

02-1829-CD
MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. vs.
PAUL C. BLOUGH, et al

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Attorney for Plaintiff

Mortgage Electronic Registration Systems, Inc.
636 Grand Regency Boulevard
Brandon, FL 33509

Clearfield County
Court of Common Pleas

v.

Paul C. Blough
163-A Helviatia Road
Luthersburg, PA 15848
and
Kelley N. Blough
163-A Helviatia Road
Luthersburg, PA 15848

Number 2002-1829-C9

CIVIL ACTION/MORTGAGE FORECLOSURE

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 you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

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

Dave Meholic
Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA, 16830
814-765-2641 x 5982

AVISO

Le han demandado a usted en la corte. Si usted quiere defenderse de estas demandas ex-puestas en las paginas siguientes, usted tiene veinte (20) dias de plazo al partir de la fecha de la demanda y la notificacion. Hace falta asentar una comparencia escrita o en persona o con un abogado y entregar a la corte en forma escrita sus defensas o sus objeciones a las demandas en contra de su persona. Sea avisado que si usted no se defiende, la corte tomara medidas y puede continuar la demanda en contra suya sin previo aviso o notificacion. Ademas, la corte puede decidir a favor del demandante y requiere que usted cumpla con todas las provisiones de esta demanda. Usted puede perder dinero o sus propiedades u otros derechos importantes para usted.

LLEVE ESTA DEMANDA A UN ABOGADO INMEDIATAMENTE. SI NO TIENE ABOGADO O SI NO TIENE EL DINERO SUFFICIENTE DE PAGAR TAL SERVICIO, VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA CUYA DIRECCION SE ENCUENTRA ESCRITA ABAJO PARA AVERIGUAR DONDE SE PUEDE CONSEGUIR ASISTENCIA LEGAL.

Dave Meholic
Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA, 16830
814-765-2641 x 5982

FILED

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William A. Shaw
Prothonotary/Clerk of Courts
2 CERT TO SHER
1 CERT TO ATTY
(Signature)

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CIVIL ACTION/MORTGAGE FORECLOSURE

1. Plaintiff is Mortgage Electronic Registration Systems, Inc., a corporation duly organized and doing business at the above captioned address.
2. The Defendant is Paul C. Blough, who is one of the mortgagors and real owners of the mortgaged property hereinafter described, and his last-known address is 163-A Helviatia Road, Luthersburg, PA 15848.
3. The Defendant is Kelley N. Blough, who is one of the mortgagors and real owners of the mortgaged property hereinafter described, and her last-known address is 163-A Helviatia Road, Luthersburg, PA 15848.
4. On 12/11/2000, mortgagor made, executed and delivered a mortgage upon the premises hereinafter described to CitiMortgage, Inc. d/b/a Citicorp Mortgage which mortgage is recorded in the Office of the Recorder of Clearfield County in Mortgage Book Instrument #200019009.
5. On 4/23/2001, the aforesaid mortgage was thereafter assigned by CitiMortgage, Inc. d/b/a Citicorp Mortgage to Mortgage Electronic Registration Systems, Inc., Plaintiff herein, by Assignment of

Mortgage recorded in the Office of the Recorder of Clearfield County in Assignment of Mortgage Book
Instrument #20015599.

6. The premises subject to said mortgage is described in the mortgage attached as Exhibit "A"
and is known Box 163-A Helviatia Rd., Luthersburg, PA 15848.

7. The mortgage is in default because monthly payments of principal and interest upon said
mortgage due 10/11/2001 and each month thereafter are due and unpaid, and by the terms of said mortgage,
upon default in such payments for a period of one month, the entire principal balance and all interest due
thereon are collectible forthwith.

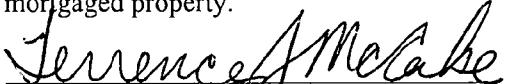
8. The following amounts are due on the mortgage:

| | |
|--|------------------|
| Principal Balance | \$ 53,910.98 |
| Interest 09/11/2001 through 11/19/2002 | \$ 8,012.70 |
| (Plus \$ 18.42 per diem thereafter) | |
| Attorney's Fee | \$ 2,695.54 |
| Cost of Suit | \$ 225.00 |
| Appraisal Fee | \$ 125.00 |
| Title Search | <u>\$ 200.00</u> |
| GRAND TOTAL | \$ 65,169.22 |

9. The attorney's fees set forth above are in conformity with the mortgage documents and
Pennsylvania Law and will be collected in the event of a third party purchaser at Sheriff's Sale. If the
mortgage is reinstated prior to the Sale, reasonable attorney's fees will be charged based on work actually
performed.

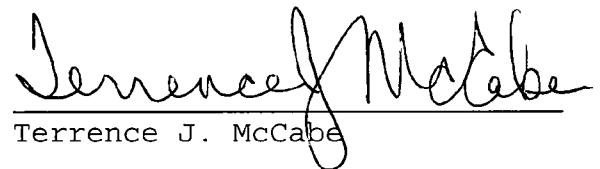
10. Notice of Intention to Foreclose as required by Act 6 of 1974 (41 P.S. §403) and notice
required by the Emergency Mortgage Assistance Act of 1983 as amended under 12 PA Code Chapter 13,
et seq., commonly known as the Combined Notice of Delinquency has been sent to Defendants by regular
and certified mail.

WHEREFORE, Plaintiff demands Judgment against the Defendants in the sum of \$65,169.22,
together with interest at the rate of \$18.42 per diem and other costs and charges collectible under the
mortgage and for the foreclosure and sale of the mortgaged property.


TERRENCE J. McCABE, ESQUIRE
Attorney for Plaintiff

VERIFICATION

The undersigned, Terrence J. McCabe, Esquire, hereby certifies that he is the Attorney for the Plaintiff in the within action, and that he is authorized to make this verification and that the foregoing facts are true and correct to the best of his knowledge, information and belief and further states that false statements herein are made subject to the penalties of 18 PA.C.S. §4904 relating to unsworn falsification to authorities.



Terrence J. McCabe

Prepared by:
NANCY SCHOEN
Return to:
CitiMortgage, Inc. dba Citicorp Mortgage
27555 Farmington Road
Farmington Hills, MI 48334
Attention:

TRUE AND CERTIFIED COPY

Prepared By:
NANCY SCHOEN
1351 State Route 55, LaGrangeville,
NY 12540

Return To:
CitiMortgage, Inc. dba Citicorp
Mortgage
27555 Farmington Road
Farmington Hills, MI 48334

Parcel Number:

[Space Above This Line For Recording Data]

MORTGAGE

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated **December 11, 2000** together with all Riders to this document.

(B) "Borrower" is **PAUL C BLOUGH & KELLEY N. BLOUGH**

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is **CitiMortgage, Inc. dba Citicorp Mortgage**

Lender is a privately held corporation

80070480-7

PENNSYLVANIA - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Form 3039 1/01

VMP-6(PA) (0008)

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Initials: PCB

VMP MORTGAGE FORMS - (800)521-7291 KNB

01933

Exhibit "A"

organized and existing under the laws of **Delaware**
Lender's address is **1351 State Rt. 55, LaGrangeville, NY 12540**

Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated **December 11, 2000**
The Note states that Borrower owes Lender **fifty-four thousand and 00/100**

Dollars
(U.S. \$ 54,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **December 11, 2030**

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

| | | |
|--|---|---|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> VA Rider | <input type="checkbox"/> Biweekly Payment Rider | <input type="checkbox"/> Other(s) [specify] |

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(K) "Escrow Items" means those items that are described in Section 3.

(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

Initials: PCB

80070480-7

LMP-6(PA) 00081

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KNB

(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the [Type of Recording Jurisdiction] of [Name of Recording Jurisdiction]:

See Attached Legal Description.

which currently has the address of **BOX 163-A HELVIATIA RD**

LUTHERSBURG

("Property Address"):

[Street]
[City], Pennsylvania 15848

[Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

WMP-6(PA) 10008

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80070480-7

Form 3039 1/01

KNB

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be

paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest

shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Property 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 any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

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, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be

dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, 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. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to

have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or

agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

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

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). Lender shall notify Borrower of, among other things: (a) the default; (b) the action required to cure the default; (c) when the default must be cured; and (d) that failure to cure the default as specified may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. Lender 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 default is not cured as specified, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, attorneys' fees and costs of title evidence to the extent permitted by Applicable Law.

23. Release. Upon payment of all sums secured by this Security Instrument, this Security Instrument and the estate conveyed shall terminate and become void. After such occurrence, Lender shall discharge and satisfy this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

24. Waivers. Borrower, to the extent permitted by Applicable Law, waives and releases any error or defects in proceedings to enforce this Security Instrument, and hereby waives the benefit of any present or future laws providing for stay of execution, extension of time, exemption from attachment, levy and sale, and homestead exemption.

25. Reinstatement Period. Borrower's time to reinstate provided in Section 19 shall extend to one hour prior to the commencement of bidding at a sheriff's sale or other sale pursuant to this Security Instrument.

26. Purchase Money Mortgage. If any of the debt secured by this Security Instrument is lent to Borrower to acquire title to the Property, this Security Instrument shall be a purchase money mortgage.

27. Interest Rate After Judgment. Borrower agrees that the interest rate payable after a judgment is entered on the Note or in an action of mortgage foreclosure shall be the rate payable from time to time under the Note.

80070480-7

Initials: PCB

Form 3039 1/01

KJB

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

Paul C Blough _____ (Seal)
PAUL C BLOUGH -Borrower

Kelley N. Blough _____ (Seal)
KELLEY N. BLOUGH -Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

80070480-7

Certificate of Residence

I, do hereby certify that
the correct address of the within-named Mortgagee is **1351 State Rt. 55, LaGrangeville, NY**
12540

Witness my hand this **11th**

day of **December, 2000**

Agent of Mortgagee

COMMONWEALTH OF PENNSYLVANIA,

County ss:

On this, the **11th** day of **December, 2000**, before me, the
undersigned officer, personally appeared **PAUL C BLOUGH & KELLEY N. BLOUGH**

known to me (or
satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged that he/she/they executed the same for the purposes herein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.
My Commission Expires:

Notarial Seal
Tammy J. Siebodnick, Notary Public
Cambria Twp., Cambria County
My Commission Expires Nov. 1, 2004

Tammy J. Siebodnick

Notary Public

Title of Officer

6(PA) (0008)

Page 16 of 16

80070480-7

Initials: *PCB*

Form 3039 1/01

FNB

DESCRIPTION

ALL THAT CERTAIN lot or parcel of land situate, lying and being in Brady Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a stone in Northwest corner of land sold to James H. Wilson; thence by public road known as Pennsylvania Legislative Route 17010, and lands of Henry Schucker, North 1° East 210 feet to a point; thence South 88° 22' East 244.20; thence South 1° West, a distance of 210 feet to a stone; thence North 88° 22' West 244.20 feet to the place of beginning.

BEING Box 163-A Helviatia Road.

TAX PARCEL NUMBER: B06-000-00087

CONTROL NUMBER: 1070-33044

6 Feb 03

Document

Reinstated/Reissued to Sheriff/Attorney
for service.

Will A. Shaw

Deputy Prothonotary

21 May 03 Document

Reinstated/Reissued to Sheriff/Attorney
for service.

Will A. Shaw

Deputy Prothonotary

FILED

NOV 21 2002

William A. Shaw
Prothonotary/Clerk of Courts

In The Court of Common Pleas of Clearfield County, Pennsylvania

Sheriff Docket # 13340

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC

02-1829-CD

VS.

BLOUGH, PAUL C. & KELLEY N.

COMPLAINT IN MORTGAGE FORECLOSURE

SHERIFF RETURNS

NOW NOVEMBER 26, 2002 AT 10:53 AM EST SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON KELLEY N. BLOUGH, DEFENDANT AT RESIDENCE, BOX 163-A, HELVETIA ROAD, LUTHERSBURG, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO KELLEY N. BLOUGH A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN TO HER THE CONTENTS THEREOF.

SERVED BY: COUDRIET/RYEN

NOW JANUARY 23, 2003 AFTER DILIGENT SEARCH IN MY BAILIWICK I RETURN THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE "NOT FOUND" AS TO PAUL C. BLOUGH, DEFENDANT. MOVED TO O BOX 293, REYNOLDSVILLE, PA., JEFFERSON COUNTY.

Return Costs

| Cost | Description |
|-------|------------------------------|
| 34.05 | SHFF. HAWKINS PAID BY; ATTY. |
| 20.00 | SURCHARGE PAID BY; ATTY. |

FILED

BS JAN 23 2003

William A. Shaw
Prothonotary

Sworn to Before Me This

23 Day Of January 2003
William A. Shaw

So Answers,

Chester A. Hawkins
Jay Manley Hamps
Chester A. Hawkins
Sheriff

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Mortgage Electronic Registration Systems, Inc.
636 Grand Regency Boulevard
Brandon, FL 33509

v.

Paul C. Blough
163-A Helviatia Road
Luthersburg, PA 15848
and
Kelley N. Blough
163-A Helviatia Road
Luthersburg, PA 15848

Attorney for Plaintiff

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

NOV 21 2002

Attest.

William L. Lohman
Prothonotary/
Clerk of Courts

Number 2002-1829-CV

CIVIL ACTION/MORTGAGE FORECLOSURE

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 you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

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

Dave Meholic
Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA, 16830
814-765-2641 x 5982

AVISO

Le han demandado a usted en la corte. Si usted quiere defenderse de estas demandas ex-puestas en las paginas siguientes, usted tiene veinte (20) dias de plazo al partir de la fecha de la demanda y la notificacion. Hace falta asentar una comparencia escrita o en persona o con un abogado y entregar a la corte en forma escrita sus defensas o sus objeciones a las demandas en contra de su persona. Sea avisado que si usted no se defiende, la corte tomara medidas y puede continuar la demanda en contra suya sin previo aviso o notificacion. Ademas, la corte puede decidir a favor del demandante y requiere que usted cumpla con todas las provisiones de esta demanda. Usted puede perder dinero o sus propiedades u otros derechos importantes para usted.

LLEVE ESTA DEMANDA A UN ABOGADO INMEDIATAMENTE. SI NO TIENE ABOGADO O SINO TIENE EL DINERO SUFICIENTE DE PAGAR TAL SERVICO, VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA CUYA DIRECCION SE ENCUENTRA ESCRITA ABAJO PARA AVERIGUAR DONDE SE PUEDE CONSEGUIR ASISTENCIA LEGAL.

Dave Meholic
Court Administrator
Clearfield County Courthouse
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Clearfield, PA, 16830
814-765-2641 x 5982

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Attorney for Plaintiff

Mortgage Electronic Registration Systems, Inc.
636 Grand Regency Boulevard
Brandon, FL 33509

Clearfield County
Court of Common Pleas

v.

Paul C. Blough
163-A Helviatia Road
Luthersburg, PA 15848
and
Kelley N. Blough
163-A Helviatia Road
Luthersburg, PA 15848

Number

CIVIL ACTION/MORTGAGE FORECLOSURE

1. Plaintiff is Mortgage Electronic Registration Systems, Inc., a corporation duly organized and doing business at the above captioned address.
2. The Defendant is Paul C. Blough, who is one of the mortgagors and real owners of the mortgaged property hereinafter described, and his last-known address is 163-A Helviatia Road, Luthersburg, PA 15848.
3. The Defendant is Kelley N. Blough, who is one of the mortgagors and real owners of the mortgaged property hereinafter described, and her last-known address is 163-A Helviatia Road, Luthersburg, PA 15848.
4. On 12/11/2000, mortgagor made, executed and delivered a mortgage upon the premises hereinafter described to CitiMortgage, Inc. d/b/a Citicorp Mortgage which mortgage is recorded in the Office of the Recorder of Clearfield County in Mortgage Book Instrument #200019009.
5. On 4/23/2001, the aforesaid mortgage was thereafter assigned by CitiMortgage, Inc. d/b/a Citicorp Mortgage to Mortgage Electronic Registration Systems, Inc., Plaintiff herein, by Assignment of

Mortgage recorded in the Office of the Recorder of Clearfield County in Assignment of Mortgage Book Instrument #20015599.

6. The premises subject to said mortgage is described in the mortgage attached as Exhibit "A" and is known Box 163-A Helviaenia Rd., Luthersburg, PA 15848.

7. The mortgage is in default because monthly payments of principal and interest upon said mortgage due 10/11/2001 and each month thereafter are due and unpaid, and by the terms of said mortgage, upon default in such payments for a period of one month, the entire principal balance and all interest due thereon are collectible forthwith.

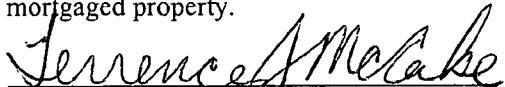
8. The following amounts are due on the mortgage:

| | |
|--|------------------|
| Principal Balance | \$ 53,910.98 |
| Interest 09/11/2001 through 11/19/2002 | \$ 8,012.70 |
| (Plus \$ 18.42 per diem thereafter) | |
| Attorney's Fee | \$ 2,695.54 |
| Cost of Suit | \$ 225.00 |
| Appraisal Fee | \$ 125.00 |
| Title Search | <u>\$ 200.00</u> |
| GRAND TOTAL | \$ 65,169.22 |

9. The attorney's fees set forth above are in conformity with the mortgage documents and Pennsylvania Law and will be collected in the event of a third party purchaser at Sheriff's Sale. If the mortgage is reinstated prior to the Sale, reasonable attorney's fees will be charged based on work actually performed.

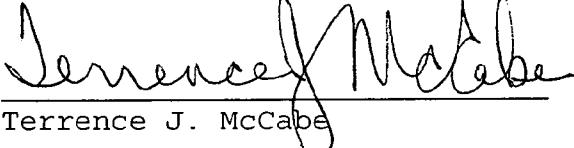
10. Notice of Intention to Foreclose as required by Act 6 of 1974 (41 P.S. §403) and notice required by the Emergency Mortgage Assistance Act of 1983 as amended under 12 PA Code Chapter 13, et seq., commonly known as the Combined Notice of Delinquency has been sent to Defendants by regular and certified mail.

WHEREFORE, Plaintiff demands Judgment against the Defendants in the sum of \$65,169.22, together with interest at the rate of \$18.42 per diem and other costs and charges collectible under the mortgage and for the foreclosure and sale of the mortgaged property.


TERRENCE J. McCABE, ESQUIRE
Attorney for Plaintiff

VERIFICATION

The undersigned, Terrence J. McCabe, Esquire, hereby certifies that he is the Attorney for the Plaintiff in the within action, and that he is authorized to make this verification and that the foregoing facts are true and correct to the best of his knowledge, information and belief and further states that false statements herein are made subject to the penalties of 18 PA.C.S. §4904 relating to unsworn falsification to authorities.


Terrence J. McCabe
Terrence J. McCabe

Prepared by:
NANCY SCHOEN
Return to:
CitiMortgage, Inc. dba Citicorp Mortgage
27555 Farmington Road
Farmington Hills, MI 48334
Attention:

TRUE AND CERTIFIED COPY

Prepared By:
NANCY SCHOEN
1351 State Route 55, LaGrangeville,
NY 12540

Return To:
CitiMortgage, Inc. dba Citicorp
Mortgage
27555 Farmington Road
Farmington Hills, MI 48334

Parcel Number:

[Space Above This Line For Recording Data]

MORTGAGE

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated December 11, 2000 together with all Riders to this document.

(B) "Borrower" is PAUL C BLOUGH & KELLEY N. BLOUGH

Borrower is the mortgagor under this Security Instrument.
(C) "Lender" is CitiMortgage, Inc. dba Citicorp Mortgage

Lender is a privately held corporation

80070480-7

PENNSYLVANIA - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Form 3039 1/01

 -6(PA)10005

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Initials: PCB

VMP MORTGAGE FORMS - (800)521-7291 KN03

01933

Exhibit "A"

organized and existing under the laws of Delaware
Lender's address is 1351 State Rt. 55, LaGrangeville, NY 12540

Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated December 11, 2000
The Note states that Borrower owes Lender fifty-four thousand and 00/100

Dollars

(U.S. \$ 54,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than December 11, 2030

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

Adjustable Rate Rider Condominium Rider Second Home Rider
 Balloon Rider Planned Unit Development Rider 1-4 Family Rider
 VA Rider Biweekly Payment Rider Other(s) [specify]

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(K) "Escrow Items" means those items that are described in Section 3.

(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

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KNB

1MP-6(PA) (0008)

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(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the

[Type of Recording Jurisdiction]

of

[Name of Recording Jurisdiction]:

See Attached Legal Description.

which currently has the address of **BOX 163-A HELVIATIA RD**

[Street]

LUTHERSBURG

[City], Pennsylvania 15848

[Zip Code]

("Property Address"):

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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KNB

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.

Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be

paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest

shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Property 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 any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

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, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees, for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be

dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, 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. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to

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have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or

agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

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

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). Lender shall notify Borrower of, among other things: (a) the default; (b) the action required to cure the default; (c) when the default must be cured; and (d) that failure to cure the default as specified may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. Lender 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 default is not cured as specified, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, attorneys' fees and costs of title evidence to the extent permitted by Applicable Law.

23. Release. Upon payment of all sums secured by this Security Instrument, this Security Instrument and the estate conveyed shall terminate and become void. After such occurrence, Lender shall discharge and satisfy this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

24. Waivers. Borrower, to the extent permitted by Applicable Law, waives and releases any error or defects in proceedings to enforce this Security Instrument, and hereby waives the benefit of any present or future laws providing for stay of execution, extension of time, exemption from attachment, levy and sale, and homestead exemption.

25. Reinstatement Period. Borrower's time to reinstate provided in Section 19 shall extend to one hour prior to the commencement of bidding at a sheriff's sale or other sale pursuant to this Security Instrument.

26. Purchase Money Mortgage. If any of the debt secured by this Security Instrument is lent to Borrower to acquire title to the Property, this Security Instrument shall be a purchase money mortgage.

27. Interest Rate After Judgment. Borrower agrees that the interest rate payable after a judgment is entered on the Note or in an action of mortgage foreclosure shall be the rate payable from time to time under the Note.

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BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

Paul C Blough _____ (Seal)
PAUL C BLOUGH -Borrower

Kelley Nicole Blough _____ (Seal)
KELLEY N. BLOUGH -Borrower

_____ (Seal) _____ (Seal)
-Borrower -Borrower

_____ (Seal) _____ (Seal)
-Borrower -Borrower

_____ (Seal) _____ (Seal)
-Borrower -Borrower

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Certificate of Residence

I, do hereby certify that
the correct address of the within-named Mortgagee is 1351 State Rt. 55, LaGrangeville, NY
12540

Witness my hand this 11th day of December, 2000

Agent of Mortgagee

COMMONWEALTH OF PENNSYLVANIA,

County ss:

On this, the 11th day of December, 2000, before me, the
undersigned officer, personally appeared PAUL C BLOUGH & KELLEY N. BLOUGH

known to me (or
satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged that he/she/they executed the same for the purposes herein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.
My Commission Expires:

Notarial Seal
Tammy J. Slobodnick, Notary Public
Cambria Twp., Cambria County
My Commission Expires Nov. 1, 2004

Tammy J. Slobodnick
Notary Public
Title of Officer

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Initials: PCB
ENB

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DESCRIPTION

ALL THAT CERTAIN lot or parcel of land situate, lying and being in Brady Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a stone in Northwest corner of land sold to James H. Wilson; thence by public road known as Pennsylvania Legislative Route 17010, and lands of Henry Schucker, North 1° East 210 feet to a point; thence South 88° 22' East 244.20; thence South 1° West, a distance of 210 feet to a stone; thence North 88° 22' West 244.20 feet to the place of beginning.

BEING Box 163-A Helviatia Road.

TAX PARCEL NUMBER: B06-000-00087

CONTROL NUMBER: 1070-33044

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Attorney for Plaintiff

| | | |
|----------------------------------|---|-----------------------|
| MORTGAGE ELECTRONIC REGISTRATION | : | CLEARFIELD COUNTY |
| SYSTEMS, INC. | : | COURT OF COMMON PLEAS |
| v. | : | |
| PAUL C. BLOUGH | : | |
| and | : | |
| KELLEY N. BLOUGH | : | NUMBER 2002-1829-CD |

PRAECIPE TO REINSTATE COMPLAINT

TO THE PROTHONOTARY:

Kindly reinstate the Complaint in Mortgage Foreclosure in
the above-captioned matter.

Terrence J. McCabe
TERRENCE J. McCABE, ESQUIRE
Attorney for Plaintiff

FILED

FEB 06 2003

William A. Shaw
Prothonotary

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Mortgage Electronic Registration Systems, Inc.
636 Grand Regency Boulevard
Brandon, FL 33509

v.

Paul C. Blough
163-A Helviatia Road
Luthersburg, PA 15848
and
Kelley N. Blough
163-A Helviatia Road
Luthersburg, PA 15848

Attorney for Plaintiff

Clearfield County
Court of Common Pleas

NOV 21 2002

Attest.

William L. Brown
Prothonotary/
Clerk of Courts

Number 2002-1829-CN

CIVIL ACTION/MORTGAGE FORECLOSURE

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 you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

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

Dave Meholic
Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA, 16830
814-765-2641 x 5982

AVISO

Le han demandado a usted en la corte. Si usted quiere defenderse de estas demandas ex-puestas en las paginas siguientes, usted tiene veinte (20) dias de plazo al partir de la fecha de la demanda y la notificacion. Hace falta asentar una comparencia escrita o en persona o con un abogado y entregar a la corte en forma escrita sus defensas o sus objeciones a las demandas en contra de su persona. Sea avisado que si usted no se defiende, la corte tomara medidas y puede continuar la demanda en contra suya sin previo aviso o notificacion. Ademas, la corte puede decidir a favor del demandante y requiere que usted cumpla con todas las provisiones de esta demanda. Usted puede perder dinero o sus propiedades u otros derechos importantes para usted.

LLEVE ESTA DEMANDA A UN ABOGADO INMEDIATAMENTE. SI NO TIENE ABOGADO O SINO TIENE EL DINERO SUFICIENTE DE PAGAR TAL SERVICIO, VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA CUYA DIRECCION SE ENCUENTRA ESCRITA ABAJO PARA AVERIGUAR DONDE SE PUEDE CONSEGUIR ASISTENCIA LEGAL.

Dave Meholic
Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA, 16830
814-765-2641 x 5982

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Attorney for Plaintiff

Mortgage Electronic Registration Systems, Inc.
636 Grand Regency Boulevard
Brandon, FL 33509

Clearfield County
Court of Common Pleas

v.

Paul C. Blough
163-A Helviatia Road
Luthersburg, PA 15848
and
Kelley N. Blough
163-A Helviatia Road
Luthersburg, PA 15848

Number

CIVIL ACTION/MORTGAGE FORECLOSURE

1. Plaintiff is Mortgage Electronic Registration Systems, Inc., a corporation duly organized and doing business at the above captioned address.

2. The Defendant is Paul C. Blough, who is one of the mortgagors and real owners of the mortgaged property hereinafter described, and his last-known address is 163-A Helviatia Road, Luthersburg, PA 15848.

3. The Defendant is Kelley N. Blough, who is one of the mortgagors and real owners of the mortgaged property hereinafter described, and her last-known address is 163-A Helviatia Road, Luthersburg, PA 15848.

4. On 12/11/2000, mortgagor made, executed and delivered a mortgage upon the premises hereinafter described to CitiMortgage, Inc. d/b/a Citicorp Mortgage which mortgage is recorded in the Office of the Recorder of Clearfield County in Mortgage Book Instrument #200019009.

5. On 4/23/2001, the aforesaid mortgage was thereafter assigned by CitiMortgage, Inc. d/b/a Citicorp Mortgage to Mortgage Electronic Registration Systems, Inc., Plaintiff herein, by Assignment of

Mortgage recorded in the Office of the Recorder of Clearfield County in Assignment of Mortgage Book
Instrument #20015599.

6. The premises subject to said mortgage is described in the mortgage attached as Exhibit "A"
and is known Box 163-A Helviatia Rd., Luthersburg, PA 15848.

7. The mortgage is in default because monthly payments of principal and interest upon said
mortgage due 10/11/2001 and each month thereafter are due and unpaid, and by the terms of said mortgage,
upon default in such payments for a period of one month, the entire principal balance and all interest due
thereon are collectible forthwith.

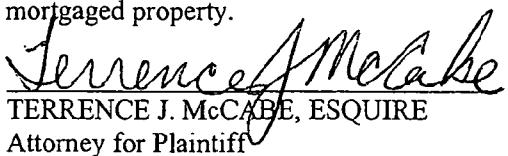
8. The following amounts are due on the mortgage:

| | |
|--|------------------|
| Principal Balance | \$ 53,910.98 |
| Interest 09/11/2001 through 11/19/2002 | \$ 8,012.70 |
| (Plus \$ 18.42 per diem thereafter) | |
| Attorney's Fee | \$ 2,695.54 |
| Cost of Suit | \$ 225.00 |
| Appraisal Fee | \$ 125.00 |
| Title Search | <u>\$ 200.00</u> |
| GRAND TOTAL | \$ 65,169.22 |

9. The attorney's fees set forth above are in conformity with the mortgage documents and
Pennsylvania Law and will be collected in the event of a third party purchaser at Sheriff's Sale. If the
mortgage is reinstated prior to the Sale, reasonable attorney's fees will be charged based on work actually
performed.

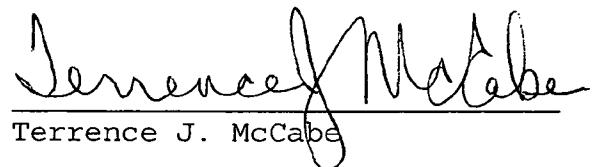
10. Notice of Intention to Foreclose as required by Act 6 of 1974 (41 P.S. §403) and notice
required by the Emergency Mortgage Assistance Act of 1983 as amended under 12 PA Code Chapter 13,
et seq., commonly known as the Combined Notice of Delinquency has been sent to Defendants by regular
and certified mail.

WHEREFORE, Plaintiff demands Judgment against the Defendants in the sum of \$65,169.22,
together with interest at the rate of \$18.42 per diem and other costs and charges collectible under the
mortgage and for the foreclosure and sale of the mortgaged property.


TERRENCE J. McCABE, ESQUIRE
Attorney for Plaintiff

VERIFICATION

The undersigned, Terrence J. McCabe, Esquire, hereby certifies that he is the Attorney for the Plaintiff in the within action, and that he is authorized to make this verification and that the foregoing facts are true and correct to the best of his knowledge, information and belief and further states that false statements herein are made subject to the penalties of 18 P.A.C.S. §4904 relating to unsworn falsification to authorities.


Terrence J. McCabe

Prepared by:
NANCY SCHOEN
Return to:
CitiMortgage, Inc. dba Citicorp Mortgage
27555 Farmington Road
Farmington Hills, MI 48334
Attention:

TRUE AND CERTIFIED COPY

Prepared By:
NANCY SCHOEN
1351 State Route 55, LaGrangeville,
NY 12540

Return To:
CitiMortgage, Inc. dba Citicorp
Mortgage
27555 Farmington Road
Farmington Hills, MI 48334

Parcel Number:

— [Space Above This Line For Recording Data] —

MORTGAGE

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated **December 11, 2000** together with all Riders to this document.

(B) "Borrower" is **PAUL C BLOUGH & KELLEY N. BLOUGH**

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is **CitiMortgage, Inc. dba Citicorp Mortgage**

Lender is a privately held corporation

80070480-7

PENNSYLVANIA - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Form 3039 1/01

 **6(PA) 10008**

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Initials: **PCB**

VMP MORTGAGE FORMS - (800)521-7291 **KWYK**

01933

Exhibit A

organized and existing under the laws of Delaware
Lender's address is 1351 State Rt. 55, LaGrangeville, NY 12540

Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated December 11, 2000
The Note states that Borrower owes Lender fifty-four thousand and 00/100

Dollars

(U.S. \$ 54,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than December 11, 2030

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

| | | |
|--|---|---|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> VA Rider | <input type="checkbox"/> Biweekly Payment Rider | <input type="checkbox"/> Other(s) [specify] |

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(K) "Escrow Items" means those items that are described in Section 3.

(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

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(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the [Type of Recording Jurisdiction] of [Name of Recording Jurisdiction]:

See Attached Legal Description.

which currently has the address of **BOX 163-A HELVIATIA RD**

LUTHERSBURG
(Property Address):

[City], Pennsylvania 15848

[Zip Code]

[Street]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be

paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest

shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Property 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 any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

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, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

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Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be

dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, 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. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to

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have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or

agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

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

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). Lender shall notify Borrower of, among other things: (a) the default; (b) the action required to cure the default; (c) when the default must be cured; and (d) that failure to cure the default as specified may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. Lender 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 default is not cured as specified, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, attorneys' fees and costs of title evidence to the extent permitted by Applicable Law.

23. Release. Upon payment of all sums secured by this Security Instrument, this Security Instrument and the estate conveyed shall terminate and become void. After such occurrence, Lender shall discharge and satisfy this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

24. Waivers. Borrower, to the extent permitted by Applicable Law, waives and releases any error or defects in proceedings to enforce this Security Instrument, and hereby waives the benefit of any present or future laws providing for stay of execution, extension of time, exemption from attachment, levy and sale, and homestead exemption.

25. Reinstatement Period. Borrower's time to reinstate provided in Section 19 shall extend to one hour prior to the commencement of bidding at a sheriff's sale or other sale pursuant to this Security Instrument.

26. Purchase Money Mortgage. If any of the debt secured by this Security Instrument is lent to Borrower to acquire title to the Property, this Security Instrument shall be a purchase money mortgage.

27. Interest Rate After Judgment. Borrower agrees that the interest rate payable after a judgment is entered on the Note or in an action of mortgage foreclosure shall be the rate payable from time to time under the Note.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

Paul C Blough _____ (Seal)
PAUL C BLOUGH -Borrower

Kelley N. Blough _____ (Seal)
KELLEY N. BLOUGH -Borrower

_____ (Seal)
-Borrower

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Certificate of Residence

I, do hereby certify that
the correct address of the within-named Mortgagee is 1351 State Rt. 55, LaGrangeville, NY
12540

Witness my hand this 11th day of December, 2000

Agent of Mortgagee

COMMONWEALTH OF PENNSYLVANIA,

County ss:

On this, the 11th day of December, 2000, before me, the
undersigned officer, personally appeared PAUL C BLOUGH & KELLEY N. BLOUGH

known to me (or
satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged that he/she/they executed the same for the purposes herein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.
My Commission Expires:

Notarial Seal
Tammy J. Slobodnick, Notary Public
Cambria Twp., Cambria County
My Commission Expires Nov. 1, 2004

Tammy J. Slobodnick
Notary Public

Title of Officer



NMP-6(PA) (0008)

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Initials: PCB
FNB

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Form 3039 1/01

DESCRIPTION

ALL THAT CERTAIN lot or parcel of land situate, lying and being in Brady Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a stone in Northwest corner of land sold to James H. Wilson; thence by public road known as Pennsylvania Legislative Route 17010, and lands of Henry Schucker, North 1° East 210 feet to a point; thence South 88° 22' East 244.20; thence South 1° West, a distance of 210 feet to a stone; thence North 88° 22' West 244.20 feet to the place of beginning.

BEING Box 163-A Helviatia Road.

TAX PARCEL NUMBER: B06-000-00087

CONTROL NUMBER: 1070-33044

FILED Aug 2000

2000-141478 1 CCA Re-instanted Compl.
FEB 6 2003
to Shff

William A. Shaw
Prothonotary

CA
KDP

In The Court of Common Pleas of Clearfield County, Pennsylvania

Sheriff Docket # 13340

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC

02-1829-CD

VS.

BLOUGH, PAUL C. & KELLEY N.

COMPLAINT IN MORTGAGE FORECLOSURE

SHERIFF RETURNS

**NOW MARCH 10, 2003 AFTER DILIGENT SEARCH IN MY BAILIWICK I RETURN
THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE "NOT FOUND" AS TO
PAUL C. BLOUGH, DEFENDANT. ACCORDING TO POST OFFICE NO SUCH ADDRESS.**

Return Costs

| Cost | Description |
|------|-------------|
|------|-------------|

| | |
|-------|------------------------------|
| 17.35 | SHFF. HAWKINS PAID BY; ATTY. |
|-------|------------------------------|

| | |
|-------|--------------------------|
| 10.00 | SURCHARGE PAID BY; ATTY. |
|-------|--------------------------|

Sworn to Before Me This

19th Day Of March 2003
William A. Shaw

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

EY
WAS

So Answers,

Chester A. Hawkins
Chester A. Hawkins
Sheriff

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Mortgage Electronic Registration Systems, Inc.
636 Grand Regency Boulevard
Brandon, FL 33509

v.

Paul C. Blough
163-A Helviatia Road
Luthersburg, PA 15848
and
Kelley N. Blough
163-A Helviatia Road
Luthersburg, PA 15848

Attorney for Plaintiff

Clearfield County
Court of Common Pleas

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

NOV 21 2002

Attest.

William L. Blough
Prothonotary/
Clerk of Courts

Number 2002-1829-CY

CIVIL ACTION/MORTGAGE FORECLOSURE

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 you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

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

Dave Meholic
Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA, 16830
814-765-2641 x 5982

AVISO

Le han demandado a usted en la corte. Si usted quiere defenderse de estas demandas ex-puestas en las paginas siguientes, usted tiene veinte (20) dias de plazo al partir de la fecha de la demanda y la notificacion. Hace falta asentar una comparencia escrita o en persona o con un abogado y entregar a la corte en forma escrita sus defensas o sus objeciones a las demandas en contra de su persona. Sea avisado que si usted no se defiende, la corte tomara medidas y puede continuar la demanda en contra suya sin previo aviso o notificacion. Ademas, la corte puede decidir a favor del demandante y requiere que usted cumpla con todas las provisiones de esta demanda. Usted puede perder dinero o sus propiedades u otros derechos importantes para usted.

LLEVE ESTA DEMANDA A UN ABOGADO INMEDIATAMENTE. SI NO TIENE ABOGADO O SI NO TIENE EL DINERO SUFFICIENTE DE PAGAR TAL SERVICIO, VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA CUYA DIRECCION SE ENCUENTRA ESCRITA ABAJO PARA AVERIGUAR DONDE SE PUEDE CONSEGUIR ASISTENCIA LEGAL.

Dave Meholic
Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA, 16830
814-765-2641 x 5982

2-10-03 Document
Reinstated/Reinstated to Sheriff Attorney
for service
Will L. Blough
Deputy Prothonotary

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Attorney for Plaintiff

Mortgage Electronic Registration Systems, Inc.
636 Grand Regency Boulevard
Brandon, FL 33509

Clearfield County
Court of Common Pleas

v.

Paul C. Blough
163-A Helviatia Road
Luthersburg, PA 15848
and
Kelley N. Blough
163-A Helviatia Road
Luthersburg, PA 15848

Number

CIVIL ACTION/MORTGAGE FORECLOSURE

1. Plaintiff is Mortgage Electronic Registration Systems, Inc., a corporation duly organized and doing business at the above captioned address.

2. The Defendant is Paul C. Blough, who is one of the mortgagors and real owners of the mortgaged property hereinafter described, and his last-known address is 163-A Helviatia Road, Luthersburg, PA 15848.

3. The Defendant is Kelley N. Blough, who is one of the mortgagors and real owners of the mortgaged property hereinafter described, and her last-known address is 163-A Helviatia Road, Luthersburg, PA 15848.

4. On 12/11/2000, mortgagor made, executed and delivered a mortgage upon the premises hereinafter described to CitiMortgage, Inc. d/b/a Citicorp Mortgage which mortgage is recorded in the Office of the Recorder of Clearfield County in Mortgage Book Instrument #200019009.

5. On 4/23/2001, the aforesaid mortgage was thereafter assigned by CitiMortgage, Inc. d/b/a Citicorp Mortgage to Mortgage Electronic Registration Systems, Inc., Plaintiff herein, by Assignment of

Mortgage recorded in the Office of the Recorder of Clearfield County in Assignment of Mortgage Book
Instrument #20015599.

6. The premises subject to said mortgage is described in the mortgage attached as Exhibit "A" and is known Box 163-A Helviatia Rd., Luthersburg, PA 15848.

7. The mortgage is in default because monthly payments of principal and interest upon said mortgage due 10/11/2001 and each month thereafter are due and unpaid, and by the terms of said mortgage, upon default in such payments for a period of one month, the entire principal balance and all interest due thereon are collectible forthwith.

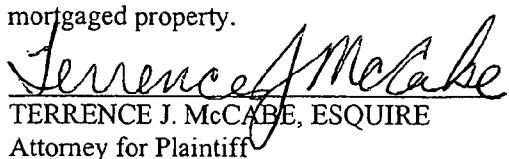
8. The following amounts are due on the mortgage:

| | |
|--|------------------|
| Principal Balance | \$ 53,910.98 |
| Interest 09/11/2001 through 11/19/2002 | \$ 8,012.70 |
| (Plus \$ 18.42 per diem thereafter) | |
| Attorney's Fee | \$ 2,695.54 |
| Cost of Suit | \$ 225.00 |
| Appraisal Fee | \$ 125.00 |
| Title Search | <u>\$ 200.00</u> |
| GRAND TOTAL | \$ 65,169.22 |

9. The attorney's fees set forth above are in conformity with the mortgage documents and Pennsylvania Law and will be collected in the event of a third party purchaser at Sheriff's Sale. If the mortgage is reinstated prior to the Sale, reasonable attorney's fees will be charged based on work actually performed.

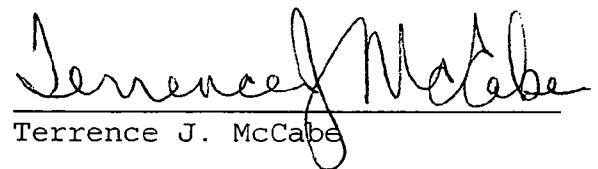
10. Notice of Intention to Foreclose as required by Act 6 of 1974 (41 P.S. §403) and notice required by the Emergency Mortgage Assistance Act of 1983 as amended under 12.PA Code Chapter 13, et seq., commonly known as the Combined Notice of Delinquency has been sent to Defendants by regular and certified mail.

WHEREFORE, Plaintiff demands Judgment against the Defendants in the sum of \$65,169.22, together with interest at the rate of \$18.42 per diem and other costs and charges collectible under the mortgage and for the foreclosure and sale of the mortgaged property.


TERRENCE J. McCABE, ESQUIRE
Attorney for Plaintiff

VERIFICATION

The undersigned, Terrence J. McCabe, Esquire, hereby certifies that he is the Attorney for the Plaintiff in the within action, and that he is authorized to make this verification and that the foregoing facts are true and correct to the best of his knowledge, information and belief and further states that false statements herein are made subject to the penalties of 18 P.A.C.S. §4904 relating to unsworn falsification to authorities.


Terrence J. McCabe

Prepared by:
NANCY SCHOEN
Return to:
CitiMortgage, Inc. dba Citicorp Mortgage
27555 Farmington Road
Farmington Hills, MI 48334
Attention:

TRUE AND CERTIFIED COPY

Prepared By:
NANCY SCHOEN
1351 State Route 55, LaGrangeville,
NY 12540

Return To:
CitiMortgage, Inc. dba Citicorp
Mortgage
27555 Farmington Road
Farmington Hills, MI 48334

Parcel Number:

[Space Above This Line For Recording Data]

MORTGAGE

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated December 11, 2000 together with all Riders to this document.

(B) "Borrower" is PAUL C BLOUGH & KELLEY N. BLOUGH

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is CitiMortgage, Inc. dba Citicorp Mortgage

Lender is a privately held corporation

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PENNSYLVANIA - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Form 3039 1/01

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Initials: PCB

VMP MORTGAGE FORMS - (800)521-7291 KNB

01933

Exhibit A

organized and existing under the laws of Delaware
Lender's address is 1951 State Rt. 55, LaGrangeville, NY 12540

Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated December 11, 2000
The Note states that Borrower owes Lender fifty-four thousand and 00/100

Dollars

(U.S. \$ 54,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than December 11, 2030

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

| | | |
|--|---|---|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> VA Rider | <input type="checkbox"/> Biweekly Payment Rider | <input type="checkbox"/> Other(s) [specify] |

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(K) "Escrow Items" means those items that are described in Section 3.

(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

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(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the [Type of Recording Jurisdiction] of [Name of Recording Jurisdiction]:

See Attached Legal Description.

which currently has the address of **BOX 163-A HELVIATIA RD**

LUTHERSBURG
("Property Address"):

[City], Pennsylvania 15848

[Street]
(Zip Code)

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be

paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest

shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Property 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 any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

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, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. **Occupancy.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. **Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. **Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. **Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

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(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be

dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, 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. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to

have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or

agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. **Sale of Note; Change of Loan Servicer; Notice of Grievance.** The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. **Hazardous Substances.** As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

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

22. **Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). Lender shall notify Borrower of, among other things: (a) the default; (b) the action required to cure the default; (c) when the default must be cured; and (d) that failure to cure the default as specified may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. Lender 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 default is not cured as specified, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, attorneys' fees and costs of title evidence to the extent permitted by Applicable Law.

23. **Release.** Upon payment of all sums secured by this Security Instrument, this Security Instrument and the estate conveyed shall terminate and become void. After such occurrence, Lender shall discharge and satisfy this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

24. **Waivers.** Borrower, to the extent permitted by Applicable Law, waives and releases any error or defects in proceedings to enforce this Security Instrument, and hereby waives the benefit of any present or future laws providing for stay of execution, extension of time, exemption from attachment, levy and sale, and homestead exemption.

25. **Reinstatement Period.** Borrower's time to reinstate provided in Section 19 shall extend to one hour prior to the commencement of bidding at a sheriff's sale or other sale pursuant to this Security Instrument.

26. **Purchase Money Mortgage.** If any of the debt secured by this Security Instrument is lent to Borrower to acquire title to the Property, this Security Instrument shall be a purchase money mortgage.

27. **Interest Rate After Judgment.** Borrower agrees that the interest rate payable after a judgment is entered on the Note or in an action of mortgage foreclosure shall be the rate payable from time to time under the Note.

Initials: PCB

80070480-7

Form 3039 1/01

KJB

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

Paul C Blough _____ (Seal)
PAUL C BLOUGH -Borrower

Kelley N. Blough _____ (Seal)
KELLEY N. BLOUGH -Borrower

_____ (Seal)
-Borrower

80070480-7

VMP -6(PA) 10008

Page 15 of 16

Form 3039 1/01

Certificate of Residence

I, do hereby certify that
the correct address of the within-named Mortgagee is 1351 State Rt. 55, LaGrangeville, NY
12540

Witness my hand this 11th day of December, 2000

Agent of Mortgagee

COMMONWEALTH OF PENNSYLVANIA,

County ss:

On this, the 11th day of December, 2000, before me, the
undersigned officer, personally appeared PAUL C BLOUGH & KELLEY N. BLOUGH

known to me (or
satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged that he/she/they executed the same for the purposes herein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.
My Commission Expires:

Notarial Seal
Tammy J. Sieboldnick, Notary Public
Cambria Twp., Cambria County
My Commission Expires Nov. 1, 2004

Tammy J. Sieboldnick
Notary Public
Title of Officer



NMP-6(PA) (0008)

Page 16 of 16

00070480-7

Initials: PCB

Form 3039 1/01

PCB

DESCRIPTION

ALL THAT CERTAIN lot or parcel of land situate, lying and being in Brady Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a stone in Northwest corner of land sold to James H. Wilson; thence by public road known as Pennsylvania Legislative Route 17010, and lands of Henry Schucker, North 1° East 210 feet to a point; thence South 88° 22' East 244.20; thence South 1° West, a distance of 210 feet to a stone; thence North 88° 22' West 244.20 feet to the place of beginning.

BEING Box 163-A Helviatia Road.

TAX PARCEL NUMBER: B06-000-00087

CONTROL NUMBER: 1070-33044

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

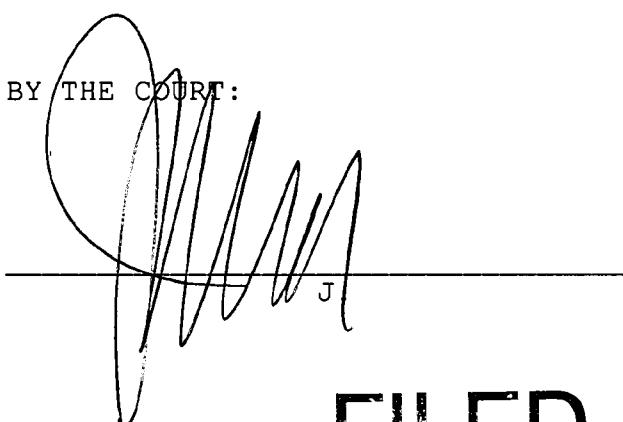
Attorney for Plaintiff

MORTGAGE ELECTRONIC REGISTRATION : CLEARFIELD COUNTY
SYSTEMS, INC. : COURT OF COMMON PLEAS
v. :
PAUL C. BLOUGH :
and :
KELLEY N. BLOUGH : NUMBER 2002-1829-CD

O R D E R

AND NOW, this 12th day of May , 2003,
the Plaintiff is granted leave to serve the Complaint in Mortgage
Foreclosure and all other subsequent pleadings that require
personal service and the Notice of Sheriff's Sale upon the
Defendant, Paul C. Blough, by regular mail and by certified mail,
return receipt requested, and by posting at the Defendant's last-
known address and the mortgaged premises known in this herein
action as 163-A Helviatia Road, Luthersburg, PA 15848.

BY THE COURT:


FILED

MAY 13 2003

William A. Shaw
Prothonotary

FILED

2cc

91101584
MAY 13 2003
Amyne Calle

William A. Shaw
Prothonotary

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Attorney for Plaintiff

FILED

MAY 08/003

William A. Shaw
Prothonotary

MORTGAGE ELECTRONIC REGISTRATION :
SYSTEMS, INC. :
v. :
PAUL C. BLOUGH :
and :
KELLEY N. BLOUGH : NUMBER 2002-1829-CD

PETITION TO ALLOW SERVICE ON THE DEFENDANT
BY REGULAR MAIL, CERTIFIED MAIL AND POSTING
PURSUANT TO PA RULE OF CIVIL PROCEDURE 430

1. Plaintiff attempted to serve a true and correct copy of the Complaint in Mortgage Foreclosure upon the Defendant, Paul C. Blough, at the Defendant's last-known address of 163-A Helviatia Road, Luthersburg, PA 15848. However, the Sheriff advised that he was unsuccessful since the Defendant moved to P.O. Box 293, Reynoldsville, PA 15851. A copy of the Sheriff's Return indicating the same is attached hereto and marked as Exhibit "A."

2. Plaintiff has searched for a physical address for the Defendant's P.O. Box address, and the Post Master has advised that the physical address for P.O. Box 293, Reynoldsville, PA 15851 is RR 2 Box 329, Dubois, PA 15801 (See Affidavit of Good Faith Investigation attached hereto and marked Exhibit "B").

3. Plaintiff attempted to serve a true and correct copy of the Complaint in Mortgage Foreclosure upon the Defendant, Paul C. Blough, at the address of RR 2 Box 329, Dubois, PA 15801. However, the Sheriff advised that he was unsuccessful since the since per the Post Office there is no such address. A copy of

the Sheriff's Return indicating the same is attached hereto and marked as Exhibit "C."

4. Plaintiff has checked the Local Telephone Directory for an address for Defendant; there is no listing for the Defendant, Paul C. Blough.

5. If service cannot be made on the Defendant, Paul C. Blough, the Plaintiff will be prejudiced.

WHEREFORE, Plaintiff prays this Honorable Court grant an Order allowing the Plaintiff to serve the Complaint in Mortgage Foreclosure, and all other subsequent pleadings that require personal service, and the Notice of Sheriff's Sale upon the Defendant, Paul C. Blough, by regular mail; certified mail, return receipt requested; and by posting at Defendant's last-known address and the mortgaged premises known in this herein action as 163-A Helvetia Road, Luthersburg, PA 15848.

Terence J. McCabe

TERRENCE J. McCABE, ESQUIRE
Attorney for Plaintiff

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

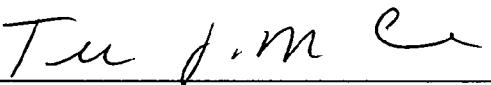
Attorney for Plaintiff

| | | |
|---|---|--|
| MORTGAGE ELECTRONIC REGISTRATION : SYSTEMS, INC. | : | CLEARFIELD COUNTY COURT OF COMMON PLEAS |
| v. | : | |
| PAUL C. BLOUGH | : | |
| and | : | |
| KELLEY N. BLOUGH | : | NUMBER 2002-1829-CD |

MEMORANDUM OF LAW

If a resident Defendant has obstructed or prevented service of process by concealing his whereabouts or otherwise, the Plaintiff shall have the right of service in such a manner as the Court by special order shall direct service pursuant to P.R.C.P. 430.

WHEREFORE, Plaintiff prays this service be made.


TERRENCE J. McCABE, ESQUIRE

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Attorney for Plaintiff

| | | |
|----------------------------------|---|-----------------------|
| MORTGAGE ELECTRONIC REGISTRATION | : | CLEARFIELD COUNTY |
| SYSTEMS, INC. | : | COURT OF COMMON PLEAS |
| v. | : | |
| PAUL C. BLOUGH | : | |
| and | : | |
| KELLEY N. BLOUGH | : | NUMBER 2002-1829-CD |

CERTIFICATION OF SERVICE

I, Terrence J. McCabe, Esquire, attorney for the Plaintiff, hereby certify that I served a true and correct copy of the foregoing Petition to Allow Service on the Defendant by Regular Mail, Certified Mail, and Posting Pursuant to Pa.R.C.P. 430, by United States Mail, first class, postage prepaid, on the 24th day of April, 2003, upon the following:

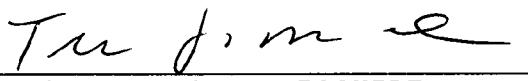
Paul C. Blough
163-A Helviatia Road
Luthersburg, PA 15848

Terrence

TERRENCE J. McCABE, ESQUIRE

VERIFICATION

The undersigned, TERRENCE J. McCABE, ESQUIRE, hereby certifies that he is the attorney for the Plaintiff in the within action and that he is authorized to make this verification and that the foregoing facts are true and correct to the best of his knowledge, information and belief and further states that false statements herein are made subject to the penalties of 18 PA.C.S. §4904 relating to unsworn falsification to authorities.



TERRENCE J. McCABE, ESQUIRE

In The Court of Common Pleas of Clearfield County, Pennsylvania

Sheriff Docket # 13340

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC

02-1829-CD

VS.

BLOUGH, PAUL C. & KELLEY N.

COPY

COMPLAINT IN MORTGAGE FORECLOSURE

SHERIFF RETURNS

NOW NOVEMBER 26, 2002 AT 10:53 AM EST SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON KELLEY N. BLOUGH, DEFENDANT AT RESIDENCE, BOX 163-A, HELVETIA ROAD, LUTHERSBURG, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO KELLEY N. BLOUGH A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN TO HER THE CONTENTS THEREOF.

SERVED BY: COUDRIET/RYEN

NOW JANUARY 23, 2003 AFTER DILIGENT SEARCH IN MY BAILIWICK I RETURN THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE "NOT FOUND" AS TO PAUL C. BLOUGH, DEFENDANT. MOVED TO O BOX 293, REYNOLDSVILLE, PA., JEFFERSON COUNTY.

Return Costs

| Cost | Description |
|-------|------------------------------|
| 34.05 | SHFF. HAWKINS PAID BY; ATTY. |
| 20.00 | SURCHARGE PAID BY; ATTY. |

Sworn to Before Me This

____ Day Of _____ 2003

So Answers,



Chester A. Hawkins
Sheriff

EXHIBIT "A"

LARRY DEL VECCHIO
PROCESS SERVER FOR
MCCABE, WEISBERG & CONWAY, P.C.
P.O. BOX 3221
WARMINSTER, PA 19874
(215) 442-5668
(215) 442-9727 FAX

Mortgage Electronic Registration Systems, Inc. : COURT OF COMMON PLEAS
: CLEARFIELD COUNTY
: VS.
: PAUL C. BLOUGH : NO. 2002-1829-CD
:

LAST KNOWN ADDRESS: 163A Helvetia Road, Luthersburg, PA 15848

LOAN NUMBER: 1-3155PA

AFFIDAVIT OF GOOD FAITH EFFORT TO LOCATE DEFENDANT (S)

I hereby certify that on December 10, 2002, a good faith effort was made to discover the correct address of said defendant (s), by:

1. Inquiry of Postal authority;

Postal authority states defendant has filed a change of address to PO Box 293, Reynoldsville, PA 15851; physical address is RR2, Box 329, Dubois, PA 15801

2. Examination of local telephone directories and 411 assistance;

There are no listings for the defendant in or around the Luthersburg area.

3. Neighbor Contacts:

N/A, RR addresses do not list box numbers.

4. Tax Information:

- Tax office has mailing address same as property, RR1, Box 163A

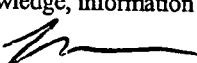
5. Death Records:

- Social Security has no death records for the defendant under his SSN

6. Voter Registration:

The defendant is registered at property, 163A Helvetia Rd.

I certify that this information is true and correct to the best of my knowledge, information and belief.

BY: 
Larry Del Vecchio, Process Server

NOTARY PUBLIC:

Sworn to and described
before me this 23 day

of December 2002.

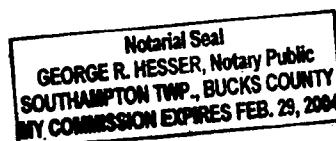
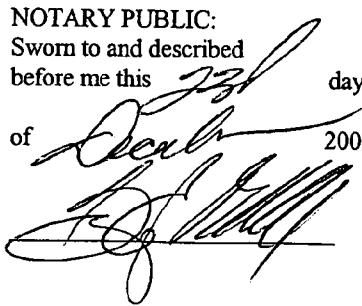


EXHIBIT "B"

**LARRY DEL VECCHIO
PROCESS SERVER FOR
MCCABE, WEISBERG & CONWAY, P.C.**

P.O. BOX 3221
WARMINSTER, PA. 18974

(215) 442-5668
FAX (215) 442-9727

December 10, 2002

Postmaster
Luthersburg, PA 15848

REQUEST FOR CHANGE OF ADDRESS OR BOXHOLDER INFORMATION NEEDED FOR SERVICE OF LEGAL PROCESS

Please furnish the new address or the name and street address (if a boxholder) for the following:

Name: Paul C. Blough
Address: 163A Helvetia Rd.
Luthersburg, PA 15848

The following information is provided in accordance with 39 CFR 265.6(d) (4) (ii). There is no fee for providing boxholder information. The fee providing change of address information is waived in accordance with 39 CFR 265.6 (d) (1) and (2) and corresponding Administrative Support Manual 352.44a and b.

1. Capacity of requester: Process Server
2. Statute or regulation that empowers me to serve process (not required when requester is an attorney or a party acting Pro Se- except a corporation acting Pro Se must cite statute: Process Server for McCabe, Weisberg & Conway, P.C. - - - - -)
3. The names of all known parties to this litigation:
Mortgage Electronic Reg. Sys. v. Paul C. Blough
4. The court in which the case has been or will be heard:
Clearfield County, PA, Court of Common Pleas
5. The docket or other identifying number if one has been assigned:
2002-1829-AD
6. The capacity in which this individual is to be served:
Defendant(s)

THE SUBMISSION OF FALSE INFORMATION TO OBTAIN AND USE CHANGE OF ADDRESS INFORMATION OR BOXHOLDER INFORMATION FOR ANY PURPOSE OTHER THAN THE SERVICE OF LEGAL PROCESS IN CONNECTION WITH ACTUAL OR PROSPECTIVE LITIGATION COULD RESULT IN CRIMINAL PENALTIES INCLUDING A FINE OF UP TO \$10,000.00 OR IMPRISONMENT OR (2) TO AVOID PAYMENT OF THE FEE FOR CHANGE OF ADDRESS INFORMATION OF NOT MORE THAN 5 YEARS, OR BOTH (TITLE 18 U.S.C. SECTION 1001).

I CERTIFY THAT THE ABOVE INFORMATION IS TRUE AND THAT THE ADDRESS INFORMATION IS NEEDED AND WILL BE USED SOLELY FOR SERVICE OF LEGAL PROCESS IN CONNECTION WITH ACTUAL OR PROSPECTIVE LITIGATION.



LARRY DEL VECCHIO
For McCabe, Weisberg & Conway, P.C.

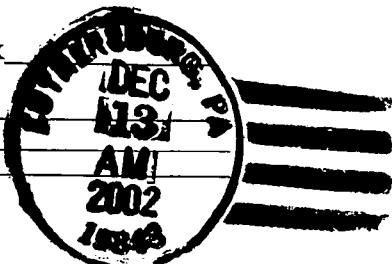
P.O. Box 3221
Warminster, PA. 18974

FOR THE POST OFFICE USE ONLY
NO CHANGE OF ADDRESS ORDER ON FILE

NEW ADDRESS OR BOXHOLDER'S NAME AND PHYSICAL STREET ADDRESS:

PO. Box 293
Reynoldsburg PA 15851

POST MARK



LARRY DEL VECCHIO
PROCESS SERVER FOR
MCCABE, WEISBERG & CONWAY, P.C.

P.O. BOX 3221
WARMINSTER, PA. 18974

(215) 442-5668
FAX (215) 442-9727

December 10, 2002

Postmaster
Reynoldsville, PA 15851

REQUEST FOR CHANGE OF ADDRESS OR BOXHOLDER INFORMATION NEEDED FOR SERVICE OF LEGAL PROCESS

Please furnish the new address or the name and street address (if a boxholder) for the following:

Name: Paul C. Blough
Address: PO Box 293
Reynoldsville, PA 15851

The following information is provided in accordance with 39 CFR 265.6(d) (4) (ii). There is no fee for providing boxholder information. The fee providing change of address information is waived in accordance with 39 CFR 265.6 (d) (1) and (2) and corresponding Administrative Support Manual 352.44a and b.

1. Capacity of requester: Process Server
2. Statute or regulation that empowers me to serve process (not required when requester is an attorney or a party acting Pro Se- except a corporation acting Pro Se must cite statute: Process Server for McCabe, Weisberg & Conway, P.C.)
3. The names of all known parties to this litigation:
Mortgage Electronic Reg. Sys. v. Paul C. Blough
4. The court in which the case has been or will be heard:
Clearfield County, PA, Court of Common Pleas
5. The docket or other identifying number if one has been assigned:
2002-1829-AD
6. The capacity in which this individual is to be served:
Defendant(s)

THE SUBMISSION OF FALSE INFORMATION TO OBTAIN AND USE CHANGE OF ADDRESS INFORMATION OR BOXHOLDER INFORMATION FOR ANY PURPOSE OTHER THAN THE SERVICE OF LEGAL PROCESS IN CONNECTION WITH ACTUAL OR PROSPECTIVE LITIGATION COULD RESULT IN CRIMINAL PENALTIES INCLUDING A FINE OF UP TO \$10,000.00 OR IMPRISONMENT OR (2) TO AVOID PAYMENT OF THE FEE FOR CHANGE OF ADDRESS INFORMATION OF NOT MORE THAN 5 YEARS, OR BOTH (TITLE 18 U.S.C. SECTION 1001).

I CERTIFY THAT THE ABOVE INFORMATION IS TRUE AND THAT THE ADDRESS INFORMATION IS NEEDED AND WILL BE USED SOLELY FOR SERVICE OF LEGAL PROCESS IN CONNECTION WITH ACTUAL OR PROSPECTIVE LITIGATION.


LARRY DEL VECCHIO
For McCabe, Weisberg & Conway, P.C.

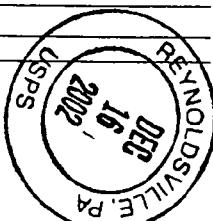
P.O. Box 3221
Warminster, PA. 18974

FOR THE POST OFFICE USE ONLY
NO CHANGE OF ADDRESS ORDER ON FILE

POST MARK _____

NEW ADDRESS OR BOXHOLDER'S NAME AND PHYSICAL STREET ADDRESS:

162 Box 329
Dubois Pa 15801



In The Court of Common Pleas of Clearfield County, Pennsylvania

Sheriff Docket # 13340

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC

02-1829-CD

VS.

BLOUGH, PAUL C. & KELLEY N.

COPY

COMPLAINT IN MORTGAGE FORECLOSURE

SHERIFF RETURNS

**NOW MARCH 10, 2003 AFTER DILIGENT SEARCH IN MY BAILIWICK I RETURN
THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE "NOT FOUND" AS TO
PAUL C. BLOUGH, DEFENDANT. ACCORDING TO POST OFFICE NO SUCH ADDRESS.**

Return Costs

Cost Description

17.35 SHFF. HAWKINS PAID BY; ATTY.

10.00 SURCHARGE PAID BY; ATTY.

Sworn to Before Me This

So Answers,

____ Day Of _____ 2003

Chester Hawkins

**Chester A. Hawkins
Sheriff**

EXHIBIT "C"

FILED

2cc

ATTY

McCabe

11:15 AM
MAY 08 2003
FCT

William A. Shaw
Prothonotary

"S" 1/10/03

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Attorney for Plaintiff

| | | |
|----------------------------------|---|-----------------------|
| MORTGAGE ELECTRONIC REGISTRATION | : | CLEARFIELD COUNTY |
| SYSTEMS, INC. | : | COURT OF COMMON PLEAS |
| v. | : | |
| PAUL C. BLOUGH | : | |
| and | : | |
| KELLEY N. BLOUGH | : | NUMBER 2002-1829-CD |

PRAECIPE TO REINSTATE COMPLAINT

TO THE PROTHONOTARY:

Kindly reinstate the Complaint in Mortgage Foreclosure in
the above-captioned matter.

Terrence J. McCabe
TERRENCE J. McCABE, ESQUIRE
Attorney for Plaintiff

RECEIVED
MAY 2 2003
CLERK'S OFFICE

MAY 2 2003

WILLIAM A. SHAW
PROTHONOTARY

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Mortgage Electronic Registration Systems, Inc.
636 Grand Regency Boulevard
Brandon, FL 33509

v.

Paul C. Blough
163-A Helviatia Road
Luthersburg, PA 15848
and
Kelley N. Blough
163-A Helviatia Road
Luthersburg, PA 15848

Attorney for Plaintiff

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

Clearfield County
Court of Common Pleas

NOV 21 2002

Attest.

William L. Chen
Prothonotary/
Clerk of Courts

Number 2002-1829-CN

CIVIL ACTION/MORTGAGE FORECLOSURE

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 you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

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

Dave Meholic
Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA, 16830
814-765-2641 x 5982

AVISO

Le han demandado a usted en la corte. Si usted quiere defenderse de estas demandas ex-puestas en las paginas siguientes, usted tiene veinte (20) dias de plazo al partir de la fecha de la demanda y la notificacion. Hace falta asentar una comparencia escrita o en persona o con un abogado y entregar a la corte en forma escrita sus defensas o sus objeciones a las demandas en contra de su persona. Sea avisado que si usted no se defiende, la corte tomara medidas y puede continuar la demanda en contra suya sin previo aviso o notificacion. Ademas, la corte puede decidir a favor del demandante y requiere que usted cumpla con todas las provisiones de esta demanda. Usted puede perder dinero o sus propiedades u otros derechos importantes para usted.

LLEVE ESTA DEMANDA A UN ABOGADO INMEDIATAMENTE. SI NO TIENE ABOGADO O SI NO TIENE EL DINERO SUFFICIENTE DE PAGAR TAL SERVICIO, VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA CUYA DIRECCION SE ENCUENTRA ESCRITA ABAJO PARA AVERIGUAR DONDE SE PUEDE CONSEGUIR ASISTENCIA LEGAL.

Dave Meholic
Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA, 16830
814-765-2641 x 5982

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Attorney for Plaintiff

Mortgage Electronic Registration Systems, Inc.
636 Grand Regency Boulevard
Brandon, FL 33509

Clearfield County
Court of Common Pleas

v.

Paul C. Blough
163-A Helviatia Road
Luthersburg, PA 15848
and
Kelley N. Blough
163-A Helviatia Road
Luthersburg, PA 15848

Number

CIVIL ACTION/MORTGAGE FORECLOSURE

1. Plaintiff is Mortgage Electronic Registration Systems, Inc., a corporation duly organized and doing business at the above captioned address.

2. The Defendant is Paul C. Blough, who is one of the mortgagors and real owners of the mortgaged property hereinafter described, and his last-known address is 163-A Helviatia Road, Luthersburg, PA 15848.

3. The Defendant is Kelley N. Blough, who is one of the mortgagors and real owners of the mortgaged property hereinafter described, and her last-known address is 163-A Helviatia Road, Luthersburg, PA 15848.

4. On 12/11/2000, mortgagor made, executed and delivered a mortgage upon the premises hereinafter described to CitiMortgage, Inc. d/b/a Citicorp Mortgage which mortgage is recorded in the Office of the Recorder of Clearfield County in Mortgage Book Instrument #200019009.

5. On 4/23/2001, the aforesaid mortgage was thereafter assigned by CitiMortgage, Inc. d/b/a Citicorp Mortgage to Mortgage Electronic Registration Systems, Inc., Plaintiff herein, by Assignment of

Mortgage recorded in the Office of the Recorder of Clearfield County in Assignment of Mortgage Book
Instrument #20015599.

6. The premises subject to said mortgage is described in the mortgage attached as Exhibit "A"
and is known Box 163-A Helviatia Rd., Luthersburg, PA 15848.

7. The mortgage is in default because monthly payments of principal and interest upon said
mortgage due 10/11/2001 and each month thereafter are due and unpaid, and by the terms of said mortgage,
upon default in such payments for a period of one month, the entire principal balance and all interest due
thereon are collectible forthwith.

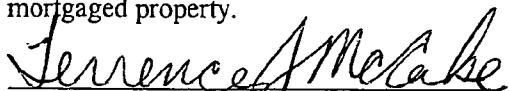
8. The following amounts are due on the mortgage:

| | |
|--|------------------|
| Principal Balance | \$ 53,910.98 |
| Interest 09/11/2001 through 11/19/2002 | \$ 8,012.70 |
| (Plus \$ 18.42 per diem thereafter) | |
| Attorney's Fee | \$ 2,695.54 |
| Cost of Suit | \$ 225.00 |
| Appraisal Fee | \$ 125.00 |
| Title Search | <u>\$ 200.00</u> |
| GRAND TOTAL | \$ 65,169.22 |

9. The attorney's fees set forth above are in conformity with the mortgage documents and
Pennsylvania Law and will be collected in the event of a third party purchaser at Sheriff's Sale. If the
mortgage is reinstated prior to the Sale, reasonable attorney's fees will be charged based on work actually
performed.

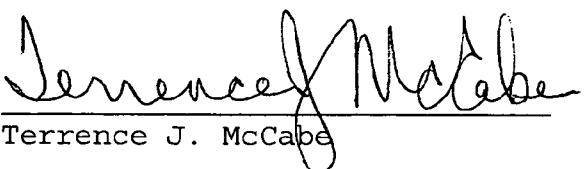
10. Notice of Intention to Foreclose as required by Act 6 of 1974 (41 P.S. §403) and notice
required by the Emergency Mortgage Assistance Act of 1983 as amended under 12.PA Code Chapter 13,
et seq., commonly known as the Combined Notice of Delinquency has been sent to Defendants by regular
and certified mail.

WHEREFORE, Plaintiff demands Judgment against the Defendants in the sum of \$65,169.22,
together with interest at the rate of \$18.42 per diem and other costs and charges collectible under the
mortgage and for the foreclosure and sale of the mortgaged property.


TERRENCE J. McCABE, ESQUIRE
Attorney for Plaintiff

VERIFICATION

The undersigned, Terrence J. McCabe, Esquire, hereby certifies that he is the Attorney for the Plaintiff in the within action, and that he is authorized to make this verification and that the foregoing facts are true and correct to the best of his knowledge, information and belief and further states that false statements herein are made subject to the penalties of 18 P.A.C.S. §4904 relating to unsworn falsification to authorities.


Terrence J. McCabe

Prepared by:
NANCY SCHOEN

Return to:
CitiMortgage, Inc. dba Citicorp Mortgage
27555 Farmington Road
Farmington Hills, MI 48334

Attention:

TRUE AND CERTIFIED COPY

Prepared By:

NANCY SCHOEN
1351 State Route 55, LaGrangeville,
NY 12540

Return To:
CitiMortgage, Inc. dba Citicorp
Mortgage
27555 Farmington Road
Farmington Hills, MI 48334

Parcel Number:

— [Space Above This Line For Recording Data] —

MORTGAGE

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated **December 11, 2000** together with all Riders to this document.

(B) "Borrower" is **PAUL C BLOUGH & KELLEY N. BLOUGH**

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is **CitiMortgage, Inc. dba Citicorp Mortgage**

Lender is a privately held corporation

80070480-7

PENNSYLVANIA - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Form 3039 1/01

VMP-6(PA)10009

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Initials: PCB

VMP MORTGAGE FORMS - (800)521-7291 KWZ

01933

Exhibit "A"

organized and existing under the laws of Delaware
Lender's address is 1351 State Rt. 55, LaGrangeville, NY 12540

Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated December 11, 2000
The Note states that Borrower owes Lender fifty-four thousand and 00/100

Dollars

(U.S. \$ 54,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than December 11, 2030

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

| | | |
|--|---|---|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> VA Rider | <input type="checkbox"/> Biweekly Payment Rider | <input type="checkbox"/> Other(s) [specify] |

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(K) "Escrow Items" means those items that are described in Section 3.

(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

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KNB

(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the [Type of Recording Jurisdiction] of [Name of Recording Jurisdiction]:

See Attached Legal Description.

which currently has the address of **BOX 163-A HELVIATIA RD**

LUTHERSBURG
("Property Address":)

[City], Pennsylvania 15848

[Street]
[Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be

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KNB

paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest

shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Property 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 any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

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, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

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Initials: PCB

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Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be

dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, 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. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to

have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or

agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

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

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). Lender shall notify Borrower of, among other things: (a) the default; (b) the action required to cure the default; (c) when the default must be cured; and (d) that failure to cure the default as specified may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. Lender 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 default is not cured as specified, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, attorneys' fees and costs of title evidence to the extent permitted by Applicable Law.

23. Release. Upon payment of all sums secured by this Security Instrument, this Security Instrument and the estate conveyed shall terminate and become void. After such occurrence, Lender shall discharge and satisfy this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

24. Waivers. Borrower, to the extent permitted by Applicable Law, waives and releases any error or defects in proceedings to enforce this Security Instrument, and hereby waives the benefit of any present or future laws providing for stay of execution, extension of time, exemption from attachment, levy and sale, and homestead exemption.

25. Reinstatement Period. Borrower's time to reinstate provided in Section 19 shall extend to one hour prior to the commencement of bidding at a sheriff's sale or other sale pursuant to this Security Instrument.

26. Purchase Money Mortgage. If any of the debt secured by this Security Instrument is lent to Borrower to acquire title to the Property, this Security Instrument shall be a purchase money mortgage.

27. Interest Rate After Judgment. Borrower agrees that the interest rate payable after a judgment is entered on the Note or in an action of mortgage foreclosure shall be the rate payable from time to time under the Note.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

Paul C Blough _____ (Seal)
PAUL C BLOUGH -Borrower

Kelley N. Blough _____ (Seal)
KELLEY N. BLOUGH -Borrower

_____ (Seal) _____ (Seal)
-Borrower -Borrower

_____ (Seal) _____ (Seal)
-Borrower -Borrower

_____ (Seal) _____ (Seal)
-Borrower -Borrower

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Certificate of Residence

I, do hereby certify that
the correct address of the within-named Mortgagee is 1351 State Rt. 55, LaGrangeville, NY
12540

Witness my hand this 11th day of December, 2000

Agent of Mortgagee

COMMONWEALTH OF PENNSYLVANIA,

County ss:

On this, the 11th day of December, 2000, before me, the
undersigned officer, personally appeared PAUL C BLOUGH & KELLEY N. BLOUGH

known to me (or
satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged that he/she/they executed the same for the purposes herein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.
My Commission Expires:

Notarial Seal
Tammy J. Slobodnick, Notary Public
Cambria Twp., Cambria County
My Commission Expires Nov. 1, 2004

Tammy J. Slobodnick
Notary Public
Title of Officer



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PCB
CWB

Form 3039 1/01

DESCRIPTION

ALL THAT CERTAIN lot or parcel of land situate, lying and being in Brady Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a stone in Northwest corner of land sold to James H. Wilson; thence by public road known as Pennsylvania Legislative Route 17010, and lands of Henry Schucker, North 1° East 210 feet to a point; thence South 88° 22' East 244.20; thence South 1° West, a distance of 210 feet to a stone; thence North 88° 22' West 244.20 feet to the place of beginning.

BEING Box 163-A Helviatia Road.

TAX PARCEL NUMBER: B06-000-00087

CONTROL NUMBER: 1070-33044

FILED

May pd. 7.00

1119 Box
MAY 21 2003

I Re-instated w/ cc Procuror
to SNS

William A. Shaw
Prothonotary



In The Court of Common Pleas of Clearfield County, Pennsylvania

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC

VS.

BLOUGH, PAUL C. & KELLEY N.

COMPLAINT IN MORTGAGE FORECLOSURE

Sheriff Docket # 13340

02-1829-CD

SHERIFF RETURNS

NOW JUNE 5, 2003 AT 11:26 AM POSTED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON THE PROPERTY OF PAUL C. BLOUGH, DEFENDANT AT 163-A HELVETIA ROAD, LUTHERSBURG, CLEARFIELD COUNTY, PENNSYLVANIA.

Return Costs

| Cost | Description |
|-------|---|
| 21.24 | SHERIFF HAWKINS PAID BY: ATTY CK# 29911 |
| 10.00 | SURCHARGE PAID BY: ATTY CK# 29913 |

Sworn to Before Me This

9th Day Of June 2003
6-10-2003
WILLIAM A. SHAW
Prothonotary
My Commission Expires
1st Monday in Jan. 2006
Clearfield Co., Clearfield, PA

So Answers,

Chester Hawkins
by Maelyn Farms
Chester A. Hawkins
Sheriff

FILED

019:10-CH
JUN 09 2003

EAD

William A. Shaw
Prothonotary

FILED

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Attorney for Plaintiff

JUN 30 2003

William A. Shaw
Prothonotary

| | | |
|--|---|--|
| MORTGAGE ELECTRONIC REGISTRATION: SYSTEMS, INC. | : | CLEARFIELD COUNTY COURT OF COMMON PLEAS |
| v. | : | |
| PAUL C. BLOUGH | : | |
| and | : | |
| KELLEY N. BLOUGH | : | NUMBER 2002-1829-CD |

AFFIDAVIT OF SERVICE

COMMONWEALTH OF PENNSYLVANIA:
SS.
COUNTY OF CLEARFIELD :

Terrence J. McCabe, Esquire, being duly sworn according to law, deposes and says that the following is true and correct to the best of his knowledge and belief:

1. That he is counsel for the above-named Plaintiff;

2. That on May 27, 2003, per the attached Court Order, Plaintiff served a true and correct copy of the Complaint in Mortgage Foreclosure upon the Defendant, Paul C. Blough, by regular mail, certificate of mailing and certified mail, return receipt requested, addressed to his last-known address of 163-A Helviatia Road, Luthersburg, PA 15848. True and correct copies of the letter, certificate of mailing and certified receipt are attached hereto, made a part hereof, and marked as Exhibit "A."

3. That on June 5, 2003, in accordance with the attached Court Order, Plaintiff served a true and correct copy of the

Complaint in Mortgage Foreclosure upon the Defendant, Paul C. Blough, by posting the same at the mortgage premises of 163-A Helviatia Road, Luthersburg, PA 15848. A true and correct copy of the Affidavit of Service indicating the same is attached hereto, made a part hereof, and marked Exhibit "B."

T. J. McCabe
TERRENCE J. McCABE, ESQUIRE

SWORN TO AND SUBSCRIBED
BEFORE ME THIS 16th DAY
OF June, 2003.

Michele A. Holack
NOTARY PUBLIC

NOTARIAL SEAL
MICHELE A. HOLACK, Notary Public
City of Philadelphia, Phila. County
Commission Expires March 28, 2005

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Attorney for Plaintiff

| | |
|---|--|
| MORTGAGE ELECTRONIC REGISTRATION : SYSTEMS, INC. : | CLEARFIELD COUNTY COURT OF COMMON PLEAS |
| v. : | |
| PAUL C. BLOUGH : | |
| and : | |
| KELLEY N. BLOUGH : | NUMBER 2002-1829-CD |

O R D E R

AND NOW, this 12th day of May, 2003,
the Plaintiff is granted leave to serve the Complaint in Mortgage
Foreclosure and all other subsequent pleadings that require
personal service and the Notice of Sheriff's Sale upon the
Defendant, Paul C. Blough, by regular mail and by certified mail,
return receipt requested, and by posting at the Defendant's last-
known address and the mortgaged premises known in this herein
action as 163-A Helviatia Road, Luthersburg, PA 15848.

BY THE COURT:

/s/ JOHN K. REILLY, JR.

J.

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

MAY 13 2003

Attest.

William L. Gray
Prothonotary/
Clerk of Courts

TERRENCE J. McCABE***
MARC S. WEISBERG**
EDWARD D. CONWAY
MARGARET GAIRO
RITA C. BUSCHER*†
MATTHEW B. WEISBERG*
FRANK DUBIN
MONICA G. CHRISTIE +†
BRENDA L. BROGDON*
BETH L. THOMAS
SEAN GARRETT*+
JULIE M. FIORELLO^
SVEN E. PFAHLERT*

* Licensed in PA & NJ
** Licensed in PA & NY
†+ Licensed in PA & NM
*** Licensed in PA, NJ & NY
† Licensed in NY & CT
^ Licensed in NY
‡ Managing Attorney for NJ
+ Managing Attorney for NY

LAW OFFICES
McCABE, WEISBERG & CONWAY, P.C.

SUITE 2080
123 SOUTH BROAD STREET
PHILADELPHIA, PA 19109
(215) 790-1010
FAX (215) 790-1274

SUITE 600
216 HADDON AVENUE
WESTMONT, NJ 08108
(856) 858-7080
FAX (856) 858-7020

SUITE 205
53 WEST 36TH STREET
NEW YORK, NY 10018
(917) 351-1188
FAX (917) 351-0363

Of Counsel:
M. SUSAN SHEPPARD*

May 27, 2003

Paul C. Blough
163-A Helvatiia Road
Luthersburg, PA 15848

Re: Mortgage Electronic Registration Systems, Inc. v. Paul C. Blough and Kelley N.
Blough
Clearfield County; Court of Common Pleas; Number 2002-1829-CD

Dear Mr. Blough:

Enclosed please find a true and correct copy of Complaint in Mortgage Foreclosure, the
original of which has been filed against you in regard to the above-captioned matter.

Very truly yours,

TERRENCE J. McCABE

TJM/mh
Enclosures

**SENT VIA REGULAR MAIL AND
CERTIFIED MAIL NUMBER 7002 0860 0002 4490 3649
RETURN RECEIPT REQUESTED**

EXHIBIT "A"

In The Court of Common Pleas of Clearfield County, Pennsylvania

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC

Sheriff Docket # 13340

VS.

02-1829-CD

BLOUGH, PAUL C. & KELLEY N.

COMPLAINT IN MORTGAGE FORECLOSURE

COPY

SHERIFF RETURNS

NOW JUNE 5, 2003 AT 11:26 AM POSTED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON THE PROPERTY OF PAUL C. BLOUGH, DEFENDANT AT 163-A HELVETIA ROAD, LUTHERSBURG, CLEARFIELD COUNTY, PENNSYLVANIA.

Return Costs

| Cost | Description |
|-------|---|
| 21.24 | SHERIFF HAWKINS PAID BY: ATTY CK# 29911 |
| 10.00 | SURCHARGE PAID BY: ATTY CK# 29913 |

Sworn to Before Me This

So Answers,

____ Day Of _____ 2003



Chester A. Hawkins
Sheriff

EXHIBIT "B"

FILED

3/11/08
JUN 30 2008

2cc
E Atty
J

William A. Shaw
Prothonotary

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Attorney for Plaintiff

FILED

JUL 21 2003

William A. Shaw
Prothonotary

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. : CLEARFIELD COUNTY
: COURT OF COMMON PLEAS
V. :
PAUL C. BLOUGH :
KELLEY N. BLOUGH : NUMBER 2002-1829-CD
: :

ASSESSMENT OF DAMAGES AND ENTRY OF JUDGMENT

TO THE PROTHONOTARY:

Kindly enter judgment by default in favor of Plaintiff and against Defendants in the above-captioned matter for failure to answer Complaint as required by Pennsylvania Rules of Civil Procedure and assess damages as follows:

| | |
|----------------------------------|--------------------|
| Principal | \$65,169.22 |
| Interest from 11/20/02 - 7/16/03 | <u>\$ 4,402.38</u> |
| TOTAL | \$69,571.60 |

Terrence J. McCabe
TERRENCE J. McCABE, ESQUIRE
Attorney for Plaintiff

AND NOW, this 21st day of *July*, 2003,
Judgment is entered in favor of Plaintiff, Mortgage Electronic Registration Systems, Inc. and against Defendants, Paul C. Blough and Kelley N. Blough and damages are assessed in the amount of \$69,571.60, plus interest and costs.

BY THE PROTHONOTARY:

William A. Shaw

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Attorney for Plaintiff

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. : CLEARFIELD COUNTY
: COURT OF COMMON PLEAS
V. :
PAUL C. BLOUGH :
KELLEY N. BLOUGH : NUMBER 2002-1829-CD
:

AFFIDAVIT OF NON-MILITARY SERVICE

COMMONWEALTH OF PENNSYLVANIA:
SS.
COUNTY OF CLEARFIELD :

The undersigned, being duly sworn according to law, deposes and says that the Defendants are not in the Military or Naval Service of the United States or its Allies, or otherwise within the provisions of the Soldiers' and Sailors' Civil Relief Act of Congress of 1940 as amended; and that the Defendants, Paul C. Blough and Kelley N. Blough, are over eighteen (18) years of age and resides at 163-A Helviatia Road, Luthersburg, PA 15848.

SWORN TO AND SUBSCRIBED

BEFORE ME THIS 16th DAY
OF July , 2003.

Terrence J. McCabe
TERRENCE J. McCABE, ESQUIRE
Attorney for Plaintiff

Gloria D. Mitchell
Notary Public



McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Attorney for Plaintiff

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. : CLEARFIELD COUNTY
: COURT OF COMMON PLEAS
V. :
PAUL C. BLOUGH :
KELLEY N. BLOUGH : NUMBER 2002-1829-CD
: :

CERTIFICATION

Terrence J. McCabe, attorney for Plaintiff, being duly sworn according to law, deposes and says that he deposited in the United States Mail a letter notifying the Defendant that judgment would be entered against them within ten (10) days from the date of said letter in accordance with Rule 237.5 of the Pennsylvania Rules of Civil Procedure. A copy of said letter is attached hereto and marked as Exhibit "A".

SWORN TO AND SUBSCRIBED
BEFORE ME THIS 16th DAY
OF July , 2003.

Terrence J. McCabe
TERRENCE J. McCABE, ESQUIRE
Attorney for Plaintiff

Gloria D. Mitchell
NOTARY PUBLIC

NOTARIAL SEAL.
GLORIA D. MITCHELL, Notary Public
City of Philadelphia, Phila. County
My Commission Expires June 2, 2007

VERIFICATION

The undersigned, TERRENCE J. McCABE, ESQUIRE, hereby certifies that he is the attorney for the Plaintiff in the within action and that he is authorized to make this verification and that the foregoing facts are true and correct to the best of his knowledge, information and belief and further states that false statements herein are made subject to the penalties of 18 P.A.C.S. Section 4909 relating to unsworn falsification to authorities.

Terrence J. McCabe
TERRENCE J. McCABE, ESQUIRE

OFFICE OF THE PROTHONOTARY
COURT OF COMMON PLEAS
Clearfield County Courthouse, Clearfield, PA 16830

William A. Shaw
Prothonotary

June 30, 2003

To: Paul C. Blough
163-A Helvia Road
Luthersburg, PA 15848

Mortgage Electronic Registration Systems,
Inc.

vs.

Paul C. Blough
and
Kelley N. Blough

Clearfield County
Court of Common Pleas

Number 2002-1829-CD

**NOTICE, RULE 237.5
NOTICE OF PRAECIPE TO ENTER JUDGMENT BY DEFAULT**

IMPORTANT NOTICE

You are in default because you have failed to enter a written appearance personally or by attorney and file in writing with the Court your defenses or objections to the claims set forth against you. Unless you act within ten (10) days from the date of this notice, a judgment may be entered against you without a hearing and you may lose your property or other important rights. You should take this notice to a lawyer at once. If you do not have a lawyer or cannot afford one, go to or telephone the following office to find out where you can get legal help

NOTIFICACION IMPORTANTE

Usted se encuentra en estado de rebeldia por no haber presentado una comparecencia escrita, ya sea personalmente o por abogado y por no haber radicado por escrito con este Tribunal sus defensas u objeciones a los reclamos formulados en contra suyo. Al no tomar la accion debida dentro de diez (10) dias de la fecha de esta notificacion, el Tribunal podra, sin necesidad de comparecer usted en corte u oir preuba alguna, dictar sentencia en su contra y usted podria perder bienes u otros derechos importantes. Debe llevar esta notificacion a un abogado inmediatamente. Si usted no tiene abogado, o si no tiene dinero suficiente para tal servicio, vaya en persona o llame por telefono a la oficina, nombrada para averiguar si puede conseguir asistencia legal.

Dave Meholick
Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA, 16830
814-765-2641 x 5982

Dave Meholick
Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA, 16830
814-765-2641 x 5982

If you have any questions concerning this notice, please call:

Terrence J. McCabe, Esquire
McCABE, WEISBERG AND CONWAY, P.C.
123 South Broad Street, Suite 2080
Philadelphia, Pennsylvania 19109
at this telephone number: (215) 790-1010

TJM/cc

EXHIBIT "A"

OFFICE OF THE PROTHONOTARY
COURT OF COMMON PLEAS
Clearfield County Courthouse, Clearfield, PA 16830

William A. Shaw
Prothonotary

June 30, 2003

To: Kelley N. Blough
163-A Helviatia Road
Luthersburg, PA 15848

Mortgage Electronic Registration Systems,
Inc.

vs.

Paul C. Blough
and
Kelley N. Blough

Clearfield County
Court of Common Pleas

Number 2002-1829-CD

**NOTICE, RULE 237.5
NOTICE OF PRAECIPE TO ENTER JUDGMENT BY DEFAULT**

IMPORTANT NOTICE

You are in default because you have failed to enter a written appearance personally or by attorney and file in writing with the Court your defenses or objections to the claims set forth against you. Unless you act within ten (10) days from the date of this notice, a judgment may be entered against you without a hearing and you may lose your property or other important rights. You should take this notice to a lawyer at once. If you do not have a lawyer or cannot afford one, go to or telephone the following office to find out where you can get legal help

NOTIFICACION IMPORTANTE

Usted se encuentra en estado de rebeldia por no haber presentado una comparecencia escrita, ya sea personalmente o por abogado y por no haber radicado por escrito con este Tribunal sus defensas u objeciones a los reclamos formulados en contra suyo. Al no tomar la accion debida dentro de diez (10) dias de la fecha de esta notificacion, el Tribunal podra, sin necesidad de comparecer usted en corte u oir preuba alguna, dictar sentencia en su contra y usted podria perder bienes u otros derechos importantes. Debe llevar esta notificacion a un abogado inmediatamente. Si usted no tiene abogado, o si no tiene dinero suficiente para tal servicio, vaya en persona o llame por telefono a la oficina, nombrada para averiguar si puede conseguir asistencia legal.

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814-765-2641 x 5982

Dave Meholick
Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA, 16830
814-765-2641 x 5982

If you have any questions concerning this notice, please call:
Terrence J. McCabe, Esquire
McCABE, WEISBERG AND CONWAY, P.C.
123 South Broad Street, Suite 2080
Philadelphia, Pennsylvania 19109
at this telephone number: (215) 790-1010

TJM/cc

FILED

ICCA Notice to each Def.

111133788
JUL 21 2003

Atty pd. 20.00

William A. Shaw
Prothonotary

WAS

WAS

OFFICE OF THE PROTHONOTARY
COURT OF COMMON PLEAS
Clearfield County Courthouse, Clearfield, PA 16830

William A. Shaw
Prothonotary

To: Paul C. Blough
163-A Helviatia Road
Luthersburg, PA 15848

| | | |
|--|---|---|
| MORTGAGE ELECTRONIC REGISTRATION SYSTEMS. INC. | : | CLEARFIELD COUNTY COURT OF COMMON PLEAS |
| v. | : | |
| PAUL C. BLOUGH | : | |
| KELLEY N. BLOUGH | : | NUMBER 2002-1829-CD |
| | : | |

NOTICE

Pursuant to Rule 236, you are hereby notified that a JUDGMENT has been entered in the above proceeding as indicated below.

William A. Shaw
Prothonotary

- Judgment by Default
- Money Judgment
- Judgment in Replevin
- Judgment for Possession

If you have any questions concerning this Judgment, please call Terrence J. McCabe, Esquire at (215) 790-1010.

OFFICE OF THE PROTHONOTARY
COURT OF COMMON PLEAS
Clearfield County Courthouse, Clearfield, PA 16830

William A. Shaw
Prothonotary

To: Kelley N. Blough
163-A Helviatia Road
Luthersburg, PA 15848

| | | |
|----------------------------------|---|-----------------------|
| MCRTGAGE ELECTRONIC REGISTRATION | : | CLEARFIELD COUNTY |
| SYSTEMS, INC. | : | COURT OF COMMON PLEAS |
| v. | : | |
| FAUL C. BLOUGH | : | |
| KELLEY N. BLOUGH | : | NUMBER 2002-1829-CD |
| | : | |

NOTICE

Pursuant to Rule 236, you are hereby notified that a JUDGMENT has been entered in the above proceeding as indicated below.

William A. Shaw
Prothonotary

X Judgment by Default
 Money Judgment
 Judgment in Replevin
 Judgment for Possession

If you have any questions concerning this Judgment, please call Terrence J. McCabe, Esquire at (215) 790-1010.

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

Mortgage Electronic Registration System, Inc.
Plaintiff(s)

No.: 2002-01829-CD

Real Debt: \$69,571.60

Atty's Comm: \$

Vs.

Costs: \$

Int. From: \$

Paul C. Blough
Kelley N. Blough
Defendant(s)

Entry: \$20.00

Instrument: Default Judgment

Date of Entry: July 21, 2003

Expires: July 21, 2008

Certified from the record this 21st day of July, 2003.

William A. Shaw, Prothonotary

SIGN BELOW FOR SATISFACTION

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

Plaintiff/Attorney

Praeclipe for Writ of Execution - Money Judgments.

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS,
INC.

v.
PAUL C. BLOUGH
KELLEY N. BLOUGH

IN THE COURT OF COMMON PLEAS
OF CLEARFIELD COUNTY, PENNSYLVANIA

NO. 2002-1829-CD

Term, 19

PRAECLYPE FOR WRIT OF EXECUTION

FILED

To the Prothonotary:

JUL 21 2003

Issue writ of execution in the above matter,

William A. Shaw
Prothonotary

(1). directed to the Sheriff of Clearfield Count

(2). against the following property 163-A HELVIATIA ROAD, LUTHERSBURG, PA 15848
(FULL LEGAL ATTACHED)

(3). against the following property in the hands of (name) N/A of defendant(s) and
garnishee

(4). and index this writ

(a) against Paul C. Blough and Kelley N. Blough

(b) against N/A defendant(s) and
as garnishee

as a lis pendens against real property of the defendant(s) in name of garnishee as follows:
163-A Helviatia Road, Luthersburg, PA 15848

(FULL LEGAL ATTACHED)

(Specifically describe property)

(If space insufficient, attach extra sheets)

(5). Amount due

Interest from

Costs (to be added)

Terrence J. McCabe
Prothonotary costs \$69,571.60
139.00
\$ _____
\$ _____

Terrence J. McCabe

Attorney for Plaintiff(s)

Terrence J. McCabe, Esq.
123 S. Broad St., Suite 2080
Philadelphia, PA 19109

Proth'y. No. 63

No. 2002-1829-Cd Term, 19
IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA

Mortgage Electronic Registration
Systems, Inc.

Paul C. Blough vs.
Kelley N. Blough

WRIT OF EXECUTION
(Money Judgments)

| | |
|------------------|-----------|
| EXECUTION DEBT | 69,571.60 |
| Interest from | |
| Prothonotary | - - - |
| Use Attorney | - - |
| Use Plaintiff | - - |
| Attorney's Comm. | - |

134.00

134.00

1/3.46 & ~~1/2~~ 1/2 C.C. & C.R. on 1/2 prop. descr.
JUL 2 1 1983 to Shgf ~~8/25~~

William A. Shaw, Pracice for Writ of Execution
Philadelphia

Terrence J. McCabe, Esquire
Attorney I.D. No. 16495
123 S. Broad St., Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Terrence J. McCabe
Attorney for Plaintiff(s)

**WRIT OF EXECUTION and/or ATTACHMENT
COMMONWEALTH OF PENNSYLVANIA, COUNTY OF CLEARFIELD
CIVIL ACTION – LAW**

Mortgage Electronic Registration System, Inc.

Vs.

NO.: 2002-01829-CD

Paul C. Blough and Kelley N. Blough

TO THE SHERIFF OF CLEARFIELD COUNTY:

To satisfy the debt, interest and costs due MORTGAGE ELECTRONIC REGISTRATION SYSTEM, INC., Plaintiff(s) from PAUL C. BLOUGH and KELLEY N. BLOUGH, Defendant(s):

(1) You are directed to levy upon the property of the defendant(s) and to sell interest(s) therein:
See Attached

(2) You are also directed to attach the property of the defendant(s) not levied upon in the possession of:

Garnishee(s) as follows:

and to notify the garnishee(s) that: (a) an attachment has been issued; (b) the garnishee(s) is/are enjoined from paying any debt to or for the account of the defendant(s) and from delivering any property of the defendant(s) or otherwise disposing thereof;

(3) If property of the defendant(s) not levied upon and subject to attachment is found in the possession of anyone other than a named garnishee, you are directed to notify him/her that he/she has been added as a garnishee and is enjoined as above stated.

AMOUNT DUE: \$69,571.60

PAID: \$139.00

INTEREST: \$

SHERIFF: \$

PROTH. COSTS: \$

OTHER COSTS: \$

ATTY'S COMM: \$

DATE: 07/21/2003

Received this writ this _____ day
of _____ A.D.
At _____ A.M./P.M.

William A. Shaw
Prothonotary/Clerk Civil Division

Requesting Party: Terrence J. McCabe, Esq.
123 S. Broad St., Ste. 2080
Philadelphia, PA 19109

Sheriff

DESCRIPTION

ALL THAT CERTAIN lot or parcel of land situate, lying and being in Brady Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a stone in Northwest corner of land sold to James H. Wilson; thence by public road known as Pennsylvania Legislative Route 17010, and lands of Henry Schucker, North 1° East 210 feet to a point; thence South 88° 22' East 244.20; thence South 1° West, a distance of 210 feet to a stone; thence North 88° 22' West 244.20 feet to the place of beginning.

BEING Box 163-A Helviatia Road.

TAX PARCEL NUMBER: B06-000-00087

CONTROL NUMBER: 1070-33044

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Attorney for Plaintiff

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. : CLEARFIELD COUNTY COURT OF COMMON PLEAS
v. :
PAUL C. BLOUGH :
KELLEY N. BLOUGH : NUMBER 2002-1829-CD

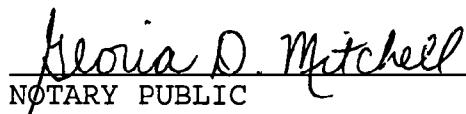
AFFIDAVIT OF SERVICE

I, Terrence J. McCabe, Esquire, attorney for the Plaintiff in the within matter, hereby certify that on the 26th DAY OF AUGUST, 2003, a true and correct copy of the Notice of Sheriff's Sale of Real Property was served on all pertinent lienholder(s) as set forth in the Affidavit Pursuant to 3129 which is attached hereto as Exhibit "A".

Copies of the letter and certificate of mailing are also attached hereto, made a part hereof and marked as Exhibit "B."


TERRENCE J. McCABE, ESQUIRE

SWORN TO AND SUBSCRIBED
BEFORE ME THIS 26th DAY
OF AUGUST, 2003.


NOTARY PUBLIC



FILED

SEP 04 2003

11:30 AM

William A. Shaw
Prothonotary/Clerk of Courts

I concur to Above

E
G

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Attorney for Plaintiff

MORTGAGE ELECTRONIC REGISTRATION : CLEARFIELD COUNTY
SYSTEMS, INC. : COURT OF COMMON PLEAS
v. :
PAUL C. BLOUGH :
KELLEY N. BLOUGH : NUMBER 2002-1829-CD

AFFIDAVIT PURSUANT TO RULE 3129

I, Terrence J. McCabe, Esquire, attorney for Plaintiff in the above action, set forth as of the date the Praeclipe for the Writ of Execution was filed the following information concerning the real property located at 163-A Helviatia Road, Luthersburg, PA 15848, a copy of the description of said property is attached hereto and marked Exhibit "A."

None

None

6. Name and address of every other person of whom the Plaintiff has knowledge who has any interest in the property which may be affected by the sale:

| Name | Address |
|---|---|
| Tenant (s) | 163-A Helviatia Road Luthersburg, PA 15848 |
| Domestic Relations | Clearfield County 230 E. Market Suite 300 Clearfield, PA 16830 |
| Commonwealth of Pennsylvania Department of Welfare | P.O. Box 2675 Harrisburg, PA 17105 |

I verify that the statements made in this Affidavit are true and correct to the best of my personal knowledge or information and belief. I understand that false statements herein are made subject to the penalties of 18 Pa.C.S. Section 4904 relating to unsworn falsification to authorities.

August 26, 2003

DATE


TERRENCE J. McCABE, ESQUIRE
Attorney for Plaintiff

EXHIBIT "A"

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Attorney for Plaintiff

| | | |
|----------------------------------|---|-----------------------|
| MORTGAGE ELECTRONIC REGISTRATION | : | CLEARFIELD COUNTY |
| SYSTEMS, INC. | : | COURT OF COMMON PLEAS |
| | : | |
| | : | |
| PAUL C. BLOUGH | : | |
| KELLEY N. BLOUGH | : | NUMBER 2002-1829-CD |

DATE: August 26, 2003

TO: ALL PARTIES IN INTEREST AND CLAIMANTS

NOTICE OF SHERIFF'S SALE
OF REAL PROPERTY

OWNERS: Paul C. Blough and Kelley N. Blough

PROPERTY: 163-A Helviatia Road, Luthersburg, PA 15848

IMPROVEMENTS: Residential Dwelling

The above-captioned property is scheduled to be sold at the Sheriff's Sale on OCTOBER 10, 2003 at 10:00 a.m. in the Sheriff's Office of the Clearfield County Courthouse, 1 North Second Street, Clearfield, Pennsylvania 16830. Our records indicate that you may hold a mortgage or judgments and liens on, and/or other interests in the property which will be extinguished by the sale. You may wish to attend the sale to protect your interests.

A schedule of distribution will be filed by the Sheriff on a date specified by the Sheriff not later than 30 days after sale. Distribution will be made in accordance with the schedule unless exceptions are filed thereto within 10 days after the filing of the schedule.

EXHIBIT "B"

| Name and Address of Sender | | Check type of mail or service: | | Affix Stamp Here (If issued as a certificate of mailing, or for addition of copies of this bill) | | | | | | | | | | |
|--|--------|---|--|---|-----|--------------------|-------------------------------|------------------|----------------------|-----------|-----------|-----------|-----------|-----------|
| HUFFMAN & UNION BUILDING CO., PC. 1214 BROAD STREET PHILADELPHIA, PA 19109 | | <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Delivery Confirmation <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured | | Recorded Delivery (International) Registered Return Receipt for Merchandise Signature Confirmation Postmark and Date of Receipt | | | | | | | | | | |
| Line | Phi. # | Article Number | Address | Postage | Fee | Handling Charge | Actual Value if Registered | Insured Value | Due Sender if COD | DC Fee | SC Fee | SH Fee | RD Fee | RR Fee |
| 1 | HFFC | V | Tenant(S) 163-A Helvia Road Luthersburg, PA 15848 | | | | | | | | | | | |
| 2 | | Blough, P | Domestic Relations Clearfield County 230 E Market Suite 300 Clearfield, PA 16830 | | | | | | | | | | | |
| 3 | | | Commonwealth of Pennsylvania Department of Welfare P.O. Box 2675 Harrisburg, PA 17105 | | | | | | | | | | | |
| 4 | | | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | | | |
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| 9 | | | | | | | | | | | | | | |
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| 12 | | | | | | | | | | | | | | |
| 13 | | | | | | | | | | | | | | |
| 14 | | | | | | | | | | | | | | |
| 15 | | | | | | | | | | | | | | |
| Total Number of Pieces Listed by Sender | | Total Number of Pieces Received at Post Office | Postmaster, Per (Name of receiving employee) | The full declaration of value is required on all domestic and international registered mail. The maximum indemnity payable for the reconstruction of nonnegotiable documents under Express Mail document reconstruction insurance is \$500 per piece payable subject to additional limitations for multiple pieces lost or damaged in a single catastrophic occurrence. The maximum indemnity payable on Express Mail merchandise insurance is \$500, but optional Express Mail Service merchandise insurance is available for up to \$5,000 to some, but not all countries. The maximum indemnity payable is \$25,000 for registered mail. See Domestic Mail Manual (R300, S913, and S921) for limitations of coverage on insured and COD mail. See International Mail Manual for limitations of coverage on international mail. Special handling charges apply only to Standard Mail (A) and Standard Mail (B) parcels. | | | | | | | | | | |

1292 U.S. POSTAGE PB 2232577
 7031 \$00.900 AUG 26 03
 4630 FROM ZIP CODE 19109
 Receipt

EXHIBIT "B"

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
First Union Building
123 South Broad Street, Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Attorney for Plaintiff

FILED

JAN 02 2004

William A. Shaw
Prothonotary/Clerk of Courts

Mortgage Electronic Registration
Systems, Inc.

Clearfield County
Court of Common Pleas

vs.

Paul C. Blough

and

Kelley N. Blough

Number 2002-1829-CD

AFFIDAVIT OF SERVICE

COMMONWEALTH OF PENNSYLVANIA:
SS.

COUNTY OF CLEARFIELD :

Terrence J. McCabe, Esquire, being duly sworn according to law, deposes and says that the following is true and correct to the best of his knowledge and belief:

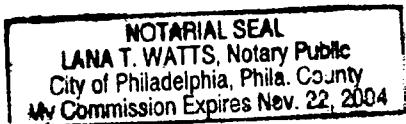
1. That he is counsel for the above-named Plaintiff;
2. That on August 27, 2003, per the attached Court Order, Plaintiff served a true and correct copy of the Notice of Sheriff's Sale of Real Property upon the Defendants, Paul C. Blough, by regular mail, certificate of mailing and certified mail, return receipt requested, addressed to his last-known address of 163-A Helviatia Road, Luthersburg, PA 15848. A true and correct copy of the letter, certificate of mailing, certified receipt, is attached hereto, made a part hereof, and marked as Exhibit "A."

3. That on October 21, 2003, in accordance with the attached Court Order, per a conversation with the Sheriff's Office, Plaintiff served a true and correct copy of the Notice of Sheriff's Sale of Real Property upon the Defendant, Paul C. Blough, by posting the same at the mortgage premises of 163-A Helviatia Road, Luthersburg, PA 15848.

SWORN TO AND SUBSCRIBED
BEFORE ME THIS 5th DAY
OF December, 2003.

Terrence J. McCabe
TERRENCE J. McCABE, ESQUIRE

Lana T. Watts
NOTARY PUBLIC



McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Attorney for Plaintiff

MORTGAGE ELECTRONIC REGISTRATION : CLEARFIELD COUNTY
SYSTEMS, INC. : COURT OF COMMON PLEAS
v. :
PAUL C. BLOUGH :
and :
KELLEY N. BLOUGH : NUMBER 2002-1829-CD

O R D E R

AND NOW, this 12th day of May, 2003,
the Plaintiff is granted leave to serve the Complaint in Mortgage
Foreclosure and all other subsequent pleadings that require
personal service and the Notice of Sheriff's Sale upon the
Defendant, Paul C. Blough, by regular mail and by certified mail,
return receipt requested, and by posting at the Defendant's last-
known address and the mortgaged premises known in this herein
action as 163-A Helviatia Road, Luthersburg, PA 15848.

BY THE COURT:

/s/ JOHN K. REILLY, JR.

J.

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

MAY 13 2003

Attest.

John K. Reilly
Prothonotary/
Clerk of Courts

TERRENCE J. McCABE

LAW OFFICES
McCABE, WEISBERG & CONWAY, P.C.

SUITE 2080
123 SOUTH BROAD STREET
PHILADELPHIA, PENNSYLVANIA 19109
(215) 790-1010
FAX (215) 790-1274

SUITE 600
216 HADDON AVENUE
WESTMONT, NJ 08108
(856) 858-7080
FAX (856) 858-7020

SUITE 205
53 WEST 36th STREET
NEW YORK, NY 10018
(917) 351-1188
FAX (917) 351-0363

August 27, 2003

Paul C. Blough
163-A Helviatia Road
Luthersburg, PA 15848

Re: Mortgage Electronic, et al v. Blough
C.C.P.; Clearfield County; No. 2002-1829-CD
Property: 163-A Helviatia Road, Luthersburg, PA 15848

Dear Mr. Blough:

Enclosed please find Notice of Sheriff's Sale of Real Property relative to the above-captioned matter.

Very truly yours,

TERRENCE J. McCABE

TJM/gm
SENT VIA REGULAR MAIL AND
CERTIFIED MAIL NUMBER 7003-1010-0004-4646-1885

EXHIBIT 23

Name and Address of Sender
McCABE, WEISBERG AND CONWAY, P.C.
123 SOUTH BROAD STREET
SUITE 2080
PHILADELPHIA, PA 19109

| Line | Article Number | Addressee Name, Street, and PO Address | Postage | Fee | Handling Charge | Actual Value if Registered | Insured Value | Due Sender if COD | DC Fee | SC Fee | SH Fee | RD Fee | RR Fee | Affix Stamp Here (If issued as a certificate of mailing, or for additional copies of this bill) Postmark and Date of Receipt | |
|--|-------------------------|--|--|-----|-----------------|----------------------------|---------------|-------------------|--------|--------|--------|--------|--------|--|--|
| | | | | | | | | | | | | | | <input type="checkbox"/> Certified | <input type="checkbox"/> Recorded Delivery (International) |
| 1 | Household v. Costaldi | Domenic Costaldi 1504 South Franklin Street, Philadelphia, PA 19147 | | | | | | | | | | | | | |
| 2 | | Eileen Costaldi 1504 South Franklin Street, Philadelphia, PA 19147 | | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | | | |
| 4 | Mortgage v. Yackobowitz | Edward C. Yacko with 133 East Roland Road Brookhaven, PA 19115 | | | | | | | | | | | | | |
| 5 | | Eleanor B. Strick 133 East Roland Road Brookhaven, PA 19115 | | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | | | | |
| 7 | Walter v. Murray-Riley | Thomassine Murray-Riley 1812 Vineyard Street, Philadelphia, PA 19120 | | | | | | | | | | | | | |
| 8 | | | | | | | | | | | | | | | |
| 9 | Mortgage v. Blough | Paul C. Blough 113-A Helvatica, Pittsburgh, PA 15248 | | | | | | | | | | | | | |
| 10 | | Kelley N. Blough 113-A Helvatica, Pittsburgh, PA 15248 | | | | | | | | | | | | | |
| 11 | | | | | | | | | | | | | | | |
| 12 | Deutsche v. Bryant | Stacy Lynn Bryant 7833 Bavarian, Philadelphia, PA 19150 | | | | | | | | | | | | | |
| 13 | | Stacy Lynn Bryant 31 North Fiss Street, Philadelphia, PA 19123 | | | | | | | | | | | | | |
| 14 | | | | | | | | | | | | | | | |
| 15 | Hauschild v. Finch | Felix Finch 3401 Clarke Street Philadelphia, PA 19124 | | | | | | | | | | | | | |
| Total Number of Pieces Listed by Sender | | Total Number of Pieces Received at Post Office | Postmaster, Per (Name of receiving employee) <i>John</i> | | | | | | | | | | | | |
| <p>The full declaration of value is required on all domestic and international registered mail. The maximum indemnity payable for the reconstruction of nonnegotiable documents under Express Mail document reconstruction insurance is \$500 per piece subject to additional limitations for multiple pieces lost or damaged in a single catastrophic occurrence. The maximum indemnity payable for Express Mail merchandise insurance is \$500, but optional Express Mail Service merchandise insurance is available for up to \$5,000 domestic, but not all countries. The maximum indemnity payable is \$25,000 for registered mail. See Domestic Mail Manual for limitations of coverage on International mail. Special handling charges apply only to Standard Mail (A) and Standard Mail (B) parcels.</p> | | | | | | | | | | | | | | | |

1132 U.S. POSTAGE PB2232577 * 5098 FROM ZIP CODE 19109
 7011 \$03.60 AUG 27 03 *
 1132 U.S. POSTAGE PB2232577 * 5098 FROM ZIP CODE 19109
 7011 \$03.60 AUG 27 03 *

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

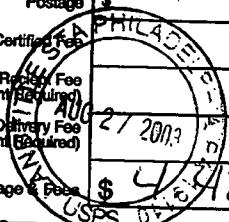
For delivery information visit our website at www.usps.com

~~STANDARD MAIL~~ **SPECIAL USE**

4446 1885
0004
1010
2003

| | | |
|---|----|---------|
| Postage | \$ | 1.00 |
| Certified Fee | | 1.00 |
| Return Receipt Fee (Endorsement Required) | | 0.00 |
| Restricted Delivery Fee (Endorsement Required) | | 0.00 |
| Total Postage & Fees | | \$ 2.00 |

Postmark
Here



| | |
|-----------------------------------|-----------------------|
| Sent To | Paul C. Blough |
| Street, Apt. No. or PO Box No. | 1143-A Hemerita Road |
| City, State, ZIP+4 | Wintersburg, PA 15848 |

PS Form 3800, June 2002

See Reverse for Instructions

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Attorney for Plaintiff

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. : CLEARFIELD COUNTY
V. : COURT OF COMMON PLEAS
PAUL C. BLOUGH :
KELLEY N. BLOUGH : NUMBER 2002-1829-CD

PRAECIPE TO SET SHERIFF'S SALE ASIDE

TO THE PROTHONOTARY:

Kindly Set Sheriff's Sale Aside which was held on January 9, 2004. Defendant, Kelley N. Blough, filed a Chapter 13 BK on December 26, 2003 in the Western District of PA; BK#03-35966.

Terrence J. McCabe
TERRENCE J. McCABE, ESQUIRE

FILED

JUN 01 2004

William A. Shaw
Prothonotary/Clerk of Courts

In The Court of Common Pleas of Clearfield County, Pennsylvania

Sheriff Docket # 14432

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.

02-1829-CD

VS.
BLOUGH, PAUL C.

WRIT OF EXECUTION REAL ESTATE

SHERIFF RETURNS

**NOW, AUGUST 19, 2003 @ 1:30 P. M. O'CLOCK A LEVY WAS TAKEN ON THE
PROPERTY OF THE DEFENDANT. THE PROPERTY WAS ALSO POSTED THIS DATE
AND TIME.**

A SALE DATE OF OCTOBER 10, 2003 WAS SET.

**NOW, AUGUST 19, 2003 @ 1:30 P.M. O'CLOCK SERVED KELLEY N. BLOUGH,
DEFENDANT, AT HER RESIDENCE 163-A HELVIATIA ROAD, LUTHERSBURG,
CLEARFIELD COUNTY, PENNSYLVAINA, BY HANDING TO KELLEY N. BLOUGH,
DEFENDANT, A TRUE AND ATTESTED COPY OF THE ORIGINAL WRIT OF EXECUTION,
NOTICE OF SALE, AND COPY OF THE LEVY AND BY MAKING KNOWN TO HER THE
CONTENTS THEREOF.**

**ATTORNEY SERVED PAUL BLOUGH BY COURT ORDER FOR CERT. AND REGULAR
MAIL.**

**NOW, SEPTEMBER 11, 2003 RECEIVED A FAX LETTER FROM THE PLAINTIFF'S
ATTORNEY TO CONTINUE THE SHERIFF'S SALE SCHEDULED FOR OCTOBER 10, 2003
TO JANUARY 9, 2004.**

**NOW, SEPTEMBER 12, 2003 MAILED BY REGULAR AND CERTIFIED MAIL TO NEW
ADDRESS FOR PAUL BLOUGH P. O. BOX 293 REYNOLDSVILLE, PA, A TRUE AND
ATTESTED COPY OF THE ORIGINAL WRIT OF EXECUTION, NOTICE OF SALE, AND
COPY OF THE LEVY. CERTIFIED #70022410000372241609**

FILED
019-03-01
JUN 22 2004

William A. Shaw
Prothonotary/Clerk of Courts

In The Court of Common Pleas of Clearfield County, Pennsylvania

Sheriff Docket # 14432

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.

02-1829-CD

VS.
BLOUGH, PAUL C.

WRIT OF EXECUTION REAL ESTATE

SHERIFF RETURNS

NOW, SEPTEMBER 17, 2004 SERVED PAUL C. BLOUGH, DEFENDANT, BY CERTIFIED MAIL TO P. O. BOX 293, REYNOLDSVILLE, PA, WITH A TRUE AND ATTESTED COPY OF THE ORIGINAL WRIT OF EXECUTION, NOTICE OF SALE, AND COPY OF THE LEVY. CERTIFIED #70022410000372241609.

NOW, OCTOBER 21, 2003 REPOSTED THE PROPERTY OF THE DEFENDANTS.

NOW, JANUARY 9, 2004 A SALE WAS HELD ON THE PROPERTY OF THE DEFENDANTS. THE PROPERTY WAS PURCHASED BY THE PLAINTIFF FOR \$1.00 + COSTS.

NOW, FEBRUARY 2, 2004 RECEIVED A LETTER FROM THE PLAINTIFF'S ATTORNEY TO RETURN THE WRIT TO THE PROTHONOTARY "TERMS OF SALE NOT COMPLIED WITH". THE DEFENDANTS FILED CHAPTER 13 BK ON DECEMBER 26, 2003.

NOW, JUNE 1, 2004 RECEIVED COPY OF PRAECIPE TO SET SHERIFF'S SALE ASIDE FROM ATTORNEY .

NOW, JUNE 21, 2004 RETURN WRIT AS UNEXECUTED, "TERMS OF THE SALE NOT COMPLIED WITH" THE DEFENDANTS FILED CHAPTER 13 BK ON DECEMBER 26, 2003.

**SHERIFF HAWKINS \$ 237.91
SURCHARGE \$40.00
PAID BY ATTORNEY**

In The Court of Common Pleas of Clearfield County, Pennsylvania

Sheriff Docket # 14432

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.

02-1829-CD

VS.

BLOUGH, PAUL C.

WRIT OF EXECUTION

REAL ESTATE

SHERIFF RETURNS

Sworn to Before Me This

22nd Day Of June 2004
William A. Shaw

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

So Answers,

Chester A. Hawkins
By Cynthia Butler-Augustaugh
Chester A. Hawkins
Sheriff

**WRIT OF EXECUTION and/or ATTACHMENT
COMMONWEALTH OF PENNSYLVANIA, COUNTY OF CLEARFIELD
CIVIL ACTION – LAW**

Mortgage Electronic Registration System, Inc.

Vs.

NO.: 2002-01829-CD

Paul C. Blough and Kelley N. Blough

TO THE SHERIFF OF CLEARFIELD COUNTY:

To satisfy the debt, interest and costs due MORTGAGE ELECTRONIC REGISTRATION SYSTEM, INC., Plaintiff(s) from PAUL C. BLOUGH and KELLEY N. BLOUGH, Defendant(s):

(1) You are directed to levy upon the property of the defendant(s) and to sell interest(s) therein:

See Attached

(2) You are also directed to attach the property of the defendant(s) not levied upon in the possession of:

Garnishee(s) as follows:

and to notify the garnishee(s) that: (a) an attachment has been issued; (b) the garnishee(s) is/are enjoined from paying any debt to or for the account of the defendant(s) and from delivering any property of the defendant(s) or otherwise disposing thereof;

(3) If property of the defendant(s) not levied upon and subject to attachment is found in the possession of anyone other than a named garnishee, you are directed to notify him/her that he/she has been added as a garnishee and is enjoined as above stated.

AMOUNT DUE: \$69,571.60

PAID: \$139.00

INTEREST: \$

SHERIFF: \$

PROTH. COSTS: \$

OTHER COSTS: \$

ATTY'S COMM: \$

DATE: 07/21/2003

Received this writ this 22nd day
of July A.D. 2003
At 9:30 A.M./P.M.

Chesler A. Hawkins
Sheriff by Connie Butter-Augustine



William A. Shaw
Prothonotary/Clerk Civil Division

Requesting Party: Terrence J. McCabe, Esq.
123 S. Broad St., Ste. 2080
Philadelphia, PA 19109

DESCRIPTION

ALL THAT CERTAIN lot or parcel of land situate, lying and being in Brady Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a stone in Northwest corner of land sold to James H. Wilson; thence by public road known as Pennsylvania Legislative Route 17010, and lands of Henry Schucker, North 1° East 210 feet to a point; thence South 88° 22' East 244.20; thence South 1° West, a distance of 210 feet to a stone; thence North 88° 22' West 244.20 feet to the place of beginning.

BEING Box 163-A Helviatia Road.

TAX PARCEL NUMBER: B06-000-00087

CONTROL NUMBER: 1070-33044

**REAL ESTATE SALE
SCHEDULE OF DISTRIBUTION**

NAME BLOUGH NO. 02-1829-CD

NOW, January 9, 2004 , by virtue of the Writ of Execution hereunto attached, after having given due and legal notice of time and place of sale by publication in a newspaper published in this County and by handbills posted on the premises setting for the date, time and place of sale at the Court House in Clearfield on the 9TH day of JANUARY 2004, I exposed the within described real estate of PAUL C. BLOUGH AND KELLEY N. BLOUGH to public venue or outcry at which time and place I sold the same to MORTGAGE EXECTRONIC REGISSTRATION SYSTEM, INC. he/she being the highest bidder, for the sum of \$1.00 + COSTS and made the following appropriations, viz:

SHERIFF COSTS:

| | |
|----------------------------|---------------|
| RDR | 15.00 |
| SERVICE | 15.00 |
| MILEAGE | 12.24 |
| LEVY | 15.00 |
| MILEAGE | 12.24 |
| POSTING | 15.00 |
| CSDS | 10.00 |
| COMMISSION 2% | |
| POSTAGE | 11.19 |
| HANDBILLS | 15.00 |
| DISTRIBUTION | 25.00 |
| ADVERTISING | 15.00 |
| ADD'L SERVICE | 15.00 |
| DEED | |
| ADD'L POSTING | 15.00 |
| ADD'L MILEAGE | 12.24 |
| ADD'L LEVY | |
| BID AMOUNT | |
| RETURNS/DEPUTIZE | |
| COPIES/BILLING | 15.00 |
| | 5.00 |
| BILLING/PHONE/FAX | 15.00 |
| TOTAL SHERIFF COSTS | 237.91 |
| DEED COSTS: | |
| ACKNOWLEDGEMENT | |
| REGISTER & RECORDER | |
| TRANSFER TAX 2% | |
| TOTAL DEED COSTS | 0.00 |

PLAINTIFF COSTS, DEBT & INTEREST:

| | |
|----------------------------------|------------------|
| DEBT-AMOUNT DUE | 69,571.60 |
| INTEREST | |
| TO BE ADDED | TO SALE DATE |
| ATTORNEY FEES | |
| PROTH. SATISFACTION | |
| LATE CHARGES & FEES | |
| COST OF SUIT -TO BE ADDED | |
| FORECLOSURE FEES/ESCROW DEFICIT | |
| ATTORNEY COMMISSION | |
| REFUND OF ADVANCE | |
| REFUND OF SURCHARGE | |
| SATISFACTION FEE | |
| ESCROW DEFICIENCY | |
| TOTAL DEBT & INTEREST | 69,571.60 |
| COSTS: | |
| ADVERTISING | 272.79 |
| TAXES - collector | RETURNED |
| TAXES - tax claim | |
| DUE | |
| LIEN SEARCH | 100.00 |
| ACKNOWLEDGEMENT | |
| DEED COSTS | 0.00 |
| SHERIFF COSTS | 237.91 |
| LEGAL JOURNAL AD | 144.00 |
| PROTHONOTARY | 139.00 |
| MORTGAGE SEARCH | 40.00 |
| MUNICIPAL LIEN | |
| TOTAL COSTS | 933.70 |

DISTRIBUTION WILL BE MADE IN ACCORDANCE WITH THE ABOVE SCHEDULE UNLESS EXCEPTIONS ARE FILED WITH THIS OFFICE WITHIN TEN (10) DAYS FROM THIS DATE.

CHESTER A. HAWKINS, Sheriff

LAW OFFICES
McCABE, WEISBERG & CONWAY, P.C.

SUITE 2080
 FIRST UNION BUILDING
 123 SOUTH BROAD STREET
 PHILADELPHIA, PENNSYLVANIA 19109
 (215) 790-1010

TERRENCE J. McCABE

FAX (215) 790-1274

SUITE 600
 216 HADDON AVENUE
 WESTMONT, NJ 08108
 (609) 858-7080
 FAX (609) 858-7020

SUITE 5225
 500 FIFTH AVENUE
 NEW YORK, NY 10110
 (212) 575-1010
 FAX (212) 575-2537

September 11, 2003

Sheriff's Office
 Clearfield County Courthouse
 Courthouse
 1 North Second Street, Suite 116
 Clearfield, PA 16830

RE: Mortgage Electronic Registration Systems, Inc. v. Blough
 Property: 163-A Helvia Road, Luthersburg, PA 15848
Civil Docket No.: 2002-1829-CD

Dear Sheriff:

As you know, the above-captioned matter is currently scheduled for the October 10, 2003 Sheriff's Sale. I am requesting at this time that you postpone this matter to the January 9, 2004 Sheriff's Sale.

As acknowledgment of this postponement, I would appreciate your signing or time-stamping a copy of this letter and faxing the same to my attention. Thank you for your cooperation.

Very truly yours,

Terrence J. McCabe

TERRENCE J. McCABE

TJM/gm
 Enclosures

SENT VIA FAXSIMILE TRANSMITTAL--NUMBER 814-765-5915
 SHERIFF'S OFFICE-RECEIVED BY:

Terrence J. McCabe
 SIGNATURE

9-12-03
 DATE

PLATE SHOULD BE ATTACHED TO THE REVERSE SIDE OF THE ENVELOPE

SENDER: COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 Paul Blough Agent Addressee

B. Received by (Printed Name) **Paul Blough** **C. Date of Delivery** **9-17-03**

D. Is delivery address different from item 1? Yes No

1. Article Addressed to:
Paul C. Blough
 REMO

2. Article Number
(Transfer from service label) **7002 2410 0003 7224 1609**

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

4. Restricted Delivery? (Extra Fee) Yes

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

For delivery information visit our website at www.usps.com

OFFICIAL USE

| | |
|---|-------|
| Postage | \$ 60 |
| Certified Fee | |
| Return Receipt Fee (Endorsement Required) | |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 65 |

Postmark
 CINCINNATI, OHIO 45202
 SEP 12 2003

Send To **Paul C. Blough**
 Street, Apt. No.,
 or PO Box No.,
 City, State, ZIP+4 **Remoldsville, PA 15851**

PS Form 3811, August 2001 **See Reverse for Instructions**

102595-02-M-1035

TERRENCE J. McCABE

LAW OFFICES
McCABE, WEISBERG & CONWAY, P.C.
SUITE 2080
123 SOUTH BROAD STREET
PHILADELPHIA, PENNSYLVANIA 19109
(215) 790-1010
FAX (215) 790-1274

SUITE 600
216 HADDON AVENUE
WESTMONT, NJ 08108
(856) 858-7080
FAX (856) 858-7020

SUITE 205
53 WEST 36th STREET
NEW YORK, NY 10018
(917) 351-1188
FAX (917) 351-0363

February 2, 2004

Sheriff's Office
Clearfield County
1 North Second Street, Suite 116
Clearfield, PA 16830
ATTN: CINDY
VIA FAXSIMILE (814) 765-5915

RE: MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.

v.

PAUL C. BLOUGH AND KELLEY N. BLOUGH
CLEARFIELD COUNTY; COURT OF COMMON PLEAS; NUMBER 2002-1829-CD
PREMISES: 163-A HELVIATIA ROAD, LUTHERSEBURG, PA 15848
Date of Sheriff's Sale: January 9, 2004

Dear Cindy:

With regard to the above-captioned matter, please return the Writ of Execution to the Prothonotary "terms of sale not complied with." Defendant filed a Chapter 13 BK on December 26, 2003 in the Western District of PA: BK#03-35966.

Thank you for your cooperation in this matter.

Very truly yours,

Terrence J. McCabe
TERRENCE J. McCABE

TJM/nas

ATTN: NOVELET

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Attorney for Plaintiff

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. : CLEARFIELD COUNTY
v. : COURT OF COMMON PLEAS
PAUL C. BLOUGH :
KELLEY N. BLOUGH : NUMBER 2002-1829-CD

PRAECIPE TO SET SHERIFF'S SALE ASIDE

TO THE PROTHONOTARY:

Kindly Set Sheriff's Sale Aside which was held on January 9, 2004. Defendant, Kelley N. Blough, filed a Chapter 13 BK on December 26, 2003 in the Western District of PA; BK#03-35966.

Terrence J. McCabe
TERRENCE J. McCABE, ESQUIRE

FILED
JUN 01 2004

William A. Shaw
Prothonotary/Clerk of Courts

Praecipe for Writ of Execution-MORTGAGE FORECLOSURE

MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC.

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

VS.

PAUL C. BLOUGH and KELLEY N.
BLOUGH

2002-1829-CD

NO.

TERM

PRAECIPE FOR WRIT OF EXECUTION

To the Prothonotary:

Issue Writ of Execution in the above matter;

1. Directed to the Sheriff of CLEARFIELD COUNTY.

2. Against the following property PAUL C. BLOUGH and KELLEY N.

BLOUGH _____ Of defendant(s)
and

3. Against the following property in the hands of (name) _____
PAUL C. BLOUGH and KELLEY N. BLOUGH _____

4. And index this writ;

(a) against PAUL C. BLOUGH and KELLEY N. BLOUGH

Defendant(s) and

(b) against _____ as Garnishee

As a lis pendens against real property of the defendant(s) in name
of garnishee as follows, 163-A HELVIATIA ROAD,

LUTHERSBURG, PA 33509 _____

(Specifically described property)

(If space insufficient, attach extra sheets)

FILED *ICC & Co*
m/11/00 *Shff*
JUL 13 2004 *Atty pd.*
W.A. Shaw *20.00*
Prothonotary/Clerk of Courts

5. Amount Due

\$69,571.60

Interest from 7/17/03-Sale Date @ \$11.43

Costs (to be added)

\$ 159.00 Prothonotary
Costs

Terrence J. McCabe

TERRENCE J. McCABE, ESQUIRE
Attorney for Plaintiff(s)

NO. 2002-1829-CD TERM DAY
NO. TERM A.D.
NO. AT M

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY PENNSYLVANIA

MORTGAGE ELECTRONIC REGISTRATION
SYSTEMS, INC.

VS.

PAUL C. BLOUGH
and
KELLEY N. BLOUGH

(MORTGAGE FORECLOSURE)

| | |
|--------------------|-------------|
| EXECUTION DEBT | \$69,571.60 |
| INTEREST FROM | |
| 7/21/03 -SALE DATE | |
| PROTHONOTARY | 159.00 |
| USE ATTORNEY | |
| USE PLAINTIFF | |
| ATTORNEY'S COMM. | |
| SATISFACTION | |
| SHERIFF | |

Praecipe for Writ of Execution

TERRENCE J. McCABE, ESQUIRE
Attorney I.D. No 16496
123 S. Broad Street, Ste. 2080
Philadelphia, PA 19109
Tel: 215 790 1010

Terrence J. McCabe
Attorney for Plaintiff(s)

DESCRIPTION

ALL THAT CERTAIN lot or parcel of land situate, lying and being in Brady Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a stone in Northwest corner of land sold to James H. Wilson; thence by public road known as Pennsylvania Legislative Route 17010, and lands of Henry Schucker, North 1° East 210 feet to a point; thence South 88° 22' East 244.20; thence South 1° West, a distance of 210 feet to a stone; thence North 88° 22' West 244.20 feet to the place of beginning.

BEING Box 163-A Helviatia Road.

TAX PARCEL NUMBER: B06-000-00087

CONTROL NUMBER: 1070-33044

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 15496
123 South Broad Street, Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Attorney for Plaintiff

| | |
|--|--|
| MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. vs. PAUL C. BLOUGH and KELLEY N. BLOUGH | CLEARFIELD COUNTY COURT OF COMMON PLEAS NUMBER: 2002-1829-CD |
|--|--|

AFFIDAVIT PURSUANT TO RULE 3129

I, Terrence J. McCabe, Esquire, attorney for Plaintiff in the above action, set forth as of the date the Praeclipe for the Writ of Execution was filed the following information concerning the real property located at 163-A HELVIATIA ROAD, a copy of the description of said property is attached hereto and marked Exhibit "A."

1. Name and address of Owner(s) or Reputed Owner(s):

| Name | Address |
|------------------|---|
| PAUL C. BLOUGH | 163-A HELVIATIA ROAD LUTHERSBURG, PA 15848 |
| KELLEY N. BLOUGH | 163-A HELVIATIA ROAD LUTHERSBURG, PA 15848 |

2. Name and address of Defendant(s) in the judgment:

| Name | Address |
|------------------|---|
| PAUL C. BLOUGH | 163-A HELVIATIA ROAD LUTHERSBURG, PA 15848 |
| KELLEY N. BLOUGH | 163-A HELVIATIA ROAD LUTHERSBURG, PA 15848 |

3. Name and last known address of every judgment creditor whose judgment is a record lien on the real property to be sold:

| Name | Address |
|------|---------|
|------|---------|

Plaintiff herein.

4. Name and address of the last recorded holder of every mortgage of record:

| Name | Address |
|------|---------|
|------|---------|

Plaintiff herein.

5. Name and address of every other person who has any record interest in or record lien on the property and whose interest may be affected by the sale:

| Name | Address |
|------|---------|
|------|---------|

Commonwealth of Pennsylvania
Inheritance Tax Office
1400 Spring Garden Street
Philadelphia, PA 19130

Internal Revenue Service
Federated Investors Tower
13th Floor, Suite 1300
1001 Liberty Avenue
Pittsburgh, PA 15222

6: Name and address of every other person of whom the Plaintiff has knowledge who has any interest in the property which may be affected by the sale:

| Name | Address |
|-------------------------------|---|
| Tenant(s): | 163-A HELVIATIA ROAD LUTHERSBURG, PA 15848 |
| Domestic Relations | Clearfield County 230 E. Market Suite 300 Clearfield, PA 16830 |
| Commonwealth of Pennsylvania, | Department of Welfare, P.O. Box 2675, Harrisburg, PA 17105. |

I verify that the statements made in this Affidavit are true and correct to the best of my personal knowledge or information and belief. I understand that false statements herein are made subject to the penalties of 18 Pa.C.S. Section 4904 relating to unsworn falsification to authorities.

7/1/04

DATE

Terrence J. McCabe
TERRENCE J. McCABE, ESQUIRE
Attorney for Plaintiff

DESCRIPTION

ALL THAT CERTAIN lot or parcel of land situate, lying and being in Brady Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a stone in Northwest corner of land sold to James H. Wilson; thence by public road known as Pennsylvania Legislative Route 17010, and lands of Henry Schucker, North 1° East 210 feet to a point; thence South 88° 22' East 244.20; thence South 1° West, a distance of 210 feet to a stone; thence North 88° 22' West 244.20 feet to the place of beginning.

BEING Box 163-A Helvia Road.

TAX PARCEL NUMBER: B06-000-00087

CONTROL NUMBER: 1070-33044

EXHIBIT "A"

**WRIT OF EXECUTION and/or ATTACHMENT
COMMONWEALTH OF PENNSYLVANIA, COUNTY OF CLEARFIELD
CIVIL ACTION – LAW**

Mortgage Electronic Registration System, Inc.

Vs.

NO.: 2002-01829-CD

Paul C. Blough and Kelley N. Blough

COPY

TO THE SHERIFF OF CLEARFIELD COUNTY:

To satisfy the debt, interest and costs due MORTGAGE ELECTRONIC REGISTRATION SYSTEM, INC., Plaintiff(s) from PAUL C. BLOUGH and KELLEY N. BLOUGH, Defendant(s):

- (1) You are directed to levy upon the property of the defendant(s) and to sell interest(s) therein:
See Attached Description
- (2) You are also directed to attach the property of the defendant(s) not levied upon in the possession of:

Garnishee(s) as follows:

and to notify the garnishee(s) that: (a) an attachment has been issued; (b) the garnishee(s) is/are enjoined from paying any debt to or for the account of the defendant(s) and from delivering any property of the defendant(s) or otherwise disposing thereof;

- (3) If property of the defendant(s) not levied upon and subject to attachment is found in the possession of anyone other than a named garnishee, you are directed to notify him/her that he/she has been added as a garnishee and is enjoined as above stated.

AMOUNT DUE: \$69,571.60

PAID: \$159.00

INTEREST from 7/17/03-Sale Date @ \$11.43

SHERIFF: \$

PROTH. COSTS: \$

OTHER COSTS: \$

ATTY'S COMM: \$

DATE: 07/13/2004

Received this writ this _____ day
of _____ A.D. _____
At _____ A.M./P.M.

Sheriff

William A. Shaw
Prothonotary/Clerk Civil Division

Requesting Party: Terrence J. McCabe, Esq.
123 S. Broad Street, Ste. 2080
Philadelphia, PA 19109
(215) 790-1010

DESCRIPTION

ALL THAT CERTAIN lot or parcel of land situate, lying and being in Brady Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a stone in Northwest corner of land sold to James H. Wilson; thence by public road known as Pennsylvania Legislative Route 17010, and lands of Henry Schucker, North 1° East 210 feet to a point; thence South 88° 22' East 244.20; thence South 1° West, a distance of 210 feet to a stone; thence North 88° 22' West 244.20 feet to the place of beginning.

BEING Box 163-A Helviatia Road.

TAX PARCEL NUMBER: B06-000-00087

CONTROL NUMBER: 1070-33044

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Attorney for Plaintiff

| | |
|--|--|
| MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. vs. PAUL C. BLOUGH and KELLEY N. BLOUGH | CLEARFIELD COUNTY COURT OF COMMON PLEAS NUMBER: 2002-1829-CD |
|--|--|

AFFIDAVIT OF SERVICE

I, Terrence J. McCabe, Esquire, attorney for the Plaintiff in the within matter, hereby certify that on the 18th day of October, 2004, a true and correct copy of the Notice of Sheriff's Sale of Real Property was served on all pertinent lienholder(s) as set forth in the Affidavit Pursuant to 3129 which is attached hereto as Exhibit "A".

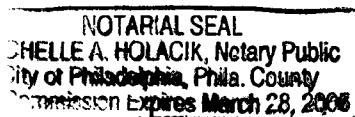
Copies of the letter and certificate of mailing are also attached hereto, made a part hereof and marked as Exhibit "B."



TERRENCE J. McCABE, ESQUIRE

SWORN TO AND SUBSCRIBED
BEFORE ME THIS 18th DAY
OF October, 2004.

Michele A. Holcik
NOTARY PUBLIC



FILED

10/29/2004 1:32 PM 1cc to atty

OCT 29 2004

William A. Shaw
Prothonotary

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Attorney for Plaintiff

Exhibit A

| | |
|--|--|
| MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. vs. PAUL C. BLOUGH and KELLEY N. BLOUGH | CLEARFIELD COUNTY COURT OF COMMON PLEAS NUMBER: 2002-1829-CD |
|--|--|

AFFIDAVIT PURSUANT TO RULE 3129

I, Terrence J. McCabe, Esquire, attorney for Plaintiff in the above action, set forth as of the date the Praeclipe for the Writ of Execution was filed the following information concerning the real property located at 163-A HELVIATIA ROAD, a copy of the description of said property is attached hereto and marked Exhibit "A."

1. Name and address of Owner(s) or Reputed Owner(s):

| Name | Address |
|------------------|---|
| PAUL C. BLOUGH | 163-A HELVIATIA ROAD LUTHERSBURG, PA 15848 |
| KELLEY N. BLOUGH | 163-A HELVIATIA ROAD LUTHERSBURG, PA 15848 |

2. Name and address of Defendant(s) in the judgment:

| Name | Address |
|------------------|---|
| PAUL C. BLOUGH | 163-A HELVIATIA ROAD LUTHERSBURG, PA 15848 |
| KELLEY N. BLOUGH | 163-A HELVIATIA ROAD LUTHERSBURG, PA 15848 |

3. Name and last known address of every judgment creditor whose judgment is a record lien on the real property to be sold:

Name _____ Address _____

Plaintiff herein.

Exhibit A

4. Name and address of the last recorded holder of every mortgage of record:

Name _____ Address _____

Plaintiff herein.

5. Name and address of every other person who has any record interest in or record lien on the property and whose interest may be affected by the sale:

Name _____ Address _____

Commonwealth of Pennsylvania
Inheritance Tax Office
1400 Spring Garden Street
Philadelphia, PA 19130

Internal Revenue Service
Federated Investors Tower
13th Floor, Suite 1300
1001 Liberty Avenue
Pittsburgh, PA 15222

6. Name and address of every other person of whom the Plaintiff has knowledge who has any interest in the property which may be affected by the sale:

Exhibit A

| Name | Address |
|-------------------------------|---|
| Tenant (s) | 163-A HELVIATIA ROAD LUTHERSBURG, PA 15848 |
| Domestic Relations | Clearfield County 230 E. Market Suite 300 Clearfield, PA 16830 |
| Commonwealth of Pennsylvania, | Department of Welfare, P.O. Box 2675, Harrisburg, PA 17105. |

I verify that the statements made in this Affidavit are true and correct to the best of my personal knowledge or information and belief. I understand that false statements herein are made subject to the penalties of 18 Pa.C.S. Section 4904 relating to unsworn falsification to authorities.

October 18, 2004

DATE


TERRENCE J. McCABE, ESQUIRE
Attorney for Plaintiff

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERRENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad Street, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Attorney for Plaintiff

Exhibit B

| | |
|--|--|
| MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. vs. PAUL C. BLOUGH and KELLEY N. BLOUGH | CLEARFIELD COUNTY COURT OF COMMON PLEAS NUMBER: 2002-1829-CD |
|--|--|

DATE: October 18, 2004

TO: ALL PARTIES IN INTEREST AND CLAIMANTS

NOTICE OF SHERIFF'S SALE OF REAL PROPERTY

OWNERS: PAUL C. BLOUGH and KELLEY N. BLOUGH

PROPERTY: 163-A HELVIATIA ROAD, LUTHERSBURG, PA 33509

IMPROVEMENTS: Residential Dwelling

The above-captioned property is scheduled to be sold at the Sheriff's Sale on December 3, 2004 at 10:00 a.m. in the Sheriff's Office of the Clearfield County Courthouse, 1 North Second Street, Clearfield, Pennsylvania 16830. Our records indicate that you may hold a mortgage or judgments and liens on, and/or other interests in the property which will be extinguished by the sale. You may wish to attend the sale to protect your interests.

A schedule of distribution will be filed by the Sheriff on a date specified by the Sheriff not later than 30 days after sale. Distribution will be made in accordance with the schedule unless exceptions are filed thereto within 10 days after the filing of the schedule.

Name and Address of Sender
McCabe, Weisberg and Conway, P.C.
123 S. Broad St., Suite 2080
Philadelphia, PA 19109

ATTN: Samantha Y Young

Check type of mail or service:
 Certified Recorded Delivery (International)
 COD Registered
 Delivery Confirmation Return Receipt for Merchandise
 Express Mail Signature Confirmation
 Insured

Affix Stamp Here
(Affixed is a
certificate of mailing,
or for additional
copies of this bill)
Postmark and
Date of Receipt

| Line | Article Number | Address: Name, Street and TO Address | Postage | Fee | Handling Charge | Actual Value if Registered | Insured Value | Due Sender if COD | DC Fee | SC Fee | SH Fee | RD Fee | RK Fee |
|--|---|---|---------|-----|-----------------|----------------------------|---------------|-------------------|--------|--------|--------|--------|--------|
| 1 | HFC v. Blough | PAUL C. BLOUGH 163-A HELVIATIA ROAD LUTHERSBURG, PA 33509 | | | | | | | | | | | |
| 2 | | KELLEY N. BLOUGH 163-A HELVIATIA ROAD LUTHERSBURG, PA 15848 | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | |
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| 12 | | | | | | | | | | | | | |
| 13 | | | | | | | | | | | | | |
| 14 | | | | | | | | | | | | | |
| 15 | | | | | | | | | | | | | |
| Total Number of Pieces Listed by Sender | Total Number of Pieces Received at Post Office | Postmaster, Per (Name of receiving employee) | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | |

Total Number of Pieces
Listed by Sender
2

Total Number of Pieces
Received at Post Office

Postmaster, Per (Name of receiving
employee)

177 U.S. POSTAGE PB 2232577
The full declaration of value is required on all domestic and international registered mail. The maximum indemnity payable for the recompence of fungible documents under Express Mail domestic recurrence is \$100 per piece subject to additional inducements for multiple pieces lost or damaged in a single postage recurrence. The maximum indemnity payable on Express Mail merchandise is available for up to \$1,000 in value, but not all countries. This maximum indemnity payable is \$25,000 for registered mail, \$10,000 for Domestic Air Mail, \$500 for International Air Mail, and \$250 for International Mail. Special handling charges apply only to Standard Mail (A) and Standard Mail (B).

Name and Address of Sender
McCabe, Weisberg and Conway, P.C.
1123 S. Broad St., Suite 2030
Philadelphia, PA 19109
ATTN: Samantha Young

Check type of mail or service:

- Certified
- COD
- Delivery Confirmation
- Express Mail
- Insured
- Recorded
- Registered
- Return Receipt
- Signature

Affix Stamp Here
(if issued as a
certificate of mailing,
or for additional
copies of this bill)
Postmark and
Date of Receipt

Annex Stamp Here
(if issued as a
certificate of mailing,
or for additional
copies of this bill)
Postmark and
Date of payment
Annex Stamp Here
every (international)
receipt for Merchandise
Information

Total Number of Pieces Received at Post Office

Total Number of Pieces listed by Sender

Postmaster, Per *Name of receiving employee*)

۱۰۰

Exhibit B

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
First Union Building
123 South Broad Street, Suite 2080
Philadelphia, PA 19109
(215) 790-1010

Attorney for Plaintiff

Mortgage Electronic Registration Systems, Inc.

VS.

Paul C. Blough

‘and

Kelley N. Blough

Clearfield County
Court of Common Pleas

FILED
m/15/04
NO CC
E6F
NOV 05 2004

William A. Shaw
Prothonotary/Clerk of Courts

Number 2002-1829-CD

AFFIDAVIT OF SERVICE

COMMONWEALTH OF PENNSYLVANIA:

ss.

COUNTY OF PHILADELPHIA

1

Terrence J. McCabe, Esquire, being duly sworn according to law, deposes and says that

the following is true and correct to the best of his knowledge and belief:

1. That he is counsel for the above-named Plaintiff;

2. That on October 18, 2004, per the attached Court Order, Plaintiff served a true and correct copy of the Notice of Sheriff's Sale of Real Property upon the Defendant, Paul C. Blough, by regular mail, certificate of mailing and certified mail, return receipt requested, addressed to his last-known address of 163-A Helvia Road, Luthersburg, PA 15848. A true and correct copy of the letter, certificate of mailing, certified receipt, is attached hereto, made a part hereof, and marked as Exhibit "A."

3. That on November 2, 2004, in lieu of posting the Notice of Sheriff's Sale of Real Property in accordance with the attached Court Order, the Sheriff's Office served a true and correct copy of the Notice of Sheriff's Sale of Real Property upon the Defendant, Paul C. Blough, by handing the same to him personally at 235 1/2 Avenue, Apt. 2, Dubois, PA 15801. A true and correct copy of the Affidavit of Service indicating the same is attached hereto, made a part hereof, and marked Exhibit "B."

SWORN TO AND SUBSCRIBED
BEFORE ME THIS 3rd DAY
OF NOVEMBER, 2004.

Terrence J. McCabe
TERRENCE J. McCABE, ESQUIRE

Lana T. Watts
NOTARY PUBLIC



17870

McCABE, WEISBERG AND CONWAY, P.C.
BY: TERENCE J. McCABE, ESQUIRE
Identification Number 16496
123 South Broad, Suite 2080
Philadelphia, Pennsylvania 19109
(215) 790-1010

Attorney for Plaintiff

MORTGAGE ELECTRONIC REGISTRATION : CLEARFIELD COUNTY
SYSTEMS, INC. : COURT OF COMMON PLEAS
v. :
PAUL C. BLOUGH :
and :
KELLEY N. BLOUGH : NUMBER 2002-1829-CD

O R D E R

AND NOW, this 12th day of May, 2003,
the Plaintiff is granted leave to serve the Complaint in Mortgage
Foreclosure and all other subsequent pleadings that require
personal service and the Notice of Sheriff's Sale upon the
Defendant, Paul C. Blough, by regular mail and by certified mail,
return receipt requested, and by posting at the Defendant's last-
known address and the mortgaged premises known in this herein
action as 163-A Helviatia Road, Luthersburg, PA 15848.

BY THE COURT:

/s/ JOHN K. REILLY, JR.

J.

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

MAY 13 2003

Attest.

John K. Reilly
Prothonotary/
Clerk of Courts

U.S. Postal Service™

CERTIFIED MAIL™ RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

| | |
|---|----|
| Postage | \$ |
| Certified Fee | |
| Return Receipt Fee (Endorsement Required) | |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ |

Postmark Here

Sent To
Paul C. Blough
163-A Helviatia Rd.
Luthersburg, PA 33509

PS Form 3800, June 2002
See Reverse for Instructions

† Licensed in PA, NJ & NY
‡ Licensed in NY & CT
▲ Licensed in NY
§ Managing Attorney for NJ
+ Managing Attorney for NY

LAW OFFICES
WEISBERG & CONWAY, P.C.

SUITE 2080
123 SOUTH BROAD STREET
PHILADELPHIA, PA 19109
(215) 790-1010
FAX (215) 790-1274

SUITE 600
216 HADDON AVENUE
WESTMONT, NJ 08108
(856) 858-7080
FAX (856) 858-7020

SUITE 205
53 WEST 36TH STREET
NEW YORK, NY 10018
(917) 351-1188
FAX (917) 351-0363

Affiliated with:
WHITTLESEY McDOWELL & RIGA P.C.
Joseph F. Riga*
Of Counsel

October 18, 2004

PAUL C. BLOUGH
163-A HELVIATIA ROAD
LUTHERSBURG, PA 33509

RE: MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. vs. PAUL C. BLOUGH and KELLEY N. BLOUGH
Clearfield County; CCP; Number 2002-1829-CD

Dear PAUL C. BLOUGH:

Enclosed please find Notice of Sheriff's Sale of Real Property relative to the above-captioned matter.

Very truly yours,



TERRENCE J. McCABE

TJM/sy

Enclosure

SENT VIA REGULAR MAIL AND
CERTIFIED MAIL NO.7004 1160 0000 9036 7093
RETURN RECEIPT REQUESTED

EXHIBIT "A"

Name and Address of Sender
McCabe, Weisberg and Conway, P.C.
123 S. Broad St., Suite 2080
Philadelphia, PA 19109
ATTN: Samantha Young

Check type of mail or service:

- Certified
- COD
- Delivery Confirmation
- Express Mail
- Insured
- Recorded Del.
- Registered
- Return Receipt
- Signature Confirmation

Affix Stamp Here
(if issued as a
certificate of mailing,
or for additional
copies of this bill)
*Postmark and
Date of Receipt*

REAL ESTATE SALE

REAL ESTATE SALE

EXECUTION SERVICE SHEET

DKT: EX PAGE: 16345

DATE RECEIVED: JULY 14, 2004

DEPUTY RECEIVED: 9-29-04

DEFENDANT(S): PAUL C. BLOUGH KELLEY N. BLOUGH

ADDRESS: 163-A HELVIATIA ROAD
LUTHERSBURG, PA 15848

LEVY & POST AT: SAME AS ABOVE

RECEIVE AND LEAVE WITH: DEFENDANT POST GARNISHEE

WRIT OF EXECUTION NOTICE OF SALE TO POST / SERVE WRIT LEVY

INTERROGATORIES TO GARNISHEE WRIT OF POSSESSION

MUST BE SERVED, POSTED OR LEVIED BY: OCTOBER 6, 2004

DATE SERVED, POSTED OR LEVIED 11-2-2004

TIME: 11:30 AM

NAME OF PERSON SERVED: SAA

TITLE: DEK

WHERE SERVED/POSTED(ADDRESS): 235 1/2 MAPLE AVE APT 2 DURS, PA

DEFENDANT(S): RESIDENCE EMPLOYMENT

SIGNATURE OF PERSON SERVED:

DATE: (Note)

ATTEMPTS: 10-20-04 N/A 10-27-04 1/4 10-28-04 N/A 10-30-04

PERSONAL PROPERTY: AMOUNT DUE AT PRESENT - \$

SPECIAL DIRECTIONS:

NO. 02-829-CD BLOUGH
SERVED, POSTED OR LEVIED ON BYEXHIBIT "B"
COURT / DEK/kaver

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 16345
NO: 02-1829-CD

PLAINTIFF: MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.
vs.
DEFENDANT: PAUL C. BLOUGH AND KELLEY N. BLOUGH

WRIT OF EXECUTION REAL ESTATE

SHERIFF RETURN

DATE RECEIVED WRIT:

LEVY TAKEN 10/20/2004 @ 10:35 AM
POSTED 10/20/2004 @ 10:35 AM
SALE HELD 12/03/2004
SOLD TO MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.
SOLD FOR AMOUNT \$1.00 PLUS COSTS
WRIT RETURNED 04/13/2005
DATE DEED FILED 04/01/2005
PROPERTY ADDRESS 163-A HELVIATIA ROAD LUTHERSBURG , PA 15848

FILED 10⁵⁰
APR 13 2005
O/10-2005
William A. Shaw
Prothonotary/Clerk of Courts

SERVICES

11/02/2004 @ 11:30 AM SERVED PAUL C. BLOUGH

SERVED PAUL C. BLOUGH, DEFENDANT, AT HIS RESIDENCE, 235 1/2 MAPLE AVENUE, APT 2, DUBOIS, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO PAUL C. BLOUGH

A TRUE AND ATTESTED COPY OF THE ORIGINAL WRIT OF EXECUTION, NOTICE OF SALE, AND COPY OF THE LEVY AND BY MAKING KNOWN TO HIM THE CONTENTS THEREOF.

10/27/2004 @ 10:30 AM SERVED KELLEY N. BLOUGH

SERVED KELLEY N. BLOUGH, DEFENDANT, AT HER RESIDENCE, 163-A HELVIATIA ROAD, LUTHERSBURG, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO KELLEY N. BLOUGH,

A TRUE AND ATTESTED COPY OF THE ORIGINAL WRIT OF EXECUTION, NOTICE OF SALE, AND COPY OF THE LEVY AND BY MAKING KNOW TO HIM / HER THE CONTENTS THEREOF.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 16345
NO: 02-1829-CD

PLAINTIFF: MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.

VS.

DEFENDANT: PAUL C. BLOUGH AND KELLEY N. BLOUGH

WRIT OF EXECUTION REAL ESTATE

SHERIFF RETURN

SHERIFF HAWKINS \$283.44

SURCHARGE \$40.00 PAID BY ATTORNEY

Sworn to Before Me This

____ Day of _____ 2005

So Answers,


by Cynthia Butcher - Aghabog
Chester A. Hawkins
Sheriff

WRIT OF EXECUTION and/or ATTACHMENT
COMMONWEALTH OF PENNSYLVANIA, COUNTY OF CLEARFIELD
CIVIL ACTION - LAW

Mortgage Electronic Registration System, Inc.

Vs.

NO.: 2002-01829-CD

Paul C. Blough and Kelley N. Blough

TO THE SHERIFF OF CLEARFIELD COUNTY:

To satisfy the debt, interest and costs due MORTGAGE ELECTRONIC REGISTRATION SYSTEM, INC., Plaintiff(s) from PAUL C. BLOUGH and KELLEY N. BLOUGH, Defendant(s):

- (1) You are directed to levy upon the property of the defendant(s) and to sell interest(s) therein:
See Attached Description
- (2) You are also directed to attach the property of the defendant(s) not levied upon in the possession of:

Garnishee(s) as follows:

and to notify the garnishee(s) that: (a) an attachment has been issued; (b) the garnishee(s) is/are enjoined from paying any debt to or for the account of the defendant(s) and from delivering any property of the defendant(s) or otherwise disposing thereof;

- (3) If property of the defendant(s) not levied upon and subject to attachment is found in the possession of anyone other than a named garnishee, you are directed to notify him/her that he/she has been added as a garnishee and is enjoined as above stated.

AMOUNT DUE: \$69,571.60
INTEREST from 7/17/03-Sale Date @ \$11.43
PROTH. COSTS: \$
ATTY'S COMM: \$
DATE: 07/13/2004

PAID: \$159.00
SHERIFF: \$
OTHER COSTS: \$



William A. Shaw
Prothonotary/Clerk Civil Division

Received this writ this 14th day
of July A.D. 2004
At 10:45 A.M./P.M.

Requesting Party: Terrence J. McCabe, Esq.
123 S. Broad Street, Ste. 2080
Philadelphia, PA 19109
(215) 790-1010

Chester A. Hawkins
Sheriff by Cynthia Butler-Coughlin

DESCRIPTION

ALL THAT CERTAIN lot or parcel of land situate, lying and being in Brady Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a stone in Northwest corner of land sold to James H. Wilson; thence by public road known as Pennsylvania Legislative Route 17010, and lands of Henry Schucker, North 1° East 210 feet to a point; thence South 88° 22' East 244.20; thence South 1° West, a distance of 210 feet to a stone; thence North 88° 22' West 244.20 feet to the place of beginning.

BEING Box 163-A Helviatia Road.

TAX PARCEL NUMBER: B06-000-00087

CONTROL NUMBER: 1070-33044

**REAL ESTATE SALE
SCHEDULE OF DISTRIBUTION**

NAME PAUL C. BLOUGH

NO. 02-1829-CD

NOW, March 18, 2005, by virtue of the Writ of Execution hereunto attached, after having given due and legal notice of time and place of sale by publication in a newspaper published in this County and by handbills posted on the premises setting for the date, time and place of sale at the Court House in Clearfield on December 03, 2004, I exposed the within described real estate of Paul C. Blough And Kelley N. Blough to public venue or outcry at which time and place I sold the same to MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. he/she being the highest bidder, for the sum of \$1.00 plus costs and made the following appropriations, viz:

SHERIFF COSTS:

| | |
|----------------------------|-----------------|
| RDR | 15.00 |
| SERVICE | 15.00 |
| MILEAGE | 12.75 |
| LEVY | 15.00 |
| MILEAGE | 12.75 |
| POSTING | 15.00 |
| CSDS | 10.00 |
| COMMISSION | 0.00 |
| POSTAGE | 4.44 |
| HANDBILLS | 15.00 |
| DISTRIBUTION | 25.00 |
| ADVERTISING | 15.00 |
| ADD'L SERVICE | 15.00 |
| DEED | 30.00 |
| ADD'L POSTING | |
| ADD'L MILEAGE | 52.50 |
| ADD'L LEVY | |
| BID AMOUNT | 1.00 |
| RETURNS/DEPUTIZE | |
| COPIES | 15.00 |
| | 5.00 |
| BILLING/PHONE/FAX | 10.00 |
| CONTINUED SALES | |
| MISCELLANEOUS | |
| TOTAL SHERIFF COSTS | \$283.44 |

DEED COSTS:

| | |
|-------------------------|----------------|
| ACKNOWLEDGEMENT | 5.00 |
| REGISTER & RECORDER | 29.00 |
| TRANSFER TAX 2% | 0.00 |
| TOTAL DEED COSTS | \$29.00 |

PLAINTIFF COSTS, DEBT AND INTEREST:

| | |
|--------------------------------|--------------------|
| DEBT-AMOUNT DUE | 69,571.60 |
| INTEREST @ 11.4300 % | 5,772.15 |
| FROM 07/17/2003 TO 12/03/2004 | |
| PROTH SATISFACTION | |
| LATE CHARGES AND FEES | |
| COST OF SUIT-TO BE ADDED | |
| FORECLOSURE FEES | |
| ATTORNEY COMMISSION | |
| REFUND OF ADVANCE | |
| REFUND OF SURCHARGE | 40.00 |
| SATISFACTION FEE | |
| ESCROW DEFICIENCY | |
| PROPERTY INSPECTIONS | |
| INTEREST | |
| MISCELLANEOUS | |
| TOTAL DEBT AND INTEREST | \$75,383.75 |

COSTS:

| | |
|---------------------|-------------------|
| ADVERTISING | 279.18 |
| TAXES - COLLECTOR | |
| TAXES - TAX CLAIM | 1,378.96 |
| DUE | |
| LIEN SEARCH | 100.00 |
| ACKNOWLEDGEMENT | 5.00 |
| DEED COSTS | 29.00 |
| SHERIFF COSTS | 283.44 |
| LEGAL JOURNAL COSTS | 126.00 |
| PROTHONOTARY | 159.00 |
| MORTGAGE SEARCH | 40.00 |
| MUNICIPAL LIEN | |
| TOTAL COSTS | \$2,400.58 |

DISTRIBUTION WILL BE MADE IN ACCORDANCE WITH THE ABOVE SCHEDULE UNLESS EXCEPTIONS ARE FILED WITH THIS OFFICE **WITHIN TEN (10) DAYS FROM THIS DATE.**

CHESTER A. HAWKINS, Sheriff