including any interest, additional amount, addition to tax, or assessable penalty, together with any costs that may accrue in addition thereto) shall be a lien in favor of the United States upon all property and rights to property, whether real or personal, belonging to such person.

## Sec. 6322. Period Of Lien.

Unless another date is specifically fixed by law, the lien imposed by section 6321 shall arise at the time the assessment is made and shall continue until the liability for the amount so assessed (or a judgment against the taxpayer arising out of such liability) is satisfied or becomes unenforceable by reason of lapse of time.

## Sec. 6323. Validity and Priority Against Certain Persons.

(a) **Purchaser's, Holders Of Security Interests, Mechanic's Liens, And Judgment Lien Creditors.**—The lien imposed by section 6321 shall not be valid as against any purchaser, holder of a security interest, mechanic's lienor, or judgment lien creditor until notice thereof which meets the requirements of subsection (f) has been filed by the Secretary.

## (i) Place For Filing Notice; Form.—

(1) **Place For Filing.**—The notice referred to in subsection (a) shall be filed—

## (A) Under State Laws.

(i) **Real Property.**—In the case of real property, in one office within the State (or the county, or other governmental subdivision), as designated by the laws of such State, in which the property subject to the lien is situated; and

(ii) **Personal Property.**—In the case of personal property, whether tangible or intangible, in one office within the State (or the county, or other governmental subdivision), as designated by the laws of such State, in which the property subject to the lien is situated; except that State law merely conforming to reenacting Federal law establishing a national filing system does not constitute a second office for filing as designated by the laws of such State; or

(B) **With Clerk Of District Court.**—In the office of the clerk of the United States district court for the judicial district in which the property subject to lien is situated, whenever the State has not by law designated one office which meets the requirements of subparagraph (A); or

(C) **With Recorder Of Deeds Of The District Of Columbia.**—In the office of the Recorder of Deeds of the District of Columbia, if the property subject to the lien is situated in the District of Columbia.

(2) **Situs Of Property Subject To Lien.**—For purposes of paragraphs (1) and (4), property shall be deemed to be situated—

(A) **Real Property.**—In the case of real property, at its physical location; or

(B) **Personal Property.**—In the case of personal property, whether tangible or intangible, at the residence of the taxpayer at the time the notice of lien is filed.

For purposes of paragraph (2) (B), the residence of a corporation or partnership shall be deemed to be the place at which the principal executive office of the business is located, and the residence of a taxpayer whose residence is without the United States shall be deemed to be in the District of Columbia.

(3) **Form.**—The form and content of the notice referred to in subsection (a) shall be prescribed by the Secretary. Such notice shall be valid notwithstanding any other provision of law regarding the form or content of a notice of lien.

**Note:** See section 6323(b) for protection for certain interests even though notice of lien imposed by section 6321 is filed with respect to:

1. Securities
2. Motor vehicles
3. Personal property purchased at retail
4. Personal property purchased in casual sale
5. Personal property subjected to possessory lien
6. Real property tax and special assessment liens
7. Residential property subject to a mechanic's lien for certain repairs and improvements
8. Attorney's liens
9. Certain insurance contracts
10. Passbook loans

(g) **Refiling Of Notice.**—For purposes of this section—

(1) **General Rule.**—Unless notice of lien is refiled in the manner prescribed in paragraph (2) during the required refiling period, such notice of lien shall be treated as filed on the date on which it is filed (in accordance with subsection (f)) after the expiration of such refiling period.

(2) **Place For Filing.**—A notice of lien refiled during the required refiling period shall be effective only—

## (A) If—

(i) such notice of lien is refiled in the office in which the prior notice of lien was filed, and

(ii) in the case of real property, and the fact of refiling is entered and recorded in an index to the extent required by subsection (f) (4), and

(B) in any case in which, 90 days or more prior to the date of a refiling of notice of lien under subparagraph (A), the

Secretary received written information (in the manner prescribed in regulations issued by the Secretary) concerning a change in the taxpayer's residence, notice of such lien is also filed in accordance with subsection (f) in the State in which such residence is located.

(3) **Required Refiling Period.**—In case of any notice of lien, the term "required refiling period" means—

(A) the one-year period ending 30 days after expiration of 10 years after the date of the assessment or tax, and

(B) the one-year period ending with the expiration of 10 years after the close of the preceding required refiling period for such notice of lien.

## Sec. 6325. Release Of Lien Discharge Of Property

(a) **Release Of Lien.**—Subject to such regulations as the Secretary may prescribe, the Secretary may issue a certificate of release of any lien imposed with respect to any internal revenue tax not later than 30 days after the date on which—

(1) **Liability Satisfied or Unenforceable.**—The Secretary finds that the liability for the amount assessed, together with all interest in respect thereof, has been fully satisfied or has become legally unenforceable; or

(2) **Bond Accepted.**—There is furnished to the Secretary and accepted by him a bond that is conditioned on the payment of the amount assessed, together with all interest in respect thereof, within the time prescribed by law (including any extension of such time), and that is in accordance with such requirements relating to terms, conditions, and form of the bond and sureties thereon, as may be specified by such regulations.

## Sec. 6103. Confidentiality and Disclosure of Returns and Return Information

## (k) Disclosure of Certain Return and Return Information For Tax Administration Purposes.—

(2) Disclosure of amount of outstanding lien, notice of lien has been filed pursuant to section 6323(f), amount of the outstanding obligation secured by such lien may be disclosed to any person who furnishes satisfactory written evidence that he has a right in the property subject to such lien or intends to obtain a right in such property.

# ADJUSTABLE RATE NOTE

**NOTICE TO BORROWER: THIS NOTE CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.**

August 26, ..... 1988 ..... DuBois ..... PA .....  
City State  
R. D. #2 Oklahoma-Salem Road ..... DuBois ..... PA ..... 15801 .....  
Property Address City State Zip Code

## 1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ 56,300.00 ..... (this amount will be called "principal"), plus interest, to the order of the Lender. The Lender is Deposit Bank .....

P. O. Box 607A 2 E. Long Ave., DuBois, PA 15801 .....

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note will be called the "Note Holder".

## 2. INTEREST

Interest will be charged on that part of outstanding principal which has not been paid. Interest will be charged beginning on the date I receive principal and continuing until the full amount of principal I receive has been paid.

Beginning on the date of this Note, I will pay interest at a yearly rate of ..... 10.00 .....% (the "Initial Interest Rate"). The interest rate that I will pay will change in accordance with Section 4 of this Note until my loan is paid. Interest rate changes may occur on the 1st day of the month beginning on September 1, ..... 19.91 .. and on that day of the month every ..... 12 ..... months thereafter. Each date on which the rate of interest may change will be called a "Change Date".

## 3. PAYMENTS

### (A) Time and Place of Payments

I will pay principal and interest by making payments every month. I will make my monthly payments on the 1st day of each month beginning on ..... October 1, ..... 19.88 .. I will make these payments until I have paid all of the principal and interest and any other charges, described below, that I may owe under this Note. I will pay all sums that I owe under this Note no later than .. September 1, .2003 ....., (the "final payment date").

I will make my monthly payments at ..... any office or offices of Deposit Bank ..... or at a different place if required by the Note Holder.

### (B) Borrower's Payments Before They Are Due

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment". When I make a prepayment, I will tell the Note Holder in writing that I am doing so. I may make a full prepayment or a partial prepayment without paying any penalty. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no delays in the due dates of my monthly payments unless the Note Holder agrees in writing to those delays. My partial prepayment will reduce the amount of my monthly payments after the first Change Date following my partial prepayment. However, any reduction due to my partial prepayment may be offset by an interest rate increase.

### (C) Amount of Monthly Payments

My initial monthly payments will be in the amount of U.S. \$ ..... 605.00 ..... If the interest rate that I pay changes, the amount of my monthly payments will change. Increases in the interest rate will result in higher payments (unless my prepayments since the last Change Date offset the increases in my monthly payments). Decreases in the interest rate will result in lower payments. The amount of my monthly payments will always be sufficient to repay my loan in full in substantially equal payments by the final payment date. In setting the monthly payment amount on each Change Date, the Note Holder will assume that the Note interest rate will not change again prior to the final payment date.

EXHIBIT

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INSTRUMENT

#### 4. INTEREST RATE CHANGES

##### (A) The Index

Any changes in the interest rate will be based on changes in an interest rate index which will be called the "Index". The Index is the: [Check one box to indicate Index.]

(1) \* "Contract Interest Rate, Purchase of Previously Occupied Homes, National Average for all Major Types of Lenders" published by the Federal Home Loan Bank Board.

(2) \* The 12 month moving average of the monthly averages of weekly average auction rates on 6 month U. S. Treasury Bills in accordance with 12 C.F.R. 29.....

If the Index ceases to be made available by the publisher, or by any successor to the publisher, the Note Holder will set the Note interest rate by using a comparable index.

##### (B) Setting the New Interest Rate

To set the new interest rate, the Note Holder will determine the change between the Base Index figure and the Current Index figure. The Base Index figure is ...6.308..... The Current Index figure is the most recent Index figure available ...45.. days prior to each Change Date. If the amount of the change is less than one-eighth of one percentage point, the change will be rounded to zero. If the amount of the change is one-eighth of one percentage point or more, the Note Holder will round the amount of the change to the nearest one-eighth of one percentage point.

If the Current Index figure is larger than the Base Index figure, the Note Holder will add the rounded amount of the change to the Initial Interest Rate. If the Current Index figure is smaller than the Base Index figure, the Note Holder will subtract the rounded amount of the change from the Initial Interest Rate. The result of this addition or subtraction will be the preliminary rate. If there is no change between the Base Index figure and the Current Index figure after rounding, the Initial Interest Rate will be the preliminary rate.

[Check one box to indicate whether there is any maximum limit on interest rate changes; if no box is checked, there will be no maximum limit on changes.]

(1)  If this box is checked, there will be no maximum limit on changes in the interest rate up or down. The preliminary rate will be the new interest rate.

(2)  If this box is checked, the interest rate will not be changed by more than ...1.... percentage points on any Change Date. The Note Holder will adjust the preliminary rate so that the change in the interest rate will not be more than that limit. The new interest rate will equal the figure that results from this adjustment of the preliminary rate.\*

##### (C) Effective Date of Changes

Each new interest rate will become effective on the next Change Date. If my monthly payment changes as a result of a change in the interest rate, my monthly payment will change as of the first monthly payment date after the Change Date.

##### (D) Notice to Borrower

The Note Holder will mail me a notice by first class mail at least thirty and no more than forty-five days before each Change Date if the interest rate is to change. The notice will advise me of:

- (i) the new interest rate on my loan;
- (ii) the amount of my new monthly payment; and
- (iii) any additional matters which the Note Holder is required to disclose.

#### 5. BORROWER'S FAILURE TO PAY AS REQUIRED

##### (A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any of my monthly payments by the end of .15.... calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be ...6....% of my overdue payment of principal and interest. I will pay this late charge only once on any late payment.

##### (B) Default

If I do not pay the full amount of each monthly payment by the date stated in Section 3(A) above I will be in default.

##### (C) Notice From Note Holder

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date the Note Holder may require me to pay immediately the full amount of principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me.

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

However, the maximum rate of interest over the life of the loan shall not exceed 15% and the minimum rate of interest over the life of the loan shall not be less than 9%.

\* If more than one box is checked or if no box is checked, and Lender and Borrower do not otherwise agree in writing, the first Index named will apply.

**(D) Payment of Note Holder's Costs and Expenses**

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all its reasonable costs and expenses to the extent not prohibited by applicable law. Those expenses may include, for example, reasonable attorneys' fees.

**6. WAIVERS**

Anyone who signs this Note to transfer it to someone else (known as an "endorser") waives certain rights. Those rights are (A) the right to require the Note Holder to demand payment of amounts due (known as "presentment") and (B) the right to require the Note Holder to give notice that amounts due have not been paid (known as "notice of dishonor").

**7. GIVING OF NOTICES**

Except for the notice provided in Section 4(D), any notice that must be given to me under this Note will be given by mailing it by certified mail. All notices will be addressed to me at the Property Address above. Notices will be mailed to me at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by mailing it by certified mail to the Note Holder at the address stated in Section 3(A) above. Notices will be mailed to the Note Holder at a different address if I am given a notice of that different address.

**8. RESPONSIBILITY OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each of us is fully and personally obligated to pay the full amount owed and to keep all of the promises made in this Note. Any guarantor, surety, or endorser of this Note is also obligated to do these things. The Note Holder may enforce its rights under this Note against each of us individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

Any person who takes over my rights or obligations under this Note will have all of my rights and must keep all of my promises made in this Note. Any person who takes over the rights or obligations of a guarantor, surety, or endorser of this Note is also obligated to keep all of the promises made in this Note.

**9. LOAN CHARGES**

It could be that this loan is subject to a law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected in connection with this loan would exceed permitted limits. If this is the case, then: (A) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (B) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the principal I owe under this Note or by making a direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

**10. THIS NOTE SECURED BY A MORTGAGE**

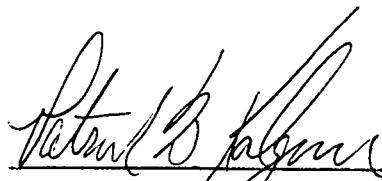
In addition to the protections given to the Note Holder under this Note, a Mortgage, dated August 26, 1988, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Mortgage describes how and under what conditions I may be required to make immediate payment in full of all amounts that I owe under this Note. One of those conditions relates to any transfer of the property covered by the Mortgage. In that regard, the Mortgage provides in paragraph 17:

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

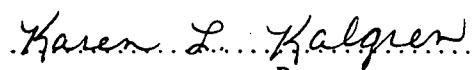
If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 14 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails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

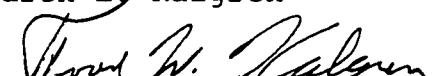
**An Adjustable Rate Loan Rider supplements the Mortgage and provides:**

If there is a transfer of the Property subject to paragraph 17 of the Security Instrument, Lender may require (1) an increase in the current Note interest rate, or (2) an increase in (or removal of) the limit on the amount of any one interest rate change (if there is a limit), or (3) a change in the Base Index figure, or all of these, as a condition of Lender's waiving the option to accelerate provided in paragraph 17.



Patrick W. Kalgren  
Patrick W. Kalgren

  
Karen L. Kalgren ..... (Seal)  
Karen L. Kalgren <sup>Borrower</sup>

  
Todd W. Kalgren ..... (Seal)  
Todd W. Kalgren <sup>Borrower</sup>

  
Carol M. Kalgren ..... (Seal)  
Carol M. Kalgren <sup>Borrower</sup>  
(Sign Original Only)

# MORTGAGE

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THIS MORTGAGE is made this Twenty-Sixth day of August, 1988  
between the Mortgagor S. PATRICK W. KALGREN and KAREN L. KALGREN (herein  
"Borrower"), and the Mortgagee, DEPOSIT BANK  
a Corporation organized and existing under the laws of Pennsylvania, whose address is: 2 East Long Avenue,  
DuBois, PA 15801 (herein "Lender").

## Fifty-Six Thousand Three Hundred

WHEREAS, Borrower is indebted to Lender in the principal sum of \$56,300.00 Dollars, which indebtedness is evidenced by Borrower's note dated August 26, 1988 (herein "Note"), providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on

September 1, 2003

TO SECURE to Lender (a) the repayment of the indebtedness evidenced by the Note, with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower herein contained, and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 21 hereof (herein "Future Advances"), Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of

Clearfield

, State of Pennsylvania:

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

BEGINNING at a point on the intersection of an old abandoned township road and Pennsylvania Legislative Highway Route No. 17016; thence in a Northerly direction along Leg. Highway, 270 feet to the centerline of a Township Road; thence along the centerline of said Township Road in a Southeasterly direction, 175 feet to a point; thence through land of which this is a part in a Southwesterly direction 260 feet, more or less, to a point in said centerline of the old abandoned Township Road; thence in a Westerly direction along the centerline of said abandoned road, 175 feet to a point and place of beginning.

BEING the same premises which became vested in the Mortgagors herein by deed of John R. Lescalleet et ux., dated August 22, 1988 and not yet recorded but intending to be recorded contemporaneously herewith.

THIS IS PURCHASE MONEY MORTGAGE.

which has the address of R.D. #2, Oklahoma-Salem Road, DuBois,  
(Street) (City)

PA 15801

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

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property".

Borrower covenants that Borrower will not convey the Property, that the Property, is uninsured, and the Property against all claims and demands, subject to coverage in any title insurance policy insuring the Property.

PENNSYLVANIA - I to 4 - 6/79 FNMA/PHLMC UNIFORM INSTITUTE

EXHIBIT

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Surveyed and has the right to mortgage, grant and will warrant and defend generally the title to the property or restrictions listed in a schedule of exceptions thereto.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be

contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

VOL 1241 PAGE 280 ADJUSTABLE RATE LOAN RIDER

NOTICE: THE SECURITY INSTRUMENT SECURES A NOTE WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

26th August 88  
This Rider is made this ..... day of ..... , 19 ....., and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to .....

Deposit Bank P. O. Box 607A, 2 E. Long Ave., DuBois, PA 15801 .....  
(the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at R. D. #2 Oklahoma Salem Rd., DuBois, PA 15801 .....

*Property Address*

**Modifications.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. INTEREST RATE AND MONTHLY PAYMENT CHANGES**

The Note has an "Initial Interest Rate" of 10.00 %. The Note interest rate may be increased or decreased on the 1st day of the month beginning on September 1, 1991, and on that day of the month every 12 months thereafter.

Changes in the interest rate are governed by changes in an interest rate index called the "Index." The Index is the:

[Check one box to indicate Index]

(1)  \* "Contract Interest Rate, Purchase of Previously Occupied Homes, National Average for all Major Types of Lenders" published by the Federal Home Loan Bank Board.

(2)  The 12 month moving average of the monthly averages of weekly average auction rates on 6 month U. S. Treasury Bills in accordance with 12 C.F.R. 29 .....

[Check the appropriate box(es) to indicate whether there is any maximum limit on interest rate changes and/or limits on the interest rate under the Note; if no box is checked, there will be no maximum limit on changes and no limits on the interest rate.]

(1)  There is no maximum limit on changes in the interest rate at any Change Date.

(2)  The interest rate cannot be changed by more than 15 percentage points at any Change Date.

The interest rate will never be more than 15 % or less than 9 %.

If the interest rate changes, the amount of Borrower's monthly payments will change as provided in the Note. Increases in the interest rate will result in higher payments. Decreases in the interest rate will result in lower payments.

**B. LOAN CHARGES**

It could be that the loan secured by the Security Instrument is subject to a law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected in connection with the loan would exceed permitted limits. If this is the case, then: (A) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (B) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower.

**C. PRIOR LIENS**

If Lender determines that all or any part of the sums secured by this Security Instrument are subject to a lien which has priority over this Security Instrument, Lender may send Borrower a notice identifying that lien. Borrower shall promptly act with regard to that lien as provided in paragraph 4 of the Security Instrument or shall promptly secure an agreement in a form satisfactory to Lender subordinating that lien to this Security Instrument.

**D. TRANSFER OF THE PROPERTY**

If there is a transfer of the Property subject to paragraph 17 of the Security Instrument, Lender may require (1) an increase in the current Note interest rate, or (2) an increase in (or removal of) the limit on the amount of any one interest rate change (if there is a limit), or (3) a change in the Base Index figure, or all of these, as a condition of Lender's waiving the option to accelerate provided in paragraph 17.

By signing this, Borrower agrees to all of the above.

*Patrick W. Kalgren* ..... (Seal)  
Patrick W. Kalgren — Borrower

*Karen L. Kalgren* ..... (Seal)  
Karen L. Kalgren — Borrower

\* If more than one box is checked or if no box is checked, and Lender and Borrower do not otherwise agree in writing, the first Index named will apply.  
NEW JERSEY AND PENNSYLVANIA

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

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

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

**22. Release.** Upon payment of all sums secured by this Mortgage, Lender shall discharge this Mortgage, without charge to Borrower. Borrower shall pay all costs of recordation, if any.

**23. Purchase Money Mortgage.** If all or part of the sums secured by this Mortgage are lent to Borrower to acquire title to the Property, this Mortgage is hereby declared to be a purchase money mortgage.

IN WITNESS WHEREOF, Borrower has executed this Mortgage

**Witnesses:**

Marlene E. Dutsky

  
Patrick W. Falgren -Borrower-

Karen L. Kalgren  
Karen L. Kalgren -Borrower-

COMMONWEALTH OF PENNSYLVANIA, Clearfield County ss:

On this, the 27th day of August, 1988, before me,  
a Notary Public the undersigned officer, personally appeared  
PATRICK W. KALGREN and KAREN L. KALGREN known to me (or satisfactorily proven)  
to be the person S whose name S are subscribed to the within instrument and acknowledged that  
they executed the same for the purposes herein contained.

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

My Commission expires:

**MARLENE E. DUTTRY, Notary Public**  
DuBois, Clearfield Co., Pa.  
My Commission Expires July 16, 1990

*Marlene E. Smith*  
Notary Public

I hereby certify that the precise residence of the within Mortgagor is

~~2 East Long Avenue, DuBois, PA~~ 15801

(Space Below This Line Reserved For Lender and Recorder)

CLEA FIELD COUNTY  
ENTERED OF RECORD

TIME 2:37 PM 8-24-68  
BY Becky L Jones  
FEES 15.50  
Michael R. Lyle, Recorder

STATE OF PENNSYLVANIA: ss  
COUNTY OF CLEARFIELD: ss  
RECORDED in the Recorders Office in and for said  
County in Deeds and Records Book No. 10  
Page 277 etc.  
WITNESS my hand this 10 day of July 1888

My Commission Expires  
First Monday in January, 1992

Entered of Record Aug 19 1988, 2:37 PM Michael R. Lytle, Recorder  
PENNSYLVANIA-1 to 4 FAMILY-FINMA THM

Date: May 8, 2001

# ACT 91 NOTICE 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 COMPRENDE EL CONTENIDO DE ESTA NOTIFICACION OBTENGA UNA TRADUCCION INMEDIATAMENTE LLAMANDO ESTA AGENCIA (PENNSYLVANIA HOUSING FINANCE AGENCY) SIN CARGOS AL NUMERO MENCIONADO ARRIBA. PUEDES SER ELEGIBLE 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.

\* (Must be at least 30 point type)

HOMEOWNER'S NAME(S): Patrick W Kalgren

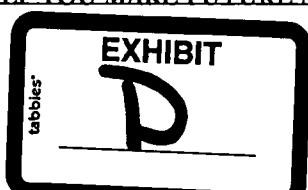
PROPERTY ADDRESS: RD #2 Oklahoma-Salem Road, DuBois, PA 15801

LOAN ACCT. NO.: 001-0105801

ORIGINAL LENDER: Deposit Bank

CURRENT LENDER/SERVICER: First Commonwealth Bank

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 MORTGAGE 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 this 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 later 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.**

**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.

**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.)**

**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: RD #2 Oklahoma-Salem Road, DuBois, PA 15801

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: March 1, April, & May 2001--totaling \$2,111.01

Other charges (explain/itemize): Late fees of \$4,768.35

**TOTAL AMOUNT PAST DUE: \$6,879.36**

B. YOU HAVE FAILED TO TAKE THE FOLLOWING ACTION (Do not use if not applicable):

**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 \$6,879.36, 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:**

**FIRST COMMONWEALTH BANK  
PO BOX 400, FCP-LOWER LEVEL  
INDIANA PA 15701**

You can cure any other default by taking the following action within THIRTY (30) DAYS of the date of this letter: (Do not use if not applicable.)

**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 foreclose 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 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 one (1) month 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:**

Name of Lender: Deposit Bank  
Address: PO Box 400, Indiana PA 15701  
Phone Number: 1-800-221-8605  
Fax Number: (724) 463-5665  
Contact Person: Tonya Barlow

**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 X may or        may not (CHECK ONE) sell or transfer your home to a buyer or transferee who will assume the mortgage 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 AGENCIES SERVING YOUR COUNTY**

*(Fill in a list of all Counseling Agencies listed in Appendix C, FOR THE COUNTY in which the property is located, using additional pages if necessary)*

**CLEARFIELD COUNTY**

**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  
(724) 465-2657  
**FAX # (724) 465-5118**

**Consumer Credit Counseling Service  
of Western Pennsylvania, Inc.**  
500-02 3rd Avenue  
P.O. Box 278  
Duncansville, PA 16635  
(814) 696-3546

Date: May 8, 2001

# ACT 91 NOTICE 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 COMPRENDE EL CONTENIDO DE ESTA NOTIFICACION OBTENGA UNA TRADUCCION INMEDIATAMENTE LLAMANDO ESTA AGENCIA (PENNSYLVANIA HOUSING FINANCE AGENCY) SIN CARGOS AL NUMERO MENCIONADO ARRIBA. PUEDES SER ELEGIBLE 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.

\* (Must be at least 30 point type)

HOMEOWNER'S NAME(S): Karen L. Kalgren

PROPERTY ADDRESS: RD #2 Oklahoma-Salem Road, Dubois, PA 15801

LOAN ACCT. NO.: 001-0105801

ORIGINAL LENDER: Deposit Bank

CURRENT LENDER/SERVICER: First Commonwealth Bank

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 MORTGAGE 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 this 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 later 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.**

**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.

**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.)**

**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: RD #2 Oklahoma-Salem Road, Dubois, PA 15801

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: March 1, April, & May 2001--totaling \$2,111.01

Other charges (explain/itemize): Late fees of \$4,768.35

**TOTAL AMOUNT PAST DUE: \$6,879.36**

B. YOU HAVE FAILED TO TAKE THE FOLLOWING ACTION (Do not use if not applicable):

**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 \$6,879.36, 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:

FIRST COMMONWEALTH BANK  
PO BOX 400, FCP-LOWER LEVEL  
INDIANA PA 15701

You can cure any other default by taking the following action within THIRTY (30) DAYS of the date of this letter: (Do not use if not applicable.)

**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 foreclose 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 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 one (1) month** 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:**

Name of Lender: Deposit Bank  
Address: PO Box 400, Indiana PA 15701  
Phone Number: 1-800-221-8605  
Fax Number: (724) 463-5665  
Contact Person: Tonya Barlow

**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 or  may not (CHECK ONE) sell or transfer your home to a buyer or transferee who will assume the mortgage 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 AGENCIES SERVING YOUR COUNTY**

*(Fill in a list of all Counseling Agencies listed in Appendix C, FOR THE COUNTY in which the property is located, using additional pages if necessary)*

**CLEARFIELD COUNTY**

**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  
(724) 465-2657  
FAX # (724) 465-5118**

**Consumer Credit Counseling Service  
of Western Pennsylvania, Inc.  
500-02 3rd Avenue  
P.O. Box 278  
Duncansville, PA 16635  
(814) 696-3546**

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Patrick W. Kalgren  
RD#2 Box 470  
Dubois, PA 15801

2. Article Number (Copy from service label)

10991 3400 1008 8566 1349

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) B. Date of Delivery

Patrick W. Kalgren 5-11-99

C. Signature

Patrick W. Kalgren  Agent

Addressee

Patrick W. Kalgren  Yes

D. Is delivery address different from item 1?  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**U.S. Postal Service  
CERTIFIED MAIL RECEIPT  
(Domestic Mail Only; No Insurance Coverage Provided)**

Article Sent To:

Patrick W. Kalgren Attn: Dr. Gruber PEP-LLC

10991	3400	1008	8566	1349
PS Form 3800, July 1999	See Reverse for Instructions			

EXHIBIT

E

tabbed

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

## 1. Article Addressed to:

Karen L. Kalgren  
RD#2 Box 470  
Dubois, PA 15801

## 2. Article Number (Copy from service label)

7099 3400 0008 8506 1356

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**COMPLETE THIS SECTION ON DELIVERY**

## A. Received by (Please Print Clearly)

Karen L. Kalgren 5-11-01

## B. Date of Delivery

## C. Signature

X Karen L. Kalgren

Agent  
 Addressee

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

## 3. Service Type

Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

## 4. Restricted Delivery? (Extra Fee)

Yes

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

Article Sent To:  
Karen L. Kalgren /Attn: DeCecco FCP-U

Postage	\$ .55
Certified Fee	1.90
Return Receipt Fee (Endorsement Required)	1.76
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 3.45

IN THE MAIL  
May 14 Postmark Here  
USPS

Name (Please Print Clearly) (to be completed by mailer)  
Karen L. Kalgren  
Street, Apt. No., or PO Box No.  
RD#2 Box 470  
City, State, ZIP Code  
Dubois, PA 15801

FS Form 3800, July 1999

See Reverse for Instructions

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

BEGINNING at a point on the intersection of an old abandoned township road and Pennsylvania Legislative Highway Route No. 17016; thence in a Northerly direction along Leg. Highway, 270 feet to the centerline of a Township Road; thence along the centerline of said Township Road in a Southeasterly direction, 175 feet to a point; thence through land of which this is a part in a Southwesterly direction 260 feet, more or less, to a point in said centerline of the old abandoned Township Road; thence in a Westerly direction along the centerline of said abandoned road, 175 feet to a point and place of beginning.

BEING the same premises which became vested in the Mortgagors herein by deed of John R. Lescalleet et ux., dated August 22, 1988 and not yet recorded but intending to be recorded contemporaneously herewith.

EXHIBIT

**F**

tabbies'

VERIFICATION

I, SUSAN STITELER, Assistant Vice President of Deposit Bank, being duly authorized to make this Verification, have read the foregoing Complaint. The statements therein are true and correct to the best of my personal knowledge, information and belief.

This statement and verification is made subject to the penalties of 18 Pa. C.S.A., Section 4904 relating to unsworn fabrication to authorities, which provides that if I make knowingly false averments, I may be subject to criminal penalties.



Susan Stitel  
Susan Stitel

**FILED**

Bank Expense  
Check #80.00

10-26-01

MAR 22 2002

3CC Amy Yeager

W<sup>AS</sup>  
William A. Shaw  
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL ACTION - LAW

DEPCST BANK, : NC. 02 - 429 - CD  
Plaintiff :  
: Type of Case: CIVIL  
: Type of Pleading: DEFENSE  
: Filed on Behalf of DEFENDANTS  
: Prc Se  
: PATRICK W. KALGREN  
: R R. #2 Box 470  
: Oklahoma-Salem Rd.  
: DuBois, PA 15801  
: (814) 583-7772

vs  
PATRICK W. KALGREN and  
KAREN L. KALGREN and  
THE UNITED STATES OF AMERICA  
Defendants

**FILED**

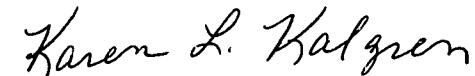
APR 22 2002

cc / Q: 30/ was  
William A. Shaw  
Prothonotary  
SAC/ No. 1 Ent. 1015

thirty days time the defendants will be in a good and proper position to offer a plan that will satisfy all parties involved substantially. Specifically, Patrick is graduating from a four year engineering degree program at The Pennsylvania State University with a degree in computer engineering. Patrick has secured employment with an engineering firm and will be in good position to enter into an agreement at that time.

Respectfully submitted:

  
Patrick W. Kalgren

  
Karen L. Kalgren  
Pro Se  
R.R. #2 Box 470  
DuBois, PA 15801  
(814) 583-7772

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

Deposit Bank,  
Plaintiff

vs.

No. 02-429-CD

Patrick W. Kalgren and  
Karen L. Kalgren and the United  
States of America,  
Defendants

PRAECIPE TO ENTER APPEARANCE

To the Prothonotary:

Please enter my appearance on behalf of Patrick W. Kalgren and Karen L. Kalgren.



\_\_\_\_\_  
Robin Jean Foor, Esquire  
Attorney for Patrick W. and Karen L.  
Kalgren  
MIDPENN LEGAL SERVICES  
211 1/2 East Locust Street  
Clearfield, PA 16830  
(814)765-9646

**FILED**

JUL 03 2002

William A. Shaw  
Prothonotary

**FILED**

JUL 09 2002

07/12:04

William A. Shaw  
Prothonotary

No cc

*6/22*

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

Deposit Bank,  
Plaintiff

vs. : No. 02-429-CD

Patrick W. Kalgren and  
Karen L. Kalgren and the United  
States of America,  
Defendants

PRAECIPE TO WITHDRAW DEFENSE

To the Prothonotary:

Please withdraw the Defense filed Pro Se by Patrick W. Kalgren and Karen L. Kalgren on April 22, 2002.

  
\_\_\_\_\_  
Robin Jean Foor, Esquire  
Attorney for Patrick W. and Karen L.  
Kalgren  
MIDPENN LEGAL SERVICES  
211 1/2 East Locust Street  
Clearfield, PA 16830  
(814)765-9646

FILED

JUL 08 2002 *frank*  
07/08/02 was  
William A. Shaw  
Prothonotary  
No. Crim. Com.

IN THE COURT OF COMMON PLEAS OF  
CLEARFIELD COUNTY, PENNSYLVANIA

DEPOSIT BANK, )  
 )  
 Plaintiff, )  
 )  
 v. ) No.: 02-429-CD  
 )  
 PATRICK W. KALGREN and KAREN L. )  
 KALGREN AND THE UNITED STATES )  
 OF AMERICA, )  
 )  
 Defendants. )

**FILED**

JUL 17 2002

CONSENT JUDGMENT

William A. Shaw  
Prothonotary

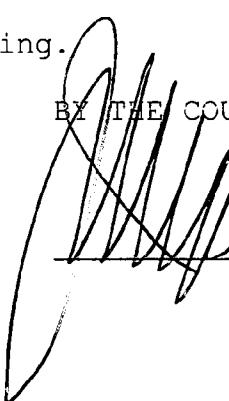
AND NOW, to wit, this 8th day of May,  
2002, it appearing that counsel for plaintiff and counsel for  
defendant, United States of America, have consented to the entry  
of the within Order on behalf of their respective clients, it is  
hereby ORDERED, ADJUDGED and DECREED that a judgment be entered  
in favor of the plaintiff and against the United States of  
America for foreclosure of the mortgage of plaintiff in the  
within cause and for sale of the mortgaged property of defendants  
Patrick W. Kalgren and Karen L. Kalgren.

It is further ORDERED, ADJUDGED and DECREED that defendant,  
United States of America, shall be notified by plaintiff of the  
date, time and place scheduled for any sheriff's sale of the real  
property of the aforesaid defendants; that the United States of  
America shall be entitled to payment from the proceeds of the  
sheriff's sale to the extent its proper priority would entitle it  
to the same; and that the United States of America shall be

entitled to redeem the aforesaid property within 120 days from the date of sale, as provided by 28 U.S.C. § 2410.

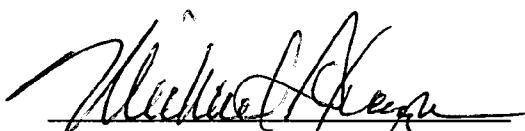
Nothing contained in the within Order shall, in any way, be construed as entry of a monetary judgment against the United States of America, but rather said judgment is limited to the foreclosure and sale of the real estate of the aforesaid defendants in the within proceeding.

BY THE COURT:



J.

Consented to by:



MICHAEL P. YEAGER, ESQ.  
Counsel for Plaintiff



MICHAEL C. COLVILLE  
Assistant U.S. Attorney  
Counsel for Defendant  
United States of America

**FILED**

JUL 17 2002

O/8:48) Atty Cease pd 20.00  
William A. Shaw  
Prothonotary

not. to Dgs. Kalgan

*for*

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL ACTION - LAW

**COPY**

DEPOSIT BANK, :  
: :  
Plaintiff :  
: :  
vs : No. 02 - 429 - CD  
: :  
PATRICK W. KALGREN and :  
KAREN L. KALGREN and :  
THE UNITED STATES OF AMERICA, :  
Defendants :  
:

Notice is given that a JUDGMENT in the above-captioned  
matter has been entered against Patrick W. Kalgren, Karen L.  
Kalgren and The United States of America in accordance with the  
Consent Judgments entered by the Court on July 17, 2002.

WILLIAM A. SHAW, PROTHONOTARY

BY: William A. Shaw

(A)

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL ACTION - LAW

DEPOSIT BANK, :  
: Plaintiff :  
: :  
vs : No. 02 - 429 - CD  
: :  
PATRICK W. KALGREN and :  
KAREN L. KALGREN and :  
THE UNITED STATES OF AMERICA, :  
Defendants :  
:

**FILED**

JUL 17 2002

CONSENT JUDGMENT

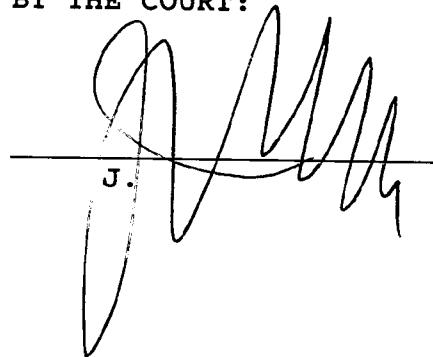
William A. Shaw  
Prothonotary

AND NOW, to wit, this 12 day of July, 2002, it  
appearing that counsel for Plaintiff and counsel for Defendants,  
Patrick W. Kalgren and Karen L. Kalgren, have consented to the  
entry of the within Order on behalf of their respective clients,  
it is hereby

ORDERED, ADJUDGED AND DECREED that a judgment be entered in  
favor of the Plaintiff and against the Defendants, Patrick W.  
Kalgren and Karen L. Kalgren, for foreclosure of the Mortgage of  
Plaintiff in the above-captioned matter. Said consent is  
derived as a result of an Agreement entered into by and between  
Plaintiff and Defendants, Patrick W. Kalgren and Karen L.  
Kalgren, a copy of which is attached hereto, made part hereof

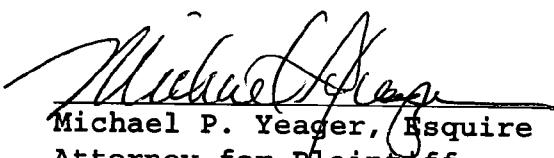
and incorporated herein as "Exhibit A".

BY THE COURT:



J.

Consent to by:



Michael P. Yeager  
Michael P. Yeager, Esquire  
Attorney for Plaintiff



Robin Jean Foor  
Robin Jean Foor, Esquire  
Attorney for Plaintiffs,  
Patrick W. Kalgren and  
Karen L. Kalgren

## AGREEMENT

THIS AGREEMENT, made and entered into this 12<sup>th</sup> day of June,  
2002, by and between **PATRICK W. KALGREN** and **KAREN L. KALGREN**, his wife,  
of R.D. 2, Box 470, DuBois, Pa 15801, parties of the first part, hereinafter referred to as  
"Kalgrens"

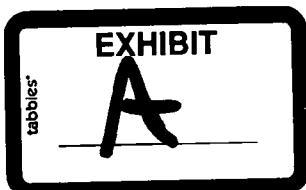
A  
N  
D

**DEPOSIT BANK**, a Pennsylvania banking institution having its principal office located  
at 5 North Main Street, DuBois, PA 15801, party of the second part, hereinafter referred  
to as "Bank"

### WITNESSETH:

WHEREAS, on August 26, 1988, Kalgrens made, executed and delivered to Bank,  
an Adjustable Rate Note ("Note") and Mortgage upon the premises hereinafter  
described which Mortgage was recorded on August 29, 1988 in Clearfield County Deeds  
& Records Volume 1391 at page 352. True and correct copies of said Note and  
Mortgage are attached hereto, made part hereof and incorporated herein by reference  
as "Exhibits A and B" respectively; and

WHEREAS, the premises subject to the Mortgage is the property located at R.D.  
2, Oklahoma-Salem Road, DuBois, Clearfield County, Pennsylvania 15801, and is  
described on "Exhibit B" attached hereto, made part hereof and incorporated herein by  
reference; and



WHEREAS, the Note and Mortgage are in default due to nonpayment of the principal payments due upon said Note and Mortgage for a period of more than 30 days and, by the terms of said Note and Mortgage, the whole of said unpaid balance of principal is immediately due and payable; and

WHEREAS, as a result of the aforesaid delinquency and rights of the Bank pursuant to the Mortgage, Bank initiated a Mortgage Foreclosure Action ("Foreclosure Action") on March 22, 2002 as against the Kalgrens at No. 02-429-CD of Clearfield County, Pennsylvania; and

WHEREAS, Kalgrens (then Pro Se) filed a Defenses document in the Foreclosure Action without benefit of legal counsel; and

WHEREAS, the parties hereto now wish to resolve the payment delinquency described above and to delay further action relative to foreclosure on the premises described in Exhibit B, as hereinafter described.

NOW THEREFORE, for and in consideration of the sums to be paid and the terms and conditions to be kept as hereinafter provided, and otherwise with the intent of being legally bound hereby, the parties hereto do hereby agree as follows:

1. Upon complete execution hereof, the Kalgrens shall pay the sum of \$276.71 to Bank to be applied to the delinquent interest experienced by Kalgrens relative to the delinquency in payments on the Note and Mortgage.

2. Beginning on June 15, 2002 and continuing on the corresponding day of each month thereafter, Kalgrens shall pay the total sum of \$915.61 per month to Bank for the account of Kalgrens on the Note and Mortgage. (This sum to be paid is calculated to consist of \$715.61 to be applied to the normal monthly Note and Mortgage payment together with an additional \$200.00 each month to be applied to the late charges incurred by Kalgrens as a result of the delinquency.)

3. Upon payment of the Mortgage in accordance with its original terms, Kalgrens shall continue to pay the sum of \$915.61 per month, with all of said amount to be

applied to any and all late charges due at that time together with any and all actual costs incurred by Bank (including attorney's fees) with regard to the Foreclosure Action.

4. Kalgrens also agree to withdraw the "Defenses" presently on file with the Foreclosure Action, previously filed by Kalgrens "Pro Se"; and shall execute any documentation necessary and appropriate to permit Bank to enter judgment in the Foreclosure Action both as against Kalgrens and any other Defendants in that Action.

5. Provided Kalgrens make all monthly payments as described above, Bank will defer further action with regard to the Foreclosure Action other than securing judgment as aforesaid; it being the intent of the parties hereto that the Foreclosure Action shall remain active and viable until complete payment of all indebtedness of Kalgrens resulting from the Note, Mortgage and Foreclosure Action.

6. In the event Kalgrens shall fail to make any monthly payment as herein specified, Bank shall then be free to continue prosecution of the Foreclosure Action and schedule a sale of the underlying real estate. Bank shall serve any Notices related thereto on Kalgrens as provided by applicable Pennsylvania Rules of Civil Procedure. (It being specifically understood by all parties hereto that Robin Jean Foor, Esquire and Mid-Penn Legal Services may not be able to act as counsel to the Kalgrens at that time.)

7. Upon final payment of all principal, interest, late charges and costs by Kalgren, Bank shall mark the Foreclosure Action as "Settled, Discontinued and Ended"; and shall then satisfy the Mortgage.

8. This Agreement constitutes the entire contract between the parties hereto and there are no other understandings, promises, representations or warranties, oral or written, relating to the subject matter of this Agreement. No amendment, change or addition to this Agreement shall be binding upon either of the parties hereto unless reduced to writing and signed by all parties.

9. If any particular term, covenant or provision of this Agreement shall be determined to be invalid and unenforceable, the same shall not affect the remaining provisions of this Agreement which shall nevertheless remain in full force and effect.

10. This Agreement shall be construed under and in accordance with the laws of the Commonwealth of Pennsylvania.

11. This Agreement shall extend to and bind the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals or have otherwise caused these presents to be executed by properly authorized corporate officials the day and year first above written, all intending to be legally bound thereby.

WITNESSES:

Lais Bailey

Patrick W. Kalgren  
Patrick W. Kalgren

Lais Bailey

Karen L. Kalgren  
Karen L. Kalgren

ATTEST:

Susan D. Stiles  
A.C.P.

DEPOSIT BANK

By: Tony Jimmy  
Principal Assets officer

# ADJUSTABLE RATE NOTE

**NOTICE TO BORROWER: THIS NOTE CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.**

August 26, .....	19 88	DuBois .....	PA .....
		City	State
R. D. #2 Oklahoma-Salem Road .....		DuBois .....	PA .....
Property Address		City	Zip Code
			15801 .....

## 1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ 56,300.00 .....

(this amount will be called "principal"), plus interest, to the order of the Lender. The Lender is .Deposit. Bank.....

P. O. Box 607A 2 E. Long Ave., DuBois, PA 15801 .....

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note will be called the "Note Holder".

## 2. INTEREST

Interest will be charged on that part of outstanding principal which has not been paid. Interest will be charged beginning on the date I receive principal and continuing until the full amount of principal I receive has been paid.

Beginning on the date of this Note, I will pay interest at a yearly rate of ..10.00.....% (the "Initial Interest Rate"). The interest rate that I will pay will change in accordance with Section 4 of this Note until my loan is paid. Interest rate changes may occur on the 1st .. day of the month beginning on .. September. 1.....19.91 .. and on that day of the month every ..12..... months thereafter. Each date on which the rate of interest may change will be called a "Change Date".

## 3. PAYMENTS

### (A) Time and Place of Payments

I will pay principal and interest by making payments every month. I will make my monthly payments on the 1st .. day of each month beginning on .. October. 1, ..19.88 .. I will make these payments until I have paid all of the principal and interest and any other charges, described below, that I may owe under this Note. I will pay all sums that I owe under this Note no later than .. September. 1, 2003 .....

(the "final payment date").

I will make my monthly payments at .. any. office. or .offices .of .Deposit .Bank .....

.....or at a different place if required by the Note Holder.

### (B) Borrower's Payments Before They Are Due

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment". When I make a prepayment, I will tell the Note Holder in writing that I am doing so. I may make a full prepayment or a partial prepayment without paying any penalty. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no delays in the due dates of my monthly payments unless the Note Holder agrees in writing to those delays. My partial prepayment will reduce the amount of my monthly payments after the first Change Date following my partial prepayment. However, any reduction due to my partial prepayment may be offset by an interest rate increase.

### (C) Amount of Monthly Payments

My initial monthly payments will be in the amount of U.S. \$ ..605.00..... If the interest rate that I pay changes, the amount of my monthly payments will change. Increases in the interest rate will result in higher payments (unless my prepayments since the last Change Date offset the increases in my monthly payments). Decreases in the interest rate will result in lower payments. The amount of my monthly payments will always be sufficient to repay my loan in full in substantially equal payments by the final payment date. In setting the monthly payment amount on each Change Date, the Note Holder will assume that the Note interest rate will not change again prior to the final payment date.

EXHIBIT

A

#### 4. INTEREST RATE CHANGES

##### (A) The Index

Any changes in the interest rate will be based on changes in an interest rate index which will be called the "Index". The Index is the: [Check one box to indicate Index.]

(1)  "Contract Interest Rate, Purchase of Previously Occupied Homes, National Average for all Major Types of Lenders" published by the Federal Home Loan Bank Board.

(2)  The 12 month moving average of the monthly averages of weekly average auction rates on 6 month U. S. Treasury Bills in accordance with 12 C.F.R. 29.....

If the Index ceases to be made available by the publisher, or by any successor to the publisher, the Note Holder will set the Note interest rate by using a comparable index.

##### (B) Setting the New Interest Rate

To set the new interest rate, the Note Holder will determine the change between the Base Index figure and the Current Index figure. The Base Index figure is ...6,308..... The Current Index figure is the most recent Index figure available ...45.. days prior to each Change Date. If the amount of the change is less than one-eighth of one percentage point, the change will be rounded to zero. If the amount of the change is one-eighth of one percentage point or more, the Note Holder will round the amount of the change to the nearest one-eighth of one percentage point.

If the Current Index figure is larger than the Base Index figure, the Note Holder will add the rounded amount of the change to the Initial Interest Rate. If the Current Index figure is smaller than the Base Index figure, the Note Holder will subtract the rounded amount of the change from the Initial Interest Rate. The result of this addition or subtraction will be the preliminary rate. If there is no change between the Base Index figure and the Current Index figure after rounding, the Initial Interest Rate will be the preliminary rate.

[Check one box to indicate whether there is any maximum limit on interest rate changes; if no box is checked, there will be no maximum limit on changes.]

(1)  If this box is checked, there will be no maximum limit on changes in the interest rate up or down. The preliminary rate will be the new interest rate.

(2)  If this box is checked, the interest rate will not be changed by more than ...1.... percentage points on any Change Date. The Note Holder will adjust the preliminary rate so that the change in the interest rate will not be more than that limit. The new interest rate will equal the figure that results from this adjustment of the preliminary rate.

##### (C) Effective Date of Changes

Each new interest rate will become effective on the next Change Date. If my monthly payment changes as a result of a change in the interest rate, my monthly payment will change as of the first monthly payment date after the Change Date.

##### (D) Notice to Borrower

The Note Holder will mail me a notice by first class mail at least thirty and no more than forty-five days before each Change Date if the interest rate is to change. The notice will advise me of:

- (i) the new interest rate on my loan;
- (ii) the amount of my new monthly payment; and
- (iii) any additional matters which the Note Holder is required to disclose.

#### 5. BORROWER'S FAILURE TO PAY AS REQUIRED

##### (A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any of my monthly payments by the end of .15.... calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be .6.....% of my overdue payment of principal and interest. I will pay this late charge only once on any late payment.

##### (B) Default

If I do not pay the full amount of each monthly payment by the date stated in Section 3(A) above I will be in default.

##### (C) Notice From Note Holder

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date the Note Holder may require me to pay immediately the full amount of principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me.

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

However, the maximum rate of interest over the life of the loan shall not exceed 15% and the minimum rate of interest over the life of the loan shall not be less than 9%.

**(D) Payment of Note Holder's Costs and Expenses**

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all its reasonable costs and expenses to the extent not prohibited by applicable law. Those expenses may include, for example, reasonable attorneys' fees.

**6. WAIVERS**

Anyone who signs this Note to transfer it to someone else (known as an "endorser") waives certain rights. Those rights are (A) the right to require the Note Holder to demand payment of amounts due (known as "presentment") and (B) the right to require the Note Holder to give notice that amounts due have not been paid (known as "notice of dishonor").

**7. GIVING OF NOTICES**

Except for the notice provided in Section 4(D), any notice that must be given to me under this Note will be given by mailing it by certified mail. All notices will be addressed to me at the Property Address above. Notices will be mailed to me at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by mailing it by certified mail to the Note Holder at the address stated in Section 3(A) above. Notices will be mailed to the Note Holder at a different address if I am given a notice of that different address.

**8. RESPONSIBILITY OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each of us is fully and personally obligated to pay the full amount owed and to keep all of the promises made in this Note. Any guarantor, surety, or endorser of this Note is also obligated to do these things. The Note Holder may enforce its rights under this Note against each of us individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

Any person who takes over my rights or obligations under this Note will have all of my rights and must keep all of my promises made in this Note. Any person who takes over the rights or obligations of a guarantor, surety, or endorser of this Note is also obligated to keep all of the promises made in this Note.

**9. LOAN CHARGES**

It could be that this loan is subject to a law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected in connection with this loan would exceed permitted limits. If this is the case, then: (A) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (B) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the principal I owe under this Note or by making a direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

**10. THIS NOTE SECURED BY A MORTGAGE**

In addition to the protections given to the Note Holder under this Note, a Mortgage, dated August 26, 1988, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Mortgage describes how and under what conditions I may be required to make immediate payment in full of all amounts that I owe under this Note. One of those conditions relates to any transfer of the property covered by the Mortgage. In that regard, the Mortgage provides in paragraph 17:

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

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

An Adjustable Rate Loan Rider supplements the Mortgage and provides:

If there is a transfer of the Property subject to paragraph 17 of the Security Instrument, Lender may require (1) an increase in the current Note interest rate, or (2) an increase in (or removal of) the limit on the amount of any one interest rate change (if there is a limit), or (3) a change in the Base Index figure, or all of these, as a condition of Lender's waiving the option to accelerate provided in paragraph 17.



Patrick W. Kalgren



Karen L. Kalgren .....(Seal)  
Karen L. Kalgren Borrower



Todd W. Kalgren .....(Seal)  
Todd W. Kalgren Borrower



Carol M. Kalgren .....(Seal)  
Carol M. Kalgren Borrower  
(Sign Original Only)

## MORTGAGE

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THIS MORTGAGE is made this Twenty-Sixth day of August 19 88  
 between the Mortgagor S. PATRICK W. KALGREN and KAREN L. KALGREN (herein  
 "Borrower"), and the Mortgagee, DEPOSIT BANK  
 a Corporation organized and existing under the laws of Pennsylvania, whose address is: 2 East Long Avenue,  
DuBois, PA 15801 (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of \$56,300.00 Dollars, which indebtedness is evidenced by Borrower's note dated August 26, 1988 (herein "Note"), providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on

September 1, 2003

TO SECURE to Lender (a) the repayment of the indebtedness evidenced by the Note, with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower herein contained, and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 21 hereof (herein "Future Advances"). Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Clearfield

, State of Pennsylvania:

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

BEGINNING at a point on the intersection of an old abandoned township road and Pennsylvania Legislative Highway Route No. 17016; thence in a Northerly direction along Leg. Highway, 270 feet to the centerline of a Township Road; thence along the centerline of said Township Road in a Southeasterly direction, 175 feet to a point; thence through land of which this is a part in a Southwesterly direction 260 feet, more or less, to a point in said centerline of the old abandoned Township Road; thence in a Westerly direction along the centerline of said abandoned road, 175 feet to a point and place of beginning.

BEING the same premises which became vested in the Mortgagors herein by deed of John R. Lescalleet et ux., dated August 22, 1988 and not yet recorded but intending to be recorded contemporaneously herewith.

THIS IS PURCHASE MONEY MORTGAGE.

which has the address of R.D. #2, Oklahoma-Salem Road, DuBois, (Street) (City)

PA 15801 (State and Zip Code) (herein "Property Address")

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property".

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be

VOL 1241 PAGE 280 ADJUSTABLE RATE LOAN RIDER

NOTICE: THE SECURITY INSTRUMENT SECURES A NOTE WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

26th August 1988  
This Rider is made this ..... day of ..... 19....., and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to .....

Deposit Bank P. O. Box 607A, 2 E. Long Ave., DuBois, PA 15801  
(the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at E. D. #2 Oklahoma Salem Rd., DuBois, PA 15801  
Property Address

Modifications. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. INTEREST RATE AND MONTHLY PAYMENT CHANGES**

The Note has an "Initial Interest Rate" of 10.00 %. The Note interest rate may be increased or decreased on the 1st day of the month beginning on September 1, 1991, and on that day of the month every 12 months thereafter.

Changes in the interest rate are governed by changes in an interest rate index called the "Index." The Index is the:

[Check one box to indicate Index.]

(1)  "Contract Interest Rate, Purchase of Previously Occupied Homes, National Average for all Major Types of Lenders" published by the Federal Home Loan Bank Board.  
(2)  The 12 month moving average of the monthly averages of weekly average auction rates on 6 month U. S. Treasury Bills in accordance with 12 C.F.R. 29.

[Check the appropriate box(es) to indicate whether there is any maximum limit on interest rate changes and/or limits on the interest rate under the Note:  
if no box is checked, there will be no maximum limit on changes and no limits on the interest rate.]

(1)  There is no maximum limit on changes in the interest rate at any Change Date.  
(2)  The interest rate cannot be changed by more than 15 percentage points at any Change Date.

The interest rate will never be more than 15 % or less than 9 %.

If the interest rate changes, the amount of Borrower's monthly payments will change as provided in the Note. Increases in the interest rate will result in higher payments. Decreases in the interest rate will result in lower payments.

**B. LOAN CHARGES**

It could be that the loan secured by the Security Instrument is subject to a law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected in connection with the loan would exceed permitted limits. If this is the case, then: (A) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (B) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower.

**C. PRIOR LIENS**

If Lender determines that all or any part of the sums secured by this Security Instrument are subject to a lien which has priority over this Security Instrument, Lender may send Borrower a notice identifying that lien. Borrower shall promptly act with regard to that lien as provided in paragraph 4 of the Security Instrument or shall promptly secure an agreement in a form satisfactory to Lender subordinating that lien to this Security Instrument.

**D. TRANSFER OF THE PROPERTY**

If there is a transfer of the Property subject to paragraph 17 of the Security Instrument, Lender may require (1) an increase in the current Note interest rate, or (2) an increase in (or removal of) the limit on the amount of any one interest rate change (if there is a limit), or (3) a change in the Base Index figure, or all of these, as a condition of Lender's waiving the option to accelerate provided in paragraph 17.

By signing this, Borrower agrees to all of the above.

*Patrick W. Kalgren* ..... (Seal)  
Patrick W. Kalgren ..... Borrower  
*Karen L. Kalgren* ..... (Seal)  
Karen L. Kalgren ..... Borrower

\* If more than one box is checked or if no box is checked, and Lender and Borrower do not otherwise agree in writing, the first Index named will apply.  
NEW JERSEY AND PENNSYLVANIA

contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



**FILED**

JUL 17 2002

019-401atty League pd  
William A. Shaw, 20.00  
Prothonotary

Notices to: aoot.atty General Colville

E24

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL ACTION - LAW

**COPY**

DEPOSIT BANK, :  
: Plaintiff :  
: vs : No. 02 - 429 - CD  
: :  
PATRICK W. KALGREN and :  
KAREN L. KALGREN and :  
THE UNITED STATES OF AMERICA, :  
Defendants :  
:

Notice is given that a JUDGMENT in the above-captioned matter has been entered against Patrick W. Kalgren, Karen L. Kalgren and The United States of America in accordance with the Consent Judgments entered by the Court on July 17, 2002.

WILLIAM A. SHAW, PROTHONOTARY

BY: William A. Shaw