

03-1038- CD  
CLIFTON FIELD BANK AND TRUST CO. vs. JOSEPH F. KANE, et al.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND,  
TRUST COMPANY

CIVIL DIVISION

Plaintiff,

Case No. 03-1038-CD

vs.

JOSEPH F. KANE and  
GRACE J. KANE,

COMPLAINT IN MORTGAGE  
FORECLOSURE

Defendants.

Filed on behalf of  
Clearfield Bank and Trust Company,  
Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Brett A. Solomon, Esquire  
Pa. I. D. No. 83746  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

I hereby verify that the  
property to be foreclosed  
upon is:

Washington Avenue  
Hyde, PA 16843



\_\_\_\_\_  
Thomas E. Reiber, Esquire  
Attorney for Plaintiff

FILED

JUL 16 2003

William A. Shaw  
Prothonotary

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

CLEARFIELD BANK AND )  
TRUST COMPANY, ) Case No. \_\_\_\_\_  
 )  
 Plaintiff, )  
 )  
 vs. )  
 )  
 JOSEPH F. KANE and )  
 GRACE J. KANE, )  
 )  
 Defendants. )

**IMPORTANT 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 LEGAL HELP.

David S. Meholic, Court Administrator  
Clearfield County Courthouse  
200 E. Market Street  
Clearfield, Pennsylvania 16830  
Telephone: (814) 765-2641

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

CLEARFIELD BANK AND )  
TRUST COMPANY, ) Case No. \_\_\_\_\_  
 )  
 Plaintiff, )  
 )  
 vs. )  
 )  
 JOSEPH F. KANE and )  
 GRACE J. KANE, )  
 )  
 Defendants. )

COMPLAINT IN MORTGAGE FORECLOSURE

AND NOW COMES CLEARFIELD BANK AND TRUST COMPANY, by and  
through its counsel, Tucker Arensberg, P.C., and files the within Complaint in Mortgage  
Foreclosure, in support of which it avers the following:

1. Plaintiff, Clearfield Bank and Trust Company, is a banking corporation  
organized under the laws of Pennsylvania, with a place of business at 11 Second Street,  
Clearfield, PA (the "Bank").

2. Defendants, Joseph F. Kane and Grace J. Kane are adult  
individuals with a last known address of 805 S. Second Street, Clearfield, PA 16830  
(the "Mortgagors").

3. On or about February 5, 2002, BJR, Inc. ("BJR") executed a Promissory  
Note ("Note") whereby BJR promised to pay to the Bank the principal amount of \$130,000.00,  
together with interest thereon in the manner provided therein. A true and correct copy of the  
Note is attached hereto as Exhibit "A" and incorporated herein.

4. The obligations evidenced by the Note are secured by a Mortgage dated February 5, 2002 ("Mortgage") given by Mortgagors to Plaintiff, encumbering real property located in the Hyde, County of Clearfield, Pennsylvania, as more particularly described therein ("Premises"). The Mortgage was recorded in the Office of the Recorder of Deeds of Clearfield County, Pennsylvania at Instrument #200201959. A true and correct copy of the Mortgage, containing the legal description of the Premises, is attached hereto as Exhibit "B" and incorporated herein.

5. BJR is in default of the provisions of the Note for failure to make payment when due.

6. The Mortgagors are the record and real owners of the Premises.

7. There has been no assignment, release or transfer of the Note and Mortgage.

8. No notices under 35 P.S. §1680.403C (Homeowner's Emergency Mortgage Assistance Act of 1983 – Act 91 of 1983) and 41 P.S. §403 (Act 6 of 1974) are required to be sent.

9. The amount due Bank under the Note and Mortgage as of July 3, 2003, is as follows:

|                                |                    |
|--------------------------------|--------------------|
| Principal .....                | \$105,836.78       |
| Interest through 7/03/03 ..... | 2,648.39           |
| Late Charges.....              | 391.65             |
| Costs.....                     | <u>to be added</u> |
| Attorneys' Fees .....          | <u>to be added</u> |
| TOTAL .....                    | \$108,876.82       |

10. The total amount due to Bank under the Note and Mortgage as of July 3, 2003 is \$108,876.82, plus costs and attorneys' fees.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of \$108,876.82, plus reasonable attorneys' fees as authorized by the Note and costs of foreclosure and sale of the Mortgaged Premises.

TUCKER ARENSBERG, P.C.

By:

  
Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Brett A. Solomon, Esquire  
Pa. I.D. No. 83746  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

Attorneys for Clearfield Bank and Trust Company,  
Plaintiff

**EXHIBIT "A"**

|  |   |  |
|--|---|--|
| BJR INC  | CLEARFIELD BANK & TRUST COMPANY<br>11 N. SECOND ST, P O BOX 171<br>CLEARFIELD, PA 16830 | Loan Number 827061<br>Date 02/05/02<br>Maturity Date 02/05/07<br>Loan Amount \$ 130,000.00<br>Renewal Of _____ |
| PO BOX 1404<br><br>CLEARFIELD PA 16830-5404<br><br>BORROWER'S NAME AND ADDRESS<br>"I" includes each borrower above, joint and severally. | LENDER'S NAME AND ADDRESS<br>"You" means the lender, its successors and assigns.        |  |

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of One hundred thirty thousand & no/100 Dollars \$ 130,000.00

Single Advance: I will receive all of this principal sum on 02/05/02. No additional advances are contemplated under this note.  
 Multiple Advance: The principal sum shown above is the maximum amount of principal I can borrow under this note. On \_\_\_\_\_ I will receive the amount of \$ \_\_\_\_\_ and future principal advances are contemplated.  
 Conditions: The conditions for future advances are \_\_\_\_\_

Open End Credit: You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on \_\_\_\_\_  
 Closed End Credit: You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).  
 INTEREST: I agree to pay interest on the outstanding principal balance from FEBRUARY 05, 2002 at the rate of 7.5000 % per year until FEBRUARY 05, 2007  
 Variable Rate: This rate may then change as stated below.  
 Index Rate: The future rate will be \_\_\_\_\_ the following index rate: \_\_\_\_\_

No Index: The future rate will not be subject to any internal or external index. It will be entirely in your control.  
 Frequency and Timing: The rate on this note may change as often as \_\_\_\_\_  
 A change in the interest rate will take effect \_\_\_\_\_  
 Limitations: During the term of this loan, the applicable annual interest rate will not be more than \_\_\_\_\_ % or less than \_\_\_\_\_ %. The rate may not change more than \_\_\_\_\_ % each \_\_\_\_\_  
 Effect of Variable Rate: A change in the interest rate will have the following effect on the payments:  
 The amount of each scheduled payment will change.  The amount of the final payment will change.

ACCRUAL METHOD: Interest will be calculated on a 365/360 basis.  
 POST MATURITY RATE: I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:  
 on the same fixed or variable rate basis, in effect before maturity (as indicated above).  
 at a rate equal to \_\_\_\_\_  
 LATE CHARGE: If a payment is made more than 15 days after it is due, I agree to pay a late charge of 5% OF THE PAYMENT, WITH A \$20.00 MINIMUM CHARGE  
 RETURNED CHECK CHARGE: I agree to pay a fee of \$ \_\_\_\_\_ for each check, negotiable order of withdrawal or draft I issue in connection with this loan that is returned because it has been dishonored.  
 ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which  are  are not included in the principal amount above: DOC PREP, FLOOD DETERMINATION, CREDIT REPORT FEES \$125.00  
 PAYMENTS: I agree to pay this note as follows:  
 Interest: I agree to pay accrued interest On Demand, But If No Demand Is Made  
 Principal: I agree to pay the principal On Demand, But If No Demand Is Made  
 Installments: I agree to pay this note in 60 payments. The first payment will be in the amount of \$ 2,610.92 and will be due MARCH 05, 2002. A payment of \$ 2,610.92 will be due \_\_\_\_\_ monthly thereafter. The final payment of the entire unpaid balance of principal and interest will be due FEBRUARY 05, 2007

WARRANT OF AUTHORITY TO CONFESS JUDGMENT. Upon default, in addition to all other remedies and rights available to you, by signing and confess judgment against me at any time without stay of execution, I waive notice, service of process and process. I agree and understand that judgment may be confessed against me for any unpaid principal, accrued interest and accrued charges due on this note, plus collection costs and reasonable attorneys fees up to 15 percent of the judgment. The exercise of the power to confess judgment will not exhaust this warrant of authority to confess judgment and may be done as often as you elect. I further understand that my property may be seized without prior notice to satisfy the debt owed. I knowingly, intentionally, and voluntarily waive any and all constitutional rights I have to pre-deprivation notice and hearing under federal and state laws and fully understand the consequences of this waiver.

ADDITIONAL TERMS:

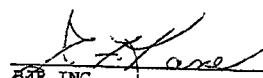
PURPOSE: The purpose of this loan is CONSOLIDATION & PAY DOWN LOC

SECURITY: This note is separately secured by (describe separate document by type and date):

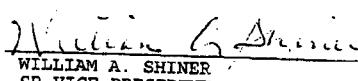
MORTGAGE & SECURITY AGREEMENT EXECUTED/DATED HEREWITHE

SECURITY AGREEMENT DATED 3/6/02 Document does not mean the agreement will not secure this note.)

SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

  
William A. Shiner  
SR VICE PRESIDENT  
BJR INC

Signature for Lender

  
WILLIAM A. SHINER  
SR VICE PRESIDENT



**EXHIBIT "B"**

765 1443

KAREN L. STARCK  
REGISTER AND RECORDER  
CLEARFIELD COUNTY  
Pennsylvania

INSTRUMENT NUMBER  
**200201959**

RECORDED ON

Feb 05, 2002  
10:35:25 AM

Total Pages: 9

ECO  
ECOGEN  
DUNITY IMPROVEMENT  
JMD  
ECODER  
FPROVEMENT FUND  
IATE WRIT TAX  
JAL  
CUSTOMER  
VIDEO & ASSOCIATES

3 FEES - \$23.00  
\$1.00  
\$0.50  
\$25.50

Commonwealth of Pennsylvania

Space Above This Line For Recording Data

## OPEN-END MORTGAGE

This Mortgage secures future advances

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is FEBRUARY 05, 2002 and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR: JOSEPH F KANE  
GRACE J KANE

If checked, refer to the attached Addendum incorporated herein, for additional Mortgagors, their signatures and acknowledgments.

LENDER: CLEARFIELD BANK & TRUST COMPANY  
11 N. SECOND ST, P O BOX 171  
CLEARFIELD, PA 16830

2. **CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, conveys and mortgages to Lender the following described property:

SEE ATTACHED DESCRIPTION

The property is located in CLEARFIELD at .....  
(County)

WASHINGTON AVENUE, HYDE, Pennsylvania 16843  
(Address) (City) (ZIP Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, crops, timber, all diversion payments or third party payments made to crop producers, all water and riparian rights, wells, ditches, reservoirs, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 130,000.00. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.

4. **SECURED DEBT AND FUTURE ADVANCES.** The term "Secured Debt" is defined as follows:

A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(s) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)

- B. All future advances from Lender to Mortgagor or other future obligations of Mortgagor to Lender under any promissory note, contract, guaranty, or other evidence of debt existing now or executed after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Mortgagor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.
- C. All obligations Mortgagor owes to Lender, which now exist or may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Mortgagor and Lender.
- D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.

- 5. **PAYMENTS.** Mortgagor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.
- 6. **WARRANTY OF TITLE.** Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell, and mortgage the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.
- 7. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:
  - A. To make all payments when due and to perform or comply with all covenants.
  - B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.
  - C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.
- 8. **CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.
- 9. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.
- 10. **TRANSFER OF AN INTEREST IN THE MORTGAGOR.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Lender may demand immediate payment if:
  - A. A beneficial interest in Mortgagor is sold or transferred.
  - B. There is a change in either the identity or number of members of a partnership or similar entity.
  - C. There is a change in ownership of more than 25 percent of the voting stock of a corporation or similar entity.However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Security Instrument.
- 11. **ENTITY WARRANTIES AND REPRESENTATIONS.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Mortgagor makes to Lender the following warranties and representations which shall continue as long as the Secured Debt remains outstanding:

(page 2 of 8)

- A. Mortgagor is duly organized and validly existing in Mortgagor's state of incorporation or organization. Mortgagor is in good standing in all states in which Mortgagor transacts business. Mortgagor has the power and authority to own the Property and to carry on its business as now being conducted and, as applicable, is qualified to do so in each state in which Mortgagor operates.
- B. The execution, delivery and performance of this Security Instrument by Mortgagor and the obligations evidenced by the Secured Debt are within the power of Mortgagor, have been duly authorized, have received all necessary governmental approval, and will not violate any provision of law, or order of court or governmental agency.
- C. Other than previously disclosed in writing to Lender, Mortgagor has not changed its name within the last ten years and has not used any other trade or fictitious name. Without Lender's prior written consent, Mortgagor does not and will not use any other name and will preserve its existing name, trade names and franchises until the Secured Debt is satisfied.

**12. PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor shall not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims, and actions against Mortgagor, and of any loss or damage to the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Mortgagor shall not partition or subdivide the Property without Lender's prior written consent.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

- A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of any portion of the Property, including any extensions, renewals, modifications or substitutions of such agreements (all referred to as "Leases").
- B. Rents, issues and profits (all referred to as "Rents"), including but not limited to security deposits, minimum rent, percentage rent, additional rent, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Mortgagor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property.

In the event any item listed as Leases or Rents is determined to be personal property, this Security Instrument will also be regarded as a security agreement.

Mortgagor will promptly provide Lender with true and correct copies of all existing and future Leases. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default. Except for one lease period's rent, Mortgagor will not collect in advance any future Rents without Lender's prior written consent. Upon default, Mortgagor will receive Rents in trust for Lender and Mortgagor will not commingle the Rents with any other funds. Amounts collected shall be applied at Lender's discretion to payments on the Secured Debt as therein provided, to costs of managing, protecting and preserving the Property and to any other necessary related expenses including Lender's attorneys' fees and court costs.

(page 3 of 8)

Mortgagor agrees that this assignment is immediately effective between the parties to this Security Instrument and effective as to third parties on the recording of this Security Instrument, and this assignment will remain effective until the Obligations are satisfied. Mortgagor agrees that Lender is entitled to notify Mortgagor or Mortgagor's tenants to make payments of Rents due or to become due directly to Lender after such recording, however Lender agrees not to notify Mortgagor's tenants until Mortgagor defaults and Lender notifies Mortgagor of the default and demands that Mortgagor and Mortgagor's tenants pay all Rents due or to become due directly to Lender. On receiving the notice of default, Mortgagor will endorse and deliver to Lender any payments of Rents.

Mortgagor warrants that no default exists under the Leases or any applicable landlord law. Mortgagor also agrees to maintain, and to require the tenants to comply with, the Leases and any applicable law. Mortgagor will promptly notify Lender of any noncompliance. If Mortgagor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance. Mortgagor will obtain Lender's written authorization before Mortgagor consents to sublet, modify, cancel, or otherwise alter the Leases, to accept the surrender of the Property covered by such Leases (unless the Leases so require), or to assign, compromise or encumber the Leases or any future Rents. If Lender acts to manage, protect and preserve the Property, Lender does not assume or become liable for its maintenance, depreciation, or other losses or damages, except those due to Lender's gross negligence or intentional torts. Otherwise, Mortgagor will hold Lender harmless and indemnify Lender for any and all liability, loss or damage that Lender may incur as a consequence of the assignment under this section.

**15. LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** Mortgagor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

**16. DEFAULT.** Mortgagor will be in default if any of the following occur:

- A. Any party obligated on the Secured Debt fails to make payment when due;
- B. A breach of any term or covenant in this Security Instrument or any other document executed for the purpose of creating, securing or guarantying the Secured Debt;
- C. The making or furnishing of any verbal or written representation, statement or warranty to Lender that is false or incorrect in any material respect by Mortgagor or any person or entity obligated on the Secured Debt;
- D. The death, dissolution, or insolvency of, appointment of a receiver for, or application of any debtor relief law to, Mortgagor or any other person or entity obligated on the Secured Debt;
- E. A good faith belief by Lender at any time that Lender is insecure with respect to any person or entity obligated on the Secured Debt or that the prospect of any payment is impaired or the value of the Property is impaired;
- F. A material adverse change in Mortgagor's business including ownership, management, and financial conditions, which Lender in its opinion believes impairs the value of the Property or repayment of the Secured Debt; or
- G. Any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

**17. REMEDIES ON DEFAULT.** In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Mortgagor is in default.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

**18. EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS.** Except when prohibited by law, Mortgagor agrees to pay all of Lender's expenses if Mortgagor breaches any covenant in this Security Instrument. Mortgagor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the

(page 4 of 8)

payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Mortgagor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fees, court costs, and other legal expenses. This Security Instrument shall remain in effect until released. Mortgagor agrees to pay for any recordation costs of such release.

**19. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.
- B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.
- C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.
- D. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.
- E. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law.
- F. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.
- G. Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.
- H. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.
- I. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.
- J. Lender has the right, but not the obligation, to perform any of Mortgagor's obligations under this section at Mortgagor's expense.
- K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Security Instrument and in return Mortgagor will provide Lender with collateral of at least equal value to the Property secured by this Security Instrument without prejudice to any of Lender's rights under this Security Instrument.

(page 5 of 8)

L. Notwithstanding any of the language contained in this Security Instrument to the contrary, the terms of this section shall survive any foreclosure or satisfaction of this Security Instrument regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

**20. CONDEMNATION.** Mortgagor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

**21. INSURANCE.** Mortgagor agrees to maintain insurance as follows:

A. Mortgagor shall keep the Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Mortgagor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Mortgagor.

Unless otherwise agreed in writing, all insurance proceeds shall be applied to restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of scheduled payment nor change the amount of any payment. Any excess will be paid to the Mortgagor. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

B. Mortgagor agrees to maintain comprehensive general liability insurance naming Lender as an additional insured in an amount acceptable to Lender, insuring against claims arising from any accident or occurrence in or on the Property.

C. Mortgagor agrees to maintain rental loss or business interruption insurance, as required by Lender, in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing), under a form of policy acceptable to Lender.

**22. ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.

**23. FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and Lender's lien status on the Property.

**24. JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Mortgagor signs this Security Instrument but does not sign an evidence of debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Mortgagor and Lender.

(page 6 of 8)

**25. APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Security Instrument is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.

**26. NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.

**27. WAIVERS.** Except to the extent prohibited by law, Mortgagor waives any right to appraisal relating to the Property.

**28. WAIVER OF JURY TRIAL.** To the extent not prohibited by law, Mortgagor and Lender knowingly and intentionally waive the right, which the party may have, to a trial by jury with respect to any litigation arising from the Secured Debt, or any other agreement executed in conjunction with the Evidence of Debt and this Mortgage. Mortgagor and Lender each acknowledge that this section has either been brought to the attention of each party's legal counsel or that each party had the opportunity to do so.

**29. U.C.C. PROVISIONS.** If checked, the following are applicable to, but do not limit, this Security Instrument:

- Construction Loan.** This Security Instrument secures an obligation incurred for the construction of an improvement on the Property.
- Fixture Filing.** Mortgagor grants to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property.
- Crops; Timber; Minerals; Rents, Issues, and Profits.** Mortgagor grants to Lender a security interest in all crops, timber, and minerals located on the Property as well as all rents, issues, and profits of them including, but not limited to, all Conservation Reserve Program (CRP) and Payment in Kind (PIK) payments and similar governmental programs (all of which shall also be included in the term "Property").
- Personal Property.** Mortgagor grants to Lender a security interest in all personal property located on or connected with the Property, including all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Mortgagor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property (all of which shall also be included in the term "Property"). The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.
- Filing As Financing Statement.** Mortgagor agrees and acknowledges that this Security Instrument also suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.

**30. OTHER TERMS.** If checked, the following are applicable to this Security Instrument:

- Line of Credit.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
- Agricultural Property.** Mortgagor covenants and warrants that the Property will be used principally for agricultural or farming purposes and that Mortgagor is an individual or entity allowed to own agricultural land as specified by law.
- Purchase Money.** This Security Instrument secures advances by Lender used in whole or in part to acquire the Property. Accordingly, this Security Instrument, and the lien hereunder, is and shall be construed as a purchase money mortgage with all of the rights, priorities and benefits thereof under the laws of the Commonwealth of Pennsylvania.

(page 7 of 8)

Additional Terms.

**SIGNATURES:** By signing below, Mortgagor, intending to be legally bound hereby, agrees to the terms and covenants contained in this Security Instrument and in any attachments. Mortgagor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

Entity Name: .....


  
(Signature) JOSEPH F KANE

Entity Name: .....


  
(Signature) GRACE J KANE

(Witness) .....

(Witness) .....

(Signature) .....

(Signature) .....

(Witness) .....

(Witness) .....

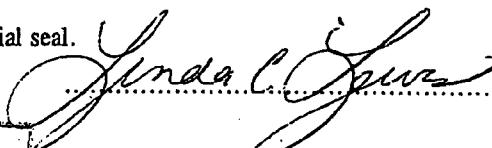
**ACKNOWLEDGMENT:**

COMMONWEALTH OF PENNSYLVANIA ....., COUNTY OF .....CLEARFIELD..... } ss.

(Individual) On this, the .....5th..... day of ..February.. 2002., before me ....., the undersigned officer, personally appeared Joseph F. Kane and Grace J. Kane ....., known to me (or satisfactorily proven) to be the person(s) whose name(s) is subscribed to the within instrument, and acknowledged that he/she executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

My commission expires:



(Seal)

Title of Officer

COMMONWEALTH OF PENNSYLVANIA ....., COUNTY OF ..... } ss.

(Business or Entity Acknowledgment) On this, the ..... day of ....., before me ....., the undersigned officer, personally appeared ....., who acknowledged himself/herself to be the .....

..... of ....., and that he/she as such ....., being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the ..... by ..... as .....!

In witness whereof, I hereunto set my hand and official seal.

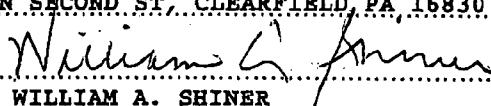
My commission expires:

(Seal)

Title of Officer

It is hereby certified that the address of the Lender within named is:

CLEARFIELD BANK AND TRUST COMPANY, 11 N SECOND ST, CLEARFIELD, PA 16830


  
WILLIAM A. SHINER  
SR VICE PRESIDENT

ALL those two certain lots or parcels of land, together with all improvements thereon, situate in the Village of Hyde, Lawrence Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a point in the West line of the right-of-way of Pennsylvania Legislative Route 17098 and at the Southwest corner of Lot No. 9; thence in a northwesterly direction along the line of Lot No. 9 one hundred twenty (120) feet to an alley; thence along the line of said alley in a southwesterly direction eighty (80) feet to the corner of Lot No. 6; thence along the line of Lot No. 6 in a southeasterly direction one hundred twenty (120) feet, more or less, to the western line of the State Highway Legislative Route 17098; thence by the line of right-of-way of said highway in a northeasterly direction eighty (80) feet to the point and place of beginning; being lots Nos. 7 and 8 in Section 36 of the Kerr and Short plan of Lots in the Village of Hyde, each lot being forty (40) feet by one hundred twenty (120) feet.

BEING the same premises conveyed to the Mortgagors herein by deed of Bryan K. Lingle, Sr. and Brenda C. Lingle, husband and wife, dated April 17, 1989 and recorded in Clearfield County Deed and Record Book 1277, page 360.

## VERIFICATION

I, WILLIAM A. SHINER, Senior Vice President and Secretary of CLEARFIELD BANK & TRUST COMPANY, verify that the statements made in the foregoing Complaint are true and correct to the best of my knowledge, information and belief. I understand that false statements herein are made subject to the penalties of 18 PA. C.S.A. §4904 relating to unsworn falsification to authorities.

CLEARFIELD BANK & TRUST COMPANY

By: William A. Shiner  
William A. Shiner, Senior Vice President  
and Secretary

Date: 7/10/03

丁巳

11:52 Sat pd 85.03  
11:57 Sat.

JUL 16 2003

William A. Shaw  
Prothonotary

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

**CLEARFIELD BANK & TRUST COMPANY**

**VS.**

**KANE, JOSEPH F. & GRACE J.**

**COMPLAINT IN MORTGAGE FORECLOSURE**

**Sheriff Docket #**

**14354**

**03-1038-CD**

**SHERIFF RETURNS**

---

NOW JULY 28, 2003 AT 10:19 AM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON GRACE J. KANE, DEFENDANT AT RESIDENCE, 303 ELM AVE., CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO GRACE KANE 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 JULY 29, 2003 AT 1:17 PM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON JOSEPH F. KANE, DEFENDANT AT SHERIFF'S OFFICE, MARKET ST., CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO JOSEPH KANE A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN TO HIM THE CONTENTS THEREOF.

SERVED BY: SNYDER

---

**Return Costs**

| <b>Cost</b>  | <b>Description</b>                              |
|--------------|---|
| <b>29.00</b> | <b>SHERIFF HAWKINS PAID BY: ATTY CK# 249036</b> |
| <b>20.00</b> | <b>SURCHARGE PAID BY: ATTY Ck# 249037</b>       |

---

**Sworn to Before Me This**

2<sup>nd</sup> Day Of Sept 03 2003  
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 Mailey Hawn  
Chester A. Hawkins  
Sheriff

**FILED**  
03:14 AM  
SEP 02 2003  
*[Signature]*

William A. Shaw  
Prothonotary/Clerk of Courts

# COPY

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND,  
TRUST COMPANY

CIVIL DIVISION

Plaintiff,

Case No. 03-1038-CD

vs.

JOSEPH F. KANE and  
GRACE J. KANE,

COMPLAINT IN MORTGAGE  
FORECLOSURE

Defendants.

Filed on behalf of  
Clearfield Bank and Trust Company,  
Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Brett A. Solomon, Esquire  
Pa. I. D. No. 83746  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

I hereby verify that the  
property to be foreclosed  
upon is:

Washington Avenue  
Hyde, PA 16843

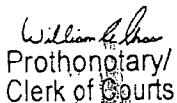


Thomas E. Reiber, Esquire  
Attorney for Plaintiff

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

JUL 16 2003

Attest.



William J. Bahr  
Prothonotary/  
Clerk of Courts

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

CLEARFIELD BANK AND )  
TRUST COMPANY, ) Case No. \_\_\_\_\_  
 )  
 Plaintiff, )  
 )  
 vs. )  
 )  
 JOSEPH F. KANE and )  
 GRACE J. KANE, )  
 )  
 Defendants. )

IMPORTANT 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 LEGAL HELP.

David S. Meholic, Court Administrator  
Clearfield County Courthouse  
200 E. Market Street  
Clearfield, Pennsylvania 16830  
Telephone: (814) 765-2641

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

CLEARFIELD BANK AND )  
TRUST COMPANY, ) Case No. \_\_\_\_\_  
 )  
 Plaintiff, )  
 )  
 vs. )  
 )  
 JOSEPH F. KANE and )  
 GRACE J. KANE, )  
 )  
 Defendants. )

COMPLAINT IN MORTGAGE FORECLOSURE

AND NOW COMES CLEARFIELD BANK AND TRUST COMPANY, by and  
through its counsel, Tucker Arensberg, P.C., and files the within Complaint in Mortgage  
Foreclosure, in support of which it avers the following:

1. Plaintiff, Clearfield Bank and Trust Company, is a banking corporation  
organized under the laws of Pennsylvania, with a place of business at 11 Second Street,  
Clearfield, PA (the "Bank").
2. Defendants, Joseph F. Kane and Grace J. Kane are adult  
individuals with a last known address of 805 S. Second Street, Clearfield, PA 16830  
(the "Mortgagors").
3. On or about February 5, 2002, BJR, Inc. ("BJR") executed a Promissory  
Note ("Note") whereby BJR promised to pay to the Bank the principal amount of \$130,000.00,  
together with interest thereon in the manner provided therein. A true and correct copy of the  
Note is attached hereto as Exhibit "A" and incorporated herein.

4. The obligations evidenced by the Note are secured by a Mortgage dated February 5, 2002 ("Mortgage") given by Mortgagors to Plaintiff, encumbering real property located in the Hyde, County of Clearfield, Pennsylvania, as more particularly described therein ("Premises"). The Mortgage was recorded in the Office of the Recorder of Deeds of Clearfield County, Pennsylvania at Instrument #200201959. A true and correct copy of the Mortgage, containing the legal description of the Premises, is attached hereto as Exhibit "B" and incorporated herein.

5. BJR is in default of the provisions of the Note for failure to make payment when due.

6. The Mortgagors are the record and real owners of the Premises.

7. There has been no assignment, release or transfer of the Note and Mortgage.

8. No notices under 35 P.S. §1680.403C (Homeowner's Emergency Mortgage Assistance Act of 1983 – Act 91 of 1983) and 41 P.S. §403 (Act 6 of 1974) are required to be sent.

9. The amount due Bank under the Note and Mortgage as of July 3, 2003, is as follows:

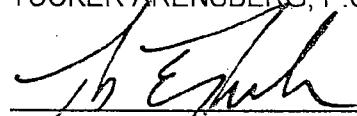
|                                |                    |
|--------------------------------|--------------------|
| Principal .....                | \$105,836.78       |
| Interest through 7/03/03 ..... | 2,648.39           |
| Late Charges.....              | 391.65             |
| Costs.....                     | to be added        |
| Attorneys' Fees .....          | <u>to be added</u> |
| TOTAL .....                    | \$108,876.82       |

10. The total amount due to Bank under the Note and Mortgage as of July 3, 2003 is \$108,876.82, plus costs and attorneys' fees.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of \$108,876.82, plus reasonable attorneys' fees as authorized by the Note and costs of foreclosure and sale of the Mortgaged Premises.

TUCKER ARENSBERG, P.C.

By:

  
Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Brett A. Solomon, Esquire  
Pa. I.D. No. 83746  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

Attorneys for Clearfield Bank and Trust Company,  
Plaintiff

**EXHIBIT "A"**

|   |   |  |
|---|---|--|
| BJR INC<br>PO BOX 1404<br>CLEARFIELD PA 16830-5404                                    | CLEARFIELD BANK & TRUST COMPANY<br>11 N. SECOND ST, P O BOX 171<br>CLEARFIELD, PA 16830 | Loan Number 827061<br>Date 02/05/02<br>Maturity Date 02/05/07<br>Loan Amount \$ 130,000.00<br>Renewal Of _____ |
| BORROWER'S NAME AND ADDRESS<br>"I" includes each borrower above, joint and severally. |   | LENDER'S NAME AND ADDRESS<br>"You" means the lender, its successors and assigns.                               |

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of One hundred thirty thousand & no/100 Dollars \$ 130,000.00

Single Advance: I will receive all of this principal sum on 02/05/02. No additional advances are contemplated under this note.  
 Multiple Advance: The principal sum shown above is the maximum amount of principal I can borrow under this note. On \_\_\_\_\_ I will receive the amount of \$ \_\_\_\_\_ and future principal advances are contemplated.  
 Conditions: The conditions for future advances are \_\_\_\_\_

Open End Credit: You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on \_\_\_\_\_.  
 Closed End Credit: You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).  
 INTEREST: I agree to pay interest on the outstanding principal balance from FEBRUARY 05, 2002 at the rate of 7.5000 % per year until FEBRUARY 05, 2007  
 Variable Rate: This rate may then change as stated below.  
 Index Rate: The future rate will be \_\_\_\_\_ the following index rate: \_\_\_\_\_

No Index: The future rate will not be subject to any internal or external index. It will be entirely in your control.  
 Frequency and Timing: The rate on this note may change as often as \_\_\_\_\_.  
 A change in the interest rate will take effect \_\_\_\_\_.  
 Limitations: During the term of this loan, the applicable annual interest rate will not be more than \_\_\_\_\_ % or less than \_\_\_\_\_. The rate may not change more than \_\_\_\_\_ % each.  
 Effect of Variable Rate: A change in the interest rate will have the following effect on the payments:  
 The amount of each scheduled payment will change.  The amount of the final payment will change.  
 \_\_\_\_\_

ACCRUAL METHOD: Interest will be calculated on a 365/360 basis.

POST MATURITY RATE: I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:  
 on the same fixed or variable rate basis in effect before maturity (as indicated above).  
 at a rate equal to \_\_\_\_\_.

LATE CHARGE: If a payment is made more than 15 days after it is due, I agree to pay a late charge of 5% OF THE PAYMENT, WITH A \$20.00 MINIMUM CHARGE

RETURNED CHECK CHARGE: I agree to pay a fee of \$ \_\_\_\_\_ for each check, negotiable order of withdrawal or draft I issue in connection with this loan that is returned because it has been dishonored.

ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which  are  are not included in the principal amount above: DOC PREP, FLOOD DETERMINATION, CREDIT REPORT FEES \$125.00

PAYMENTS: I agree to pay this note as follows:

Interest: I agree to pay accrued interest On Demand, But If No Demand Is Made

Principal: I agree to pay the principal On Demand, But If No Demand Is Made

Installments: I agree to pay this note in 60 payments. The first payment will be in the amount of \$ 2,610.92 and will be due MARCH 05, 2002. A payment of \$ 2,610.92 will be due Monthly thereafter. The final payment of the entire unpaid balance of principal and interest will be due FEBRUARY 05, 2007

WARRANT OF AUTHORITY TO CONFESSION JUDGMENT: Upon default, in addition to all other remedies and rights available to you, by signing and confessing judgment against me at any time without stay of execution, I waive notice, service of process and process. I agree and understand that judgment may be confessed against me for any unpaid principal, accrued interest and accrued charges due on this note, plus collection costs and reasonable attorneys' fees up to 15 percent of the judgment. The exercise of the power to confess judgment will not exhaust this warrant of authority to confess judgment and may be done as often as you elect. I further understand that my property may be seized without prior notice to satisfy the debt owed. I knowingly, intentionally, and voluntarily waive any and all constitutional rights I have to pre-deprivation notice and hearing under federal and state laws and fully understand the consequences of this waiver.

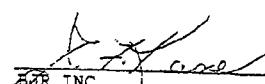
ADDITIONAL TERMS:

PURPOSE: The purpose of this loan is CONSOLIDATION & PAY DOWN LOC

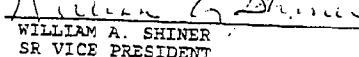
SECURITY: This note is separately secured by (describe separate document by type and date):  
**MORTGAGE & SECURITY AGREEMENT EXECUTED/DATED HEREWITHE**

(SECURITY AGREEMENT DATED 3/6/09 Document does not mean the agreement will not secure this note.)

SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

  
BJR INC

Signature for Lender

  
WILLIAM A. SHINER  
SR VICE PRESIDENT



**EXHIBIT "B"**

KAREN L. STARCK  
REGISTER AND RECORDER  
CLEARFIELD COUNTY  
Pennsylvania

765 1443  
1443  
200201959  
RECORDED ON  
Feb 05, 2002  
10:35:25 AM  
Total Pages: 9

INSTRUMENT NUMBER

200201959

RECORDED ON

Feb 05, 2002

10:35:25 AM

ECO. FEES - \$23.00  
ECORER \$1.00  
DUNTY IMPROVEMENT \$1.00  
JHD  
ECORER \$1.00  
FREQUERENT FUND \$0.50  
TATE WRIT TAX \$0.50  
JAL \$25.50

CUSTOMER  
VIDEO & ASSOCIATES

Commonwealth of Pennsylvania

Space Above This Line For Recording Data

## OPEN-END MORTGAGE

This Mortgage secures future advances

1. DATE AND PARTIES. The date of this Mortgage (Security Instrument) is FEBRUARY 05, 2002 and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR: JOSEPH F KANE  
GRACE J KANE

If checked, refer to the attached Addendum incorporated herein, for additional Mortgagors, their signatures and acknowledgments.

LENDER: CLEARFIELD BANK & TRUST COMPANY  
11 N. SECOND ST, P O BOX 171  
CLEARFIELD, PA 16830

2. CONVEYANCE. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, conveys and mortgages to Lender the following described property:

SEE ATTACHED DESCRIPTION

The property is located in CLEARFIELD at

(County)

WASHINGTON AVENUE, HYDE, Pennsylvania 16843  
(Address) (City) (ZIP Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, crops, timber, all diversion payments or third party payments made to crop producers, all water and riparian rights, wells, ditches, reservoirs, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

3. MAXIMUM OBLIGATION LIMIT. The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 130,000.00. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.

4. SECURED DEBT AND FUTURE ADVANCES. The term "Secured Debt" is defined as follows:

A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(s) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)

- B. All future advances from Lender to Mortgagor or other future obligations of Mortgagor to Lender under any promissory note, contract, guaranty, or other evidence of debt existing now or executed after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Mortgagor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.
- C. All obligations Mortgagor owes to Lender, which now exist or may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Mortgagor and Lender.
- D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.

- 5. **PAYMENTS.** Mortgagor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.
- 6. **WARRANTY OF TITLE.** Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell, and mortgage the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.
- 7. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:
  - A. To make all payments when due and to perform or comply with all covenants.
  - B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.
  - C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.
- 8. **CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.
- 9. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.
- 10. **TRANSFER OF AN INTEREST IN THE MORTGAGOR.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Lender may demand immediate payment if:
  - A. A beneficial interest in Mortgagor is sold or transferred.
  - B. There is a change in either the identity or number of members of a partnership or similar entity.
  - C. There is a change in ownership of more than 25 percent of the voting stock of a corporation or similar entity.
 However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Security Instrument.
- 11. **ENTITY WARRANTIES AND REPRESENTATIONS.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Mortgagor makes to Lender the following warranties and representations which shall continue as long as the Secured Debt remains outstanding:

(page 2 of 8)

- A. Mortgagor is duly organized and validly existing in Mortgagor's state of incorporation or organization. Mortgagor is in good standing in all states in which Mortgagor transacts business. Mortgagor has the power and authority to own the Property and to carry on its business as now being conducted and, as applicable, is qualified to do so in each state in which Mortgagor operates.
- B. The execution, delivery and performance of this Security Instrument by Mortgagor and the obligations evidenced by the Secured Debt are within the power of Mortgagor, have been duly authorized, have received all necessary governmental approval, and will not violate any provision of law, or order of court or governmental agency.
- C. Other than previously disclosed in writing to Lender, Mortgagor has not changed its name within the last ten years and has not used any other trade or fictitious name. Without Lender's prior written consent, Mortgagor does not and will not use any other name and will preserve its existing name, trade names and franchises until the Secured Debt is satisfied.

**12. PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor shall not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims, and actions against Mortgagor, and of any loss or damage to the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Mortgagor shall not partition or subdivide the Property without Lender's prior written consent.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

**13. AUTHORITY TO PERFORM.** If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.

**14. ASSIGNMENT OF LEASES AND RENTS.** Mortgagor grants, bargains, and conveys to Lender as additional security all the right, title and interest in and to any and all:

- A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of any portion of the Property, including any extensions, renewals, modifications or substitutions of such agreements (all referred to as "Leases").
- B. Rents, issues and profits (all referred to as "Rents"), including but not limited to security deposits, minimum rent, percentage rent, additional rent, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Mortgagor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property.

In the event any item listed as Leases or Rents is determined to be personal property, this Security Instrument will also be regarded as a security agreement.

Mortgagor will promptly provide Lender with true and correct copies of all existing and future Leases. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default. Except for one lease period's rent, Mortgagor will not collect in advance any future Rents without Lender's prior written consent. Upon default, Mortgagor will receive Rents in trust for Lender and Mortgagor will not commingle the Rents with any other funds. Amounts collected shall be applied at Lender's discretion to payments on the Secured Debt as therein provided, to costs of managing, protecting and preserving the Property and to any other necessary related expenses including Lender's attorneys' fees and court costs.

(page 3 of 8)

Mortgagor agrees that this assignment is immediately effective between the parties to this Security Instrument and effective as to third parties on the recording of this Security Instrument, and this assignment will remain effective until the Obligations are satisfied. Mortgagor agrees that Lender is entitled to notify Mortgagor or Mortgagor's tenants to make payments of Rents due or to become due directly to Lender after such recording, however Lender agrees not to notify Mortgagor's tenants until Mortgagor defaults and Lender notifies Mortgagor of the default and demands that Mortgagor and Mortgagor's tenants pay all Rents due or to become due directly to Lender. On receiving the notice of default, Mortgagor will endorse and deliver to Lender any payments of Rents.

Mortgagor warrants that no default exists under the Leases or any applicable landlord law. Mortgagor also agrees to maintain, and to require the tenants to comply with, the Leases and any applicable law. Mortgagor will promptly notify Lender of any noncompliance. If Mortgagor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance. Mortgagor will obtain Lender's written authorization before Mortgagor consents to sublet, modify, cancel, or otherwise alter the Leases, to accept the surrender of the Property covered by such Leases (unless the Leases so require), or to assign, compromise or encumber the Leases or any future Rents. If Lender acts to manage, protect and preserve the Property, Lender does not assume or become liable for its maintenance, depreciation, or other losses or damages, except those due to Lender's gross negligence or intentional torts. Otherwise, Mortgagor will hold Lender harmless and indemnify Lender for any and all liability, loss or damage that Lender may incur as a consequence of the assignment under this section.

**15. LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** Mortgagor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

**16. DEFAULT.** Mortgagor will be in default if any of the following occur:

- A. Any party obligated on the Secured Debt fails to make payment when due;
- B. A breach of any term or covenant in this Security Instrument or any other document executed for the purpose of creating, securing or guarantying the Secured Debt;
- C. The making or furnishing of any verbal or written representation, statement or warranty to Lender that is false or incorrect in any material respect by Mortgagor or any person or entity obligated on the Secured Debt;
- D. The death, dissolution, or insolvency of, appointment of a receiver for, or application of any debtor relief law to, Mortgagor or any other person or entity obligated on the Secured Debt;
- E. A good faith belief by Lender at any time that Lender is insecure with respect to any person or entity obligated on the Secured Debt or that the prospect of any payment is impaired or the value of the Property is impaired;
- F. A material adverse change in Mortgagor's business including ownership, management, and financial conditions, which Lender in its opinion believes impairs the value of the Property or repayment of the Secured Debt; or
- G. Any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

**17. REMEDIES ON DEFAULT.** In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Mortgagor is in default.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

**18. EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS.** Except when prohibited by law, Mortgagor agrees to pay all of Lender's expenses if Mortgagor breaches any covenant in this Security Instrument. Mortgagor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the

(page 4 of 8)

payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Mortgagor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fees, court costs, and other legal expenses. This Security Instrument shall remain in effect until released. Mortgagor agrees to pay for any recordation costs of such release.

**19. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.
- B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.
- C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.
- D. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.
- E. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law.
- F. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.
- G. Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.
- H. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.
- I. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.
- J. Lender has the right, but not the obligation, to perform any of Mortgagor's obligations under this section at Mortgagor's expense.
- K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Security Instrument and in return Mortgagor will provide Lender with collateral of at least equal value to the Property secured by this Security Instrument without prejudice to any of Lender's rights under this Security Instrument.

(page 5 of 8)

L. Notwithstanding any of the language contained in this Security Instrument to the contrary, the terms of this section shall survive any foreclosure or satisfaction of this Security Instrument regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

**20. CONDEMNATION.** Mortgagor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

**21. INSURANCE.** Mortgagor agrees to maintain insurance as follows:

A. Mortgagor shall keep the Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Mortgagor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Mortgagor.

Unless otherwise agreed in writing, all insurance proceeds shall be applied to restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of scheduled payment nor change the amount of any payment. Any excess will be paid to the Mortgagor. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

B. Mortgagor agrees to maintain comprehensive general liability insurance naming Lender as an additional insured in an amount acceptable to Lender, insuring against claims arising from any accident or occurrence in or on the Property.

C. Mortgagor agrees to maintain rental loss or business interruption insurance, as required by Lender, in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing), under a form of policy acceptable to Lender.

**22. ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.

**23. FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and Lender's lien status on the Property.

**24. JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Mortgagor signs this Security Instrument but does not sign an evidence of debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Mortgagor and Lender.

(page 6 of 8)

**25. APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Security Instrument is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.

**26. NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.

**27. WAIVERS.** Except to the extent prohibited by law, Mortgagor waives any right to appraisal relating to the Property.

**28. WAIVER OF JURY TRIAL.** To the extent not prohibited by law, Mortgagor and Lender knowingly and intentionally waive the right, which the party may have, to a trial by jury with respect to any litigation arising from the Secured Debt, or any other agreement executed in conjunction with the Evidence of Debt and this Mortgage. Mortgagor and Lender each acknowledge that this section has either been brought to the attention of each party's legal counsel or that each party had the opportunity to do so.

**29. U.C.C. PROVISIONS.** If checked, the following are applicable to, but do not limit, this Security Instrument:

- Construction Loan.** This Security Instrument secures an obligation incurred for the construction of an improvement on the Property.
- Fixture Filing.** Mortgagor grants to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property.
- Crops; Timber; Minerals; Rents, Issues, and Profits.** Mortgagor grants to Lender a security interest in all crops, timber, and minerals located on the Property as well as all rents, issues, and profits of them including, but not limited to, all Conservation Reserve Program (CRP) and Payment in Kind (PIK) payments and similar governmental programs (all of which shall also be included in the term "Property").
- Personal Property.** Mortgagor grants to Lender a security interest in all personal property located on or connected with the Property, including all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Mortgagor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property (all of which shall also be included in the term "Property"). The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.
- Filing As Financing Statement.** Mortgagor agrees and acknowledges that this Security Instrument also suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.

**30. OTHER TERMS.** If checked, the following are applicable to this Security Instrument:

- Line of Credit.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
- Agricultural Property.** Mortgagor covenants and warrants that the Property will be used principally for agricultural or farming purposes and that Mortgagor is an individual or entity allowed to own agricultural land as specified by law.
- Purchase Money.** This Security Instrument secures advances by Lender used in whole or in part to acquire the Property. Accordingly, this Security Instrument, and the lien hereunder, is and shall be construed as a purchase money mortgage with all of the rights, priorities and benefits thereof under the laws of the Commonwealth of Pennsylvania.

(page 7 of 8)

Additional Terms.

**SIGNATURES:** By signing below, Mortgagor, intending to be legally bound hereby, agrees to the terms and covenants contained in this Security Instrument and in any attachments. Mortgagor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

Entity Name: .....

  
 (Signature) JOSEPH F KANE

(Date)

.....  
(Witness).....  
(Signature) .....  
(Date).....  
(Witness)

Entity Name: .....

  
 (Signature) GRACE J KANE

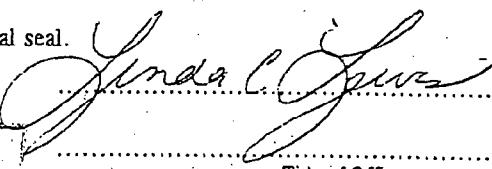
(Date)

.....  
(Witness).....  
(Signature) .....  
(Date).....  
(Witness)**ACKNOWLEDGMENT:**

(Individual) COMMONWEALTH OF PENNSYLVANIA ..... COUNTY OF ..... CLEARFIELD ..... } ss.  
 On this, the ..... 5th ..... day of ...February...2002..., before me .....  
 the undersigned officer, personally appeared Joseph F. Kane and Grace J. Kane .....  
 ..... known to me (or satisfactorily proven) to be the person(s)  
 whose name(s) is subscribed to the within instrument, and acknowledged that he/she executed the same for the  
 purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

My commission expires:



(Seal)

 Notaria Socia  
 Linda C. Lewis, Notary Public  
 Clearfield Banc. Clearfield County  
 Commission Expires July 25, 2003

Title of Officer

 (Business  
or Entity  
Acknowledgment)

COMMONWEALTH OF PENNSYLVANIA ..... COUNTY OF ..... } ss.

On this, the ..... day of ..... before me .....  
 the undersigned officer, personally appeared .........., who acknowledged himself/herself to be the  
 ..... of .....

....., and that he/she as such .....

being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the  
 name of the ..... by ..... as .....

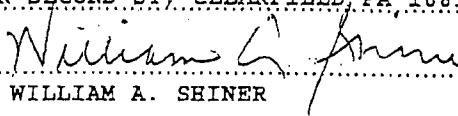
In witness whereof, I hereunto set my hand and official seal.

My commission expires:

(Seal)

Title of Officer

It is hereby certified that the address of the Lender within named is: .....  
 ..... CLEARFIELD BANK AND TRUST COMPANY, 11 N. SECOND ST., CLEARFIELD, PA, 16830

  
 WILLIAM A. SHINER  
 SR VICE PRESIDENT

ALL those two certain lots or parcels of land, together with all improvements thereon, situate in the Village of Hyde, Lawrence Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a point in the West line of the right-of-way of Pennsylvania Legislative Route 17098 and at the Southwest corner of Lot No. 9; thence in a northwesterly direction along the line of Lot No. 9 one hundred twenty (120) feet to an alley; thence along the line of said alley in a southwesterly direction eighty (80) feet to the corner of Lot No. 6; thence along the line of Lot No. 6 in a southeasterly direction one hundred twenty (120) feet, more or less, to the western line of the State Highway Legislative Route 17098; thence by the line of right-of-way of said highway in a northeasterly direction eighty (80) feet to the point and place of beginning; being lots Nos. 7 and 8 in Section 36 of the Kerr and Short plan of Lots in the Village of Hyde, each lot being forty (40) feet by one hundred twenty (120) feet.

BEING the same premises conveyed to the Mortgagors herein by deed of Bryan K. Lingle, Sr. and Brenda C. Lingle, husband and wife, dated April 17, 1989 and recorded in Clearfield County Deed and Record Book 1277, page 360.

VERIFICATION

I, WILLIAM A. SHINER, Senior Vice President and Secretary of CLEARFIELD BANK & TRUST COMPANY, verify that the statements made in the foregoing Complaint are true and correct to the best of my knowledge, information and belief. I understand that false statements herein are made subject to the penalties of 18 PA. C.S.A. §4904 relating to unsworn falsification to authorities.

CLEARFIELD BANK & TRUST COMPANY

By: William A. Shiner  
William A. Shiner, Senior Vice President  
and Secretary

Date: 7/10/03

**COPY**

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND,  
TRUST COMPANY

CIVIL DIVISION

Plaintiff,

Case No. 03-1038-C

vs.

JOSEPH F. KANE and  
GRACE J. KANE,

COMPLAINT IN MORTGAGE  
FORECLOSURE

Defendants.

Filed on behalf of  
Clearfield Bank and Trust Company,  
Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Brett A. Solomon, Esquire  
Pa. I. D. No. 83746  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

I hereby verify that the  
property to be foreclosed  
upon is:

Washington Avenue  
Hyde, PA 16843

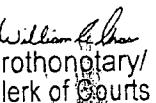


Thomas E. Reiber, Esquire  
Attorney for Plaintiff

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

JUL 16 2003

Attest.



William J. Brown  
Prothonotary/  
Clerk of Courts

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

CLEARFIELD BANK AND )  
TRUST COMPANY, ) Case No. \_\_\_\_\_  
)  
Plaintiff, )  
)  
vs. )  
)  
JOSEPH F. KANE and )  
GRACE J. KANE, )  
)  
Defendants. )

IMPORTANT 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 LEGAL HELP.

David S. Meholic, Court Administrator  
Clearfield County Courthouse  
200 E. Market Street  
Clearfield, Pennsylvania 16830  
Telephone: (814) 765-2641

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

CLEARFIELD BANK AND )  
TRUST COMPANY, ) Case No. \_\_\_\_\_  
 )  
 Plaintiff, )  
 )  
 vs. )  
 )  
 JOSEPH F. KANE and )  
 GRACE J. KANE, )  
 )  
 Defendants. )

COMPLAINT IN MORTGAGE FORECLOSURE

AND NOW COMES CLEARFIELD BANK AND TRUST COMPANY, by and  
through its counsel, Tucker Arensberg, P.C., and files the within Complaint in Mortgage  
Foreclosure, in support of which it avers the following:

1. Plaintiff, Clearfield Bank and Trust Company, is a banking corporation  
organized under the laws of Pennsylvania, with a place of business at 11 Second Street,  
Clearfield, PA (the "Bank").
2. Defendants, Joseph F. Kane and Grace J. Kane are adult  
individuals with a last known address of 805 S. Second Street, Clearfield, PA 16830  
(the "Mortgagors").
3. On or about February 5, 2002, BJR, Inc. ("BJR") executed a Promissory  
Note ("Note") whereby BJR promised to pay to the Bank the principal amount of \$130,000.00,  
together with interest thereon in the manner provided therein. A true and correct copy of the  
Note is attached hereto as Exhibit "A" and incorporated herein.

4. The obligations evidenced by the Note are secured by a Mortgage dated February 5, 2002 ("Mortgage") given by Mortgagors to Plaintiff, encumbering real property located in the Hyde, County of Clearfield, Pennsylvania, as more particularly described therein ("Premises"). The Mortgage was recorded in the Office of the Recorder of Deeds of Clearfield County, Pennsylvania at Instrument #200201959. A true and correct copy of the Mortgage, containing the legal description of the Premises, is attached hereto as Exhibit "B" and incorporated herein.

5. BJR is in default of the provisions of the Note for failure to make payment when due.

6. The Mortgagors are the record and real owners of the Premises.

7. There has been no assignment, release or transfer of the Note and Mortgage.

8. No notices under 35 P.S. §1680.403C (Homeowner's Emergency Mortgage Assistance Act of 1983 – Act 91 of 1983) and 41 P.S. §403 (Act 6 of 1974) are required to be sent.

9. The amount due Bank under the Note and Mortgage as of July 3, 2003, is as follows:

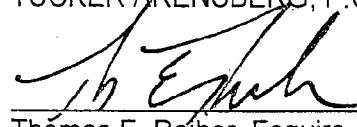
|                                |                    |
|--------------------------------|--------------------|
| Principal .....                | \$105,836.78       |
| Interest through 7/03/03 ..... | 2,648.39           |
| Late Charges.....              | 391.65             |
| Costs.....                     | to be added        |
| Attorneys' Fees .....          | <u>to be added</u> |
| TOTAL .....                    | \$108,876.82       |

10. The total amount due to Bank under the Note and Mortgage as of July 3, 2003 is \$108,876.82, plus costs and attorneys' fees.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of \$108,876.82, plus reasonable attorneys' fees as authorized by the Note and costs of foreclosure and sale of the Mortgaged Premises.

TUCKER ARENSBERG, P.C.

By:

  
Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Brett A. Solomon, Esquire  
Pa. I.D. No. 83746  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

Attorneys for Clearfield Bank and Trust Company,  
Plaintiff

**EXHIBIT "A"**

|   |   |  |
|---|---|--|
| BJR INC<br>PO BOX 1404<br>CLEARFIELD PA 16830-5404<br>BORROWER'S NAME AND ADDRESS<br>"I" includes each borrower above, joint and severally. | CLEARFIELD BANK & TRUST COMPANY<br>11 N. SECOND ST, P O BOX 171<br>CLEARFIELD, PA 16830<br>LENDER'S NAME AND ADDRESS<br>"You" means the lender, its successors and assigns. | Loan Number 827061<br>Date 02/05/02<br>Maturity Date 02/05/07<br>Loan Amount \$ 130,000.00<br>Renewal Of _____ |
|---|---|--|

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of One hundred thirty thousand & no/100 Dollars \$ 130,000.00

Single Advance: I will receive all of this principal sum on 02/05/02. No additional advances are contemplated under this note.

Multiple Advance: The principal sum shown above is the maximum amount of principal I can borrow under this note. On \_\_\_\_\_ I will receive the amount of \$ \_\_\_\_\_ and future principal advances are contemplated.

Conditions: The conditions for future advances are \_\_\_\_\_

Open End Credit: You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on \_\_\_\_\_.

Closed End Credit: You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions). INTEREST: I agree to pay interest on the outstanding principal balance from FEBRUARY 05, 2002 at the rate of 7.5000 % per year until FEBRUARY 05, 2007

Variable Rate: This rate may then change as stated below.

Index Rate: The future rate will be \_\_\_\_\_ the following index rate: \_\_\_\_\_

No Index: The future rate will not be subject to any internal or external index. It will be entirely in your control.

Frequency and Timing: The rate on this note may change as often as \_\_\_\_\_ A change in the interest rate will take effect \_\_\_\_\_.

Limitations: During the term of this loan, the applicable annual interest rate will not be more than \_\_\_\_\_ % or less than \_\_\_\_\_ %. The rate may not change more than \_\_\_\_\_ % each \_\_\_\_\_.

Effect of Variable Rate: A change in the interest rate will have the following effect on the payments:

The amount of each scheduled payment will change.  The amount of the final payment will change.

ACCRUAL METHOD: interest will be calculated on a 365/360 basis.

POST MATURITY RATE: I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

on the same fixed or variable rate basis in effect before maturity (as indicated above).

at a rate equal to \_\_\_\_\_

LATE CHARGE: If a payment is made more than 15 days after it is due, I agree to pay a late charge of 5% OF THE PAYMENT, WITH A \$20.00 MINIMUM CHARGE

RETURNED CHECK CHARGE: I agree to pay a fee of \$ \_\_\_\_\_ for each check, negotiable order of withdrawal or draft I issue in connection with this loan that is returned because it has been dishonored.

ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which  are  are not included in the principal amount above: DOC PREP, FLOOD DETERMINATION, CREDIT REPORT FEES \$125.00

PAYMENTS: I agree to pay this note as follows:

Interest: I agree to pay accrued interest On Demand, But If No Demand Is Made

Principal: I agree to pay the principal On Demand, But If No Demand Is Made

Installments: I agree to pay this note in 60 payments. The first payment will be in the amount of \$ 2,610.92 and will be due MARCH 05, 2002. A payment of \$ 2,610.92 will be due Monthly thereafter. The final payment of the entire unpaid balance of principal and interest will be due FEBRUARY 05, 2007

WARRANT OF AUTHORITY TO CONFESSION JUDGMENT: Upon default, in addition to all other remedies and rights available to you, by signing below, Borrower, irrevocably authorizes the prothonotary, clerk, or any attorney to appear in any court of record having jurisdiction over this matter and to confess judgment against me at any time without stay of execution. I waive notice, service of process and process. I agree and understand that judgment may be confessed against me for any unpaid principal, accrued interest and accrued charges due on this note, plus collection costs and reasonable attorneys' fees up to 15 percent of the judgment. The exercise of the power to confess judgment will not exhaust this warrant of confessing judgment and may be done as often as you elect. I further understand that my property may be seized without prior notice to satisfy the debt owed. I knowingly, intentionally, and voluntarily waive any and all constitutional rights I have to pre-deprivation notice and hearing under federal and state laws and fully understand the consequences of this waiver.

ADDITIONAL TERMS:

PURPOSE: The purpose of this loan is CONSOLIDATION & PAY DOWN LOC

SECURITY: This note is separately secured by (describe separate document by type and date):

MORTGAGE & SECURITY AGREEMENT EXECUTED/DATED  
HEREWITH

NOTICE: THIS AGREEMENT IS UNLAWFUL IF THE SECURITY DOCUMENT DOES NOT MEET THE AGREEMENT. THIS AGREEMENT WILL NOT SECURE THIS NOTE.

Signature for Lender

*William A. Shiner*  
WILLIAM A. SHINER  
SR VICE PRESIDENT

SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

*William A. Shiner*  
BJR INC



**EXHIBIT "B"**

KAREN L. STARCK  
REGISTER AND RECORDER  
CLEARFIELD COUNTY  
Pennsylvania

765 1443  
INSTRUMENT NUMBER  
200201959  
RECORDED ON  
Feb 05, 2002  
10:35:25 AM  
Total Pages: 9

ECO. FEES - \$23.00  
ECBUREK  
QUINTY IMPROVEMENT \$1.00  
JHD  
ECOER  
FROVEMENT FUND \$1.00  
TATE WRIT TAX \$0.50  
ITAL \$25.50  
CUSTOMER  
HODE & ASSOCIATES

Commonwealth of Pennsylvania \_\_\_\_\_ Space Above This Line For Recording Data \_\_\_\_\_

## OPEN-END MORTGAGE

This Mortgage secures future advances

1. DATE AND PARTIES. The date of this Mortgage (Security Instrument) is FEBRUARY 05, 2002 and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR: JOSEPH F KANE  
GRACE J KANE

If checked, refer to the attached Addendum incorporated herein, for additional Mortgagors, their signatures and acknowledgments.

LENDER: CLEARFIELD BANK & TRUST COMPANY  
11 N. SECOND ST, P O BOX 171  
CLEARFIELD, PA 16830

2. CONVEYANCE. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, conveys and mortgages to Lender the following described property:

SEE ATTACHED DESCRIPTION

The property is located in CLEARFIELD at

(County)

WASHINGTON AVENUE, HYDE, Pennsylvania 16843  
(Address) (City) (ZIP Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, crops, timber, all diversion payments or third party payments made to crop producers, all water and riparian rights, wells, ditches, reservoirs, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

3. MAXIMUM OBLIGATION LIMIT. The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 130,000.00. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.

4. SECURED DEBT AND FUTURE ADVANCES. The term "Secured Debt" is defined as follows:

A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(s) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)

- B. All future advances from Lender to Mortgagor or other future obligations of Mortgagor to Lender under any promissory note, contract, guaranty, or other evidence of debt existing now or executed after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Mortgagor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.
- C. All obligations Mortgagor owes to Lender, which now exist or may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Mortgagor and Lender.
- D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.

- 5. **PAYMENTS.** Mortgagor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.
- 6. **WARRANTY OF TITLE.** Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell, and mortgage the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.
- 7. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:
  - A. To make all payments when due and to perform or comply with all covenants.
  - B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.
  - C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.
- 8. **CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.
- 9. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.
- 10. **TRANSFER OF AN INTEREST IN THE MORTGAGOR.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Lender may demand immediate payment if:
  - A. A beneficial interest in Mortgagor is sold or transferred.
  - B. There is a change in either the identity or number of members of a partnership or similar entity.
  - C. There is a change in ownership of more than 25 percent of the voting stock of a corporation or similar entity.
 However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Security Instrument.
- 11. **ENTITY WARRANTIES AND REPRESENTATIONS.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Mortgagor makes to Lender the following warranties and representations which shall continue as long as the Secured Debt remains outstanding:

(page 2 of 8)

- A. Mortgagor is duly organized and validly existing in Mortgagor's state of incorporation or organization. Mortgagor is in good standing in all states in which Mortgagor transacts business. Mortgagor has the power and authority to own the Property and to carry on its business as now being conducted and, as applicable, is qualified to do so in each state in which Mortgagor operates.
- B. The execution, delivery and performance of this Security Instrument by Mortgagor and the obligations evidenced by the Secured Debt are within the power of Mortgagor, have been duly authorized, have received all necessary governmental approval, and will not violate any provision of law, or order of court or governmental agency.
- C. Other than previously disclosed in writing to Lender, Mortgagor has not changed its name within the last ten years and has not used any other trade or fictitious name. Without Lender's prior written consent, Mortgagor does not and will not use any other name and will preserve its existing name, trade names and franchises until the Secured Debt is satisfied.

**12. PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor shall not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims, and actions against Mortgagor, and of any loss or damage to the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Mortgagor shall not partition or subdivide the Property without Lender's prior written consent.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

**13. AUTHORITY TO PERFORM.** If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.

**14. ASSIGNMENT OF LEASES AND RENTS.** Mortgagor grants, bargains, and conveys to Lender as additional security all the right, title and interest in and to any and all:

- A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of any portion of the Property, including any extensions, renewals, modifications or substitutions of such agreements (all referred to as "Leases").
- B. Rents, issues and profits (all referred to as "Rents"), including but not limited to security deposits, minimum rent, percentage rent, additional rent, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Mortgagor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property.

In the event any item listed as Leases or Rents is determined to be personal property, this Security Instrument will also be regarded as a security agreement.

Mortgagor will promptly provide Lender with true and correct copies of all existing and future Leases. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default. Except for one lease period's rent, Mortgagor will not collect in advance any future Rents without Lender's prior written consent. Upon default, Mortgagor will receive Rents in trust for Lender and Mortgagor will not commingle the Rents with any other funds. Amounts collected shall be applied at Lender's discretion to payments on the Secured Debt as therein provided, to costs of managing, protecting and preserving the Property and to any other necessary related expenses including Lender's attorneys' fees and court costs.

(page 3 of 8)

Mortgagor agrees that this assignment is immediately effective between the parties to this Security Instrument and effective as to third parties on the recording of this Security Instrument, and this assignment will remain effective until the Obligations are satisfied. Mortgagor agrees that Lender is entitled to notify Mortgagor or Mortgagor's tenants to make payments of Rents due or to become due directly to Lender after such recording, however Lender agrees not to notify Mortgagor's tenants until Mortgagor defaults and Lender notifies Mortgagor of the default and demands that Mortgagor and Mortgagor's tenants pay all Rents due or to become due directly to Lender. On receiving the notice of default, Mortgagor will endorse and deliver to Lender any payments of Rents.

Mortgagor warrants that no default exists under the Leases or any applicable landlord law. Mortgagor also agrees to maintain, and to require the tenants to comply with, the Leases and any applicable law. Mortgagor will promptly notify Lender of any noncompliance. If Mortgagor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance. Mortgagor will obtain Lender's written authorization before Mortgagor consents to sublet, modify, cancel, or otherwise alter the Leases, to accept the surrender of the Property covered by such Leases (unless the Leases so require), or to assign, compromise or encumber the Leases or any future Rents. If Lender acts to manage, protect and preserve the Property, Lender does not assume or become liable for its maintenance, depreciation, or other losses or damages, except those due to Lender's gross negligence or intentional torts. Otherwise, Mortgagor will hold Lender harmless and indemnify Lender for any and all liability, loss or damage that Lender may incur as a consequence of the assignment under this section.

**15. LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** Mortgagor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

**16. DEFAULT.** Mortgagor will be in default if any of the following occur:

- A. Any party obligated on the Secured Debt fails to make payment when due;
- B. A breach of any term or covenant in this Security Instrument or any other document executed for the purpose of creating, securing or guarantying the Secured Debt;
- C. The making or furnishing of any verbal or written representation, statement or warranty to Lender that is false or incorrect in any material respect by Mortgagor or any person or entity obligated on the Secured Debt;
- D. The death, dissolution, or insolvency of, appointment of a receiver for, or application of any debtor relief law to, Mortgagor or any other person or entity obligated on the Secured Debt;
- E. A good faith belief by Lender at any time that Lender is insecure with respect to any person or entity obligated on the Secured Debt or that the prospect of any payment is impaired or the value of the Property is impaired;
- F. A material adverse change in Mortgagor's business including ownership, management, and financial conditions, which Lender in its opinion believes impairs the value of the Property or repayment of the Secured Debt; or
- G. Any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

**17. REMEDIES ON DEFAULT.** In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Mortgagor is in default.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

**18. EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS.** Except when prohibited by law, Mortgagor agrees to pay all of Lender's expenses if Mortgagor breaches any covenant in this Security Instrument. Mortgagor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the

(page 4 of 8)

payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Mortgagor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fees, court costs, and other legal expenses. This Security Instrument shall remain in effect until released. Mortgagor agrees to pay for any recordation costs of such release.

**19. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.
- B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.
- C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.
- D. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.
- E. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law.
- F. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.
- G. Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.
- H. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.
- I. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.
- J. Lender has the right, but not the obligation, to perform any of Mortgagor's obligations under this section at Mortgagor's expense.
- K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Security Instrument and in return Mortgagor will provide Lender with collateral of at least equal value to the Property secured by this Security Instrument without prejudice to any of Lender's rights under this Security Instrument.

(page 5 of 8)

L. Notwithstanding any of the language contained in this Security Instrument to the contrary, the terms of this section shall survive any foreclosure or satisfaction of this Security Instrument regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

20. **CONDEMNATION.** Mortgagor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

21. **INSURANCE.** Mortgagor agrees to maintain insurance as follows:

- A. Mortgagor shall keep the Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Mortgagor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Mortgagor.

Unless otherwise agreed in writing, all insurance proceeds shall be applied to restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of scheduled payment nor change the amount of any payment. Any excess will be paid to the Mortgagor. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

- B. Mortgagor agrees to maintain comprehensive general liability insurance naming Lender as an additional insured in an amount acceptable to Lender, insuring against claims arising from any accident or occurrence in or on the Property.
- C. Mortgagor agrees to maintain rental loss or business interruption insurance, as required by Lender, in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing), under a form of policy acceptable to Lender.

22. **ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.

23. **FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and Lender's lien status on the Property.

24. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Mortgagor signs this Security Instrument but does not sign an evidence of debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Mortgagor and Lender.

(page 5 of 8)

**25. APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Security Instrument is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.

**26. NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.

**27. WAIVERS.** Except to the extent prohibited by law, Mortgagor waives any right to appraisal relating to the Property.

**28. WAIVER OF JURY TRIAL.** To the extent not prohibited by law, Mortgagor and Lender knowingly and intentionally waive the right, which the party may have, to a trial by jury with respect to any litigation arising from the Secured Debt, or any other agreement executed in conjunction with the Evidence of Debt and this Mortgage. Mortgagor and Lender each acknowledge that this section has either been brought to the attention of each party's legal counsel or that each party had the opportunity to do so.

**29. U.C.C. PROVISIONS.** If checked, the following are applicable to, but do not limit, this Security Instrument:

- Construction Loan.** This Security Instrument secures an obligation incurred for the construction of an improvement on the Property.
- Fixture Filing.** Mortgagor grants to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property.
- Crops; Timber; Minerals; Rents, Issues, and Profits.** Mortgagor grants to Lender a security interest in all crops, timber, and minerals located on the Property as well as all rents, issues, and profits of them including, but not limited to, all Conservation Reserve Program (CRP) and Payment in Kind (PIK) payments and similar governmental programs (all of which shall also be included in the term "Property").
- Personal Property.** Mortgagor grants to Lender a security interest in all personal property located on or connected with the Property, including all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Mortgagor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property (all of which shall also be included in the term "Property"). The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.
- Filing As Financing Statement.** Mortgagor agrees and acknowledges that this Security Instrument also suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.

**30. OTHER TERMS.** If checked, the following are applicable to this Security Instrument:

- Line of Credit.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
- Agricultural Property.** Mortgagor covenants and warrants that the Property will be used principally for agricultural or farming purposes and that Mortgagor is an individual or entity allowed to own agricultural land as specified by law.
- Purchase Money.** This Security Instrument secures advances by Lender used in whole or in part to acquire the Property. Accordingly, this Security Instrument, and the lien hereunder, is and shall be construed as a purchase money mortgage with all of the rights, priorities and benefits thereof under the laws of the Commonwealth of Pennsylvania.

(page 7 of 8)

Additional Terms.

**SIGNATURES:** By signing below, Mortgagor, intending to be legally bound hereby, agrees to the terms and covenants contained in this Security Instrument and in any attachments. Mortgagor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

Entity Name: .....


  
(Signature) JOSEPH F KANE

(Date)

.....  
(Witness).....  
(Signature)

(Date)

.....  
(Witness)

Entity Name: .....


  
(Signature) GRACE J KANE

(Date)

.....  
(Witness).....  
(Signature)

(Date)

.....  
(Witness)**ACKNOWLEDGMENT:**

(Individual) COMMONWEALTH OF PENNSYLVANIA ..... COUNTY OF ..... CLEARFIELD ..... } ss.  
On this, the ..... 5th ..... day of ...February...2002..., before me .....  
the undersigned officer, personally appeared Joseph F. Kane and Grace J. Kane .....  
....., known to me (or satisfactorily proven) to be the person(s)  
whose name(s) is subscribed to the within instrument, and acknowledged that he/she executed the same for the  
purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

My commission expires:

(Seal)

Notarial Seal  
Linda C. Lewis, Notary Public  
Clearfield Banc Clearfield County  
Commission Expiration Date: July 25, 2003

Title of Officer

(Business  
or Entity  
Acknowledgment)

COMMONWEALTH OF PENNSYLVANIA ..... COUNTY OF ..... } ss.

On this, the ..... day of ..... before me .....  
the undersigned officer, personally appeared .....  
....., who acknowledged himself/herself to be the..... of .....  
....., and that he/she as such .....being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the  
name of the ..... by ..... as .....

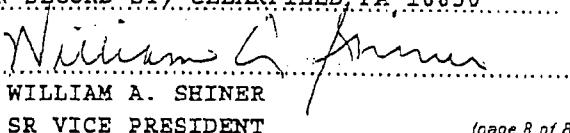
In witness whereof, I hereunto set my hand and official seal.

My commission expires:

(Seal)

Title of Officer

It is hereby certified that the address of the Lender within named is: .....  
CLEARFIELD BANK AND TRUST COMPANY, 11 N. SECOND ST., CLEARFIELD, PA, 16830


  
WILLIAM A. SHINER  
SR VICE PRESIDENT

ALL those two certain lots or parcels of land, together with all improvements thereon, situate in the Village of Hyde, Lawrence Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a point in the West line of the right-of-way of Pennsylvania Legislative Route 17098 and at the Southwest corner of Lot No. 9; thence in a northwesterly direction along the line of Lot No. 9 one hundred twenty (120) feet to an alley; thence along the line of said alley in a southwesterly direction eighty (80) feet to the corner of Lot No. 6; thence along the line of Lot No. 6 in a southeasterly direction one hundred twenty (120) feet, more or less, to the western line of the State Highway Legislative Route 17098; thence by the line of right-of-way of said highway in a northeasterly direction eighty (80) feet to the point and place of beginning; being lots Nos. 7 and 8 in Section 36 of the Kerr and Short plan of Lots in the Village of Hyde, each lot being forty (40) feet by one hundred twenty (120) feet.

BEING the same premises conveyed to the Mortgagors herein by deed of Bryan K. Lingle, Sr. and Brenda C. Lingle, husband and wife, dated April 17, 1989 and recorded in Clearfield County Deed and Record Book 1277, page 360.

VERIFICATION

I, WILLIAM A. SHINER, Senior Vice President and Secretary of CLEARFIELD BANK & TRUST COMPANY, verify that the statements made in the foregoing Complaint are true and correct to the best of my knowledge, information and belief. I understand that false statements herein are made subject to the penalties of 18 PA. C.S.A. §4904 relating to unsworn falsification to authorities.

CLEARFIELD BANK & TRUST COMPANY

By: William A. Shiner  
William A. Shiner, Senior Vice President  
and Secretary

Date: 7/10/03

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

CLEARFIELD BANK AND )  
TRUST COMPANY, ) Case No. 03-1038-CD  
Plaintiff, )  
vs. )  
JOSEPH F. KANE and )  
GRACE J. KANE, )  
Defendants. )

**PRAECIPE FOR CONSENT JUDGMENT IN MORTGAGE FORECLOSURE**

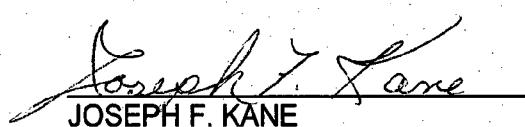
TO: Prothonotary

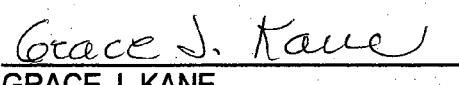
Pursuant to the consent of the parties hereto, including Plaintiff, Clearfield Bank and Trust Company and Defendants, Joseph F. Kane and Grace J. Kane, as evidenced by the signatures of counsel for the Plaintiff and the Defendants, please enter judgment in foreclosure in favor of the Plaintiff and against the Defendants in the amount of \$108,876.82, plus reasonable attorneys' fees, plus accruing interest from July 03, 2003, late fees, costs and expenses.

PLAINTIFF:

  
Thomas E. Reiber, Esquire  
Counsel for Clearfield Bank and Trust Company, Plaintiff

DEFENDANT:

  
JOSEPH F. KANE

  
GRACE J. KANE

**FILED**

FEB 06 2004

William A. Shaw  
Prothonotary

FILED

NY 10:13 09 PLE 2004  
NOTICE IS DULY SERVED & PAPERED

FEB 06 2004

William A. Shaw  
Prothonotary

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

CLEARFIELD BANK AND  
TRUST COMPANY,

Plaintiff,

vs.

JOSEPH F. KANE and  
GRACE J. KANE,

Defendants.

) Case No. 03-1038-CD

TO: Joseph F. Kane  
P.O. Box 1404  
Clearfield, PA 16830

**NOTICE OF JUDGMENT**

TAKE NOTICE that judgment has been entered against you in the amount of  
\$108,876.82, plus reasonable attorneys' fees, plus accruing interest from July 03, 2003, late  
fees, costs and expenses on \_\_\_\_\_, 2003, in the above-captioned matter.

\_\_\_\_\_  
Prothonotary

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

CLEARFIELD BANK AND )  
TRUST COMPANY, ) Case No. 03-1038-CD  
)  
Plaintiff, )  
)  
vs. )  
)  
JOSEPH F. KANE and )  
GRACE J. KANE, )  
)  
Defendants. )

TO: Grace J. Kane  
303 Elm Avenue  
Clearfield, PA 16830

**NOTICE OF JUDGMENT**

TAKE NOTICE that judgment has been entered against you in the amount of  
\$108,876.82, plus reasonable attorneys' fees, plus accruing interest from July 03, 2003, late  
fees, costs and expenses on \_\_\_\_\_, 2003, in the above-captioned matter.

---

Prothonotary

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

COPY

Clearfield Bank and Trust Co.  
Plaintiff(s)

No.: 2003-01038-CD

Real Debt: \$108,876.82

Atty's Comm: \$

Vs. Costs: \$

Int. From: \$

Joseph F Kane  
Grace J. Kane  
Defendant(s)

Entry: \$20.00

Instrument: Consent Judgment

Date of Entry: February 6, 2004

Expires: February 6, 2009

Certified from the record this 19th day of December, 2007.



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

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND  
TRUST COMPANY,

Plaintiff,

vs.

JOSEPH F. KANE and  
GRACE J. KANE,

Defendants.

CIVIL DIVISION

No. 03-1038-CD

PRAECIPE FOR WRIT OF EXECUTION  
IN MORTGAGE FORECLOSURE

Filed on behalf of CLEARFIELD  
BANK AND TRUST COMPANY, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Brett A. Solomon, Esquire  
Pa. I.D. No. 83746  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

CERTIFICATE OF ADDRESS:

Washington Avenue  
Hyde, Pennsylvania 16843  
Tax Parcel I.D. No. 123-J9-268-109

**FILED**

JUL 01 2004

William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND ) CIVIL DIVISION  
TRUST COMPANY, )  
Plaintiff, ) No. 03-1038-CD  
vs. )  
JOSEPH F. KANE and )  
GRACE J. KANE, )  
Defendants. )

**PRAECIPE FOR WRIT OF EXECUTION IN MORTGAGE FORECLOSURE**

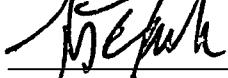
TO: Prothonotary of Clearfield County:

Kindly issue a Writ of Execution in Mortgage Foreclosure in the above matter as follows:

|   |                  |
|---|------------------|
| Judgment Amount.....  | \$108,876.82     |
| Interest from 07/03/03 through 06/30/04<br>(per diem \$21.75) .....                                       | 7,895.25         |
| Late fees (5% of \$2,610.92/mo. pmt. or \$130.55/mo.<br>for months of July, 2003 through June, 2004)..... | 1,566.60         |
| Foreclosure Fees.....   | <u>15,000.00</u> |
| Sub-total .....   | \$133,338.67     |
| Additional Interest to Sale Date<br>(to be added by Prothonotary) .....                                   | _____            |
| Additional Late Fees to Sale Date<br>(to be added by Prothonotary) .....                                  | _____            |
| Costs (to be added by the Prothonotary) .....   | _____            |
| Total .....   | \$ _____         |

*125.00 Prothonotary costs*

TUCKER ARENSBERG, P.C.



Thomas E. Reiber, Esquire  
Brett A. Solomon, Esquire  
Attorneys for Clearfield Bank and  
Trust Company, Plaintiff

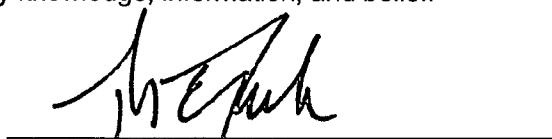
IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND ) CIVIL DIVISION  
TRUST COMPANY, )  
 )  
Plaintiff, ) No. 03-1038-CD  
 )  
vs. )  
 )  
JOSEPH F. KANE and )  
GRACE J. KANE, )  
 )  
Defendants. )

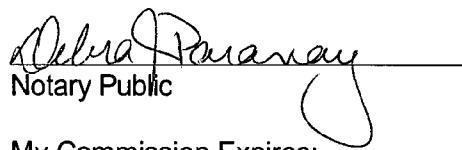
**AFFIDAVIT OF NON-MILITARY SERVICE**

COMMONWEALTH OF PENNSYLVANIA )  
 ) SS:  
COUNTY OF ALLEGHENY )

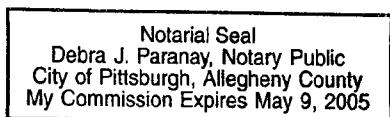
I, Thomas E. Reiber, Esquire, being duly sworn according to law, hereby depose and say  
that the Defendants, Joseph F. Kane and Grace J. Kane, are not members of the military service of  
the United States of America to the best of my knowledge, information, and belief.

  
\_\_\_\_\_  
Thomas E. Reiber

Sworn to and subscribed before me  
this 17th day of June, 2004.

  
\_\_\_\_\_  
Debra J. Paranay  
Notary Public

My Commission Expires:



Member, Pennsylvania Association of Notaries

225969.1:BF  
13828-113500

FILED Att'd. 20.00

7/2/2004 1cc & warrants

JUL 01 2004

William A. Shaw  
Prothonotary/Clerk of Courts

to Sheriff  
w/ property descriptions

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND  
TRUST COMPANY,

CIVIL DIVISION

Plaintiff,

No. 03-1038-CD

vs.

JOSEPH F. KANE and  
GRACE J. KANE,

AFFIDAVIT PURSUANT TO  
PA 3129.1

Defendants.

Filed on behalf of CLEARFIELD  
BANK AND TRUST COMPANY, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Brett A. Solomon, Esquire  
Pa. I.D. No. 83746  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

|                     |   |                |
|---------------------|---|----------------|
| CLEARFIELD BANK AND | ) | CIVIL DIVISION |
| TRUST COMPANY,      | ) |                |
|                     | ) |                |
| Plaintiff,          | ) | No. 03-1038-CD |
|                     | ) |                |
| vs.                 | ) |                |
|                     | ) |                |
| JOSEPH F. KANE and  | ) |                |
| GRACE J. KANE,      | ) |                |
|                     | ) |                |
| Defendants.         | ) |                |

**AFFIDAVIT PURSUANT TO Pa. R.C.P. 3129.1**

CLEARFIELD BANK AND TRUST COMPANY, Plaintiff in the above action, by its attorneys, Tucker Arensberg, P.C., sets forth as of the date of the Praeclipe for Writ of Execution was filed the following information concerning the real property located at Washington Avenue, Village of Hyde, Township of Lawrence, County of Clearfield and Commonwealth of Pennsylvania:

1. Name and address of the Owners or Reputed Owners:

|                    |                                |
|--------------------|--------------------------------|
| JOSEPH F. KANE and | 805 S. Second Street           |
| GRACE J. KANE      | Clearfield, Pennsylvania 16830 |

2. Name and address of Defendants in the judgment:

SAME AS ABOVE

3. Name and address of every judgment creditor whose judgment is a record lien on the real property to be sold:

|                     |     |                                |
|---------------------|-----|--------------------------------|
| CLEARFIELD BANK AND | c/o | Thomas E. Reiber, Esquire      |
| TRUST COMPANY       |     | Tucker Arensberg, P.C.         |
|                     |     | 1500 One PPG Place             |
|                     |     | Pittsburgh, Pennsylvania 15222 |

|                     |     |                                |
|---------------------|-----|--------------------------------|
| LEZZER CASH & CARRY | c/o | Andrew P. Gates, Esquire       |
|                     |     | Gates & Seaman                 |
|                     |     | Two North Front Street         |
|                     |     | P. O. Box 846                  |
|                     |     | Clearfield, Pennsylvania 16830 |

4. Name and address of last recorded holder of every mortgage of record:

|                     |     |                                |
|---------------------|-----|--------------------------------|
| CLEARFIELD BANK AND | c/o | Thomas E. Reiber, Esquire      |
| TRUST COMPANY       |     | Tucker Arensberg, P.C.         |
|                     |     | 1500 One PPG Place             |
|                     |     | Pittsburgh, Pennsylvania 15222 |

5. Name and address of every other person who has any record lien on their property:

UNKNOWN

6. Name and address of every other person who has any record interest in the property and whose interest may be affected by the sale:

**CLEARFIELD COUNTY TREASURER** P. O. Box 289  
Clearfield, Pennsylvania 16830

CLEARFIELD COUNTY c/o Hazel Shifter, Tax Collector  
105 Fulton Street  
Clearfield, Pennsylvania 16830

7. 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:

UNKNOWN

The information provided in the foregoing Affidavit is provided solely to comply with the Pennsylvania Rules of Civil Procedure 3129.1, and it is not intended to be a comprehensive abstract of the condition of the title of the real estate which is being sold under this execution. No person or entity is entitled to rely on any statements made herein in regard to the condition of the title of the property or to rely on any statement herein in formulating bids which might be made at the sale of the property.

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.

Dated: June 17, 2004

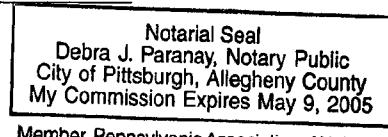
Bv-

Thomas E. Reiber, Esquire  
Attorney for Clearfield Bank and  
Trust Company, Plaintiff

Sworn to and subscribed before me  
this 17<sup>th</sup> day of June, 2004.

## Notary Public

My Commission Expires:



225969.1:BF/#13828-113500

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND  
TRUST COMPANY,

CIVIL DIVISION

Plaintiff,

No. 03-1038-CD

vs.

JOSEPH F. KANE and  
GRACE J. KANE,

AFFIDAVIT OF ACT 6

Defendants.

Filed on behalf of CLEARFIELD  
BANK AND TRUST COMPANY, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Brett A. Solomon, Esquire  
Pa. I.D. No. 83746  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND ) CIVIL DIVISION  
TRUST COMPANY, )  
Plaintiff, ) No. 03-1038-CD  
vs. )  
JOSEPH F. KANE and )  
GRACE J. KANE, )  
Defendants. )

COMMONWEALTH OF PENNSYLVANIA )  
COUNTY OF ALLEGHENY ) SS:

Before me the undersigned, a Notary Public in and for aforesaid Commonwealth and  
County, personally appeared Thomas E. Reiber, Esquire, who being duly sworn, deposes and  
says:

THAT Notice pursuant to 41 P.S. §403 (Act 6 of 1974) was not required because the  
Mortgage is not a "Residential Mortgage" as defined by Act 6.

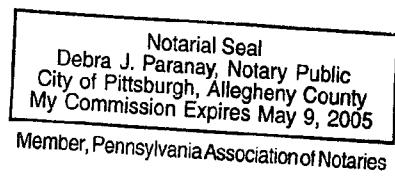


\_\_\_\_\_  
Thomas E. Reiber, Esquire

Sworn to and subscribed before me  
this 17th day of June, 2004.

  
\_\_\_\_\_  
Debra J. Paranay  
Notary Public

My Commission Expires:



225969.1:BF  
13828-113500

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND  
TRUST COMPANY,

CIVIL DIVISION

Plaintiff,

No. 03-1038-CD

vs.

JOSEPH F. KANE and  
GRACE J. KANE,

AFFIDAVIT OF ACT 91

Defendants.

Filed on behalf of CLEARFIELD  
BANK AND TRUST COMPANY, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Brett A. Solomon, Esquire  
Pa. I.D. No. 83746  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND ) CIVIL DIVISION  
TRUST COMPANY, )  
Plaintiff, ) No. 03-1038-CD  
vs. )  
JOSEPH F. KANE and )  
GRACE J. KANE, )  
Defendants. )

COMMONWEALTH OF PENNSYLVANIA )  
COUNTY OF ALLEGHENY ) SS:

Before me the undersigned, a Notary Public in and for aforesaid Commonwealth and  
County, personally appeared Thomas E. Reiber, Esquire, who being duly sworn, deposes and  
says:

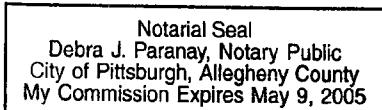
THAT Notice pursuant to 35 P.S. §1680.403C (Homeowner's Emergency Mortgage  
Assistance Act of 1983 -- Act 91 of 1983) was not required because the Mortgaged Premises is  
not the principal residence of Mortgagor.

  
\_\_\_\_\_  
Thomas E. Reiber, Esquire

Sworn to and subscribed before me  
this 17th day of June, 2004.

  
\_\_\_\_\_  
Debra J. Paranay  
Notary Public

My Commission Expires:



Member, Pennsylvania Association of Notaries

225969.1:BF  
13828-113500

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND  
TRUST COMPANY,

CIVIL DIVISION

Plaintiff,

No. 03-1038-CD

vs.

JOSEPH F. KANE and  
GRACE J. KANE,

AFFIDAVIT OF LAST KNOWN ADDRESS

Defendants.

Filed on behalf of CLEARFIELD  
BANK AND TRUST COMPANY, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Brett A. Solomon, Esquire  
Pa. I.D. No. 83746  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND ) CIVIL DIVISION  
TRUST COMPANY, )  
Plaintiff, ) No. 03-1038-CD  
vs. )  
JOSEPH F. KANE and )  
GRACE J. KANE, )  
Defendants. )

**AFFIDAVIT OF LAST KNOWN ADDRESS OF DEFENDANTS**

Before me the undersigned, a Notary Public in and for aforesaid Commonwealth and County, personally appeared Thomas E. Reiber, Esquire, who being duly sworn, deposes and says as follows:

1. That he is counsel for the Plaintiff in the above referenced matter.
2. That to the best of his knowledge, information and belief, the last known address of Defendants is 805 S. Second Street, Clearfield, Pennsylvania 16830.

TUCKER ARENSBERG, P.C.



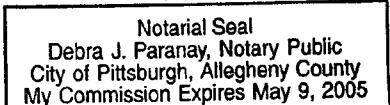
Thomas E. Reiber, Esquire  
Attorney for Clearfield Bank and  
Trust Company, Plaintiff

Sworn to and subscribed before me  
this 17th day of June, 2004.

  
\_\_\_\_\_  
Debra J. Paranay  
Notary Public

My Commission Expires:

225969.1:BF/#13828-113500



Member, Pennsylvania Association of Notaries

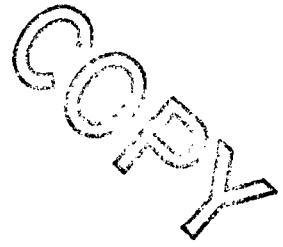
**WRIT OF EXECUTION and/or ATTACHMENT**  
**COMMONWEALTH OF PENNSYLVANIA, COUNTY OF CLEARFIELD**  
**CIVIL ACTION – LAW**

Clearfield Bank and Trust Co.

Vs.

NO.: 2003-01038-CD

Joseph F. Kane and Grace J. Kane



**TO THE SHERIFF OF CLEARFIELD COUNTY:**

To satisfy the debt, interest and costs due CLEARFIELD BANK AND TRUST CO., Plaintiff(s) from JOSEPH F. KANE and GRACE J. KANE, Defendant(s):

(1) You are directed to levy upon the property of the defendant(s) and to sell interest(s) therein:  
See Attached Descriptions

(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:   | <b>\$133,338.67</b> | PAID: <b>\$125.00</b>  |
| INTEREST from 7/3/03 through 6/30/04<br>(per diem \$21.75): | <b>\$7,895.25</b>   | SHERIFF: \$  |
| FORECLOSURE FEES:   | <b>\$15,000.00</b>  | LATE FEES (5% of \$2,610.92/mo. pmt.<br>or \$130.55/mo. for months of July, 2003<br>through June, 2004): <b>\$1,566.60</b> |
| PROTH. COSTS: \$  |                     | OTHER COSTS: \$  |
| ATTY'S COMM: \$   |                     |  |
| DATE: 07/01/2004  |                     |  |

---

William A. Shaw  
Prothonotary/Clerk Civil Division

Received this writ this \_\_\_\_\_ day  
of \_\_\_\_\_ A.D. \_\_\_\_\_  
At \_\_\_\_\_ A.M./P.M.

\_\_\_\_\_  
Sheriff

Requesting Party: Thomas E. Reiber, Esq.  
1500 One PPG Place  
Pittsburgh, PA 15222  
(412) 566-1212

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

|                     |   |                |
|---------------------|---|----------------|
| CLEARFIELD BANK AND | ) | CIVIL DIVISION |
| TRUST COMPANY,      | ) |                |
|                     | ) |                |
| Plaintiff,          | ) | No. 03-1038-CD |
|                     | ) |                |
| vs.                 | ) |                |
|                     | ) |                |
| JOSEPH F. KANE and  | ) |                |
| GRACE J. KANE,      | ) |                |
|                     | ) |                |
| Defendants.         | ) |                |

TO THE SHERIFF OF CLEARFIELD COUNTY:

Please use the following legal description of property for advertising purposes:

**SHORT LEGAL DESCRIPTION OF REAL ESTATE**

ALL THE RIGHT, TITLE, INTEREST AND CLAIMS OF JOSEPH F. KANE AND  
GRACE J. KANE OF, IN AND TO THE FOLLOWING DESCRIBED PROPERTY:

ALL THOSE TWO CERTAIN LOTS OR PARCELS OF LAND, TOGETHER WITH  
IMPROVEMENTS THEREON, SITUATE IN THE VILLAGE OF HYDE,  
TOWNSHIP OF LAWRENCE, BEING MORE FULLY DESCRIBED AT DBV  
1277, PAGE 360.

CLEARFIELD COUNTY TAX PARCEL I.D. NO. 123-J9-268-109

225969.1:BF  
13828-113500

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

|                     |   |                |
|---------------------|---|----------------|
| CLEARFIELD BANK AND | ) | CIVIL DIVISION |
| TRUST COMPANY,      | ) |                |
|                     | ) |                |
| Plaintiff,          | ) | No. 03-1038-CD |
|                     | ) |                |
| vs.                 | ) |                |
|                     | ) |                |
| JOSEPH F. KANE and  | ) |                |
| GRACE J. KANE,      | ) |                |
|                     | ) |                |
| Defendants.         | ) |                |

TO THE SHERIFF OF CLEARFIELD COUNTY:

Please use the following legal description for preparation of the Sheriff's Deed:

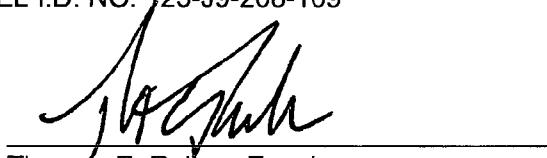
**LEGAL DESCRIPTION OF REAL ESTATE**

ALL those two certain lots or parcels of land, together with all improvements thereon, situate in the Village of Hyde, Lawrence Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a point in the West line of the right-of-way of Pennsylvania Legislative Route 17098 and at the Southwest corner of Lot No. 9; thence in a northwesterly direction along the line of Lot No. 9 One Hundred Twenty (120) feet to an alley; thence along the line of said alley in a southwesterly direction Eighty (80) feet to the corner of Lot No. 6; thence along the line of Lot No. 6 in a southeasterly direction One Hundred Twenty (120) feet, more or less, to the western line of the State Highway Legislative Route 17098; thence by the line of right-of-way of said highway in a northeasterly direction Eighty (80) feet to the point and place of beginning; being Lots Nos. 7 and 8 in Section 36 of the Kerr and Short Plan of Lots in the Village of Hyde, each lot being Forty (40) feet by One Hundred Twenty (120) feet.

BEING the same property granted and conveyed unto Joseph F. Kane and Grace J. Kane, husband and wife, tenants by the entireties, by Deed of Bryan K. Lingle, Sr. and Brenda C. Lingle, husband and wife, dated April 17, 1987 and recorded in the Office of the Recorder of Deeds of Clearfield County, Pennsylvania on April 17, 1987 in Deed Book Volume 1277, page 360.

CLEARFIELD COUNTY TAX PARCEL I.D. NO. 123-J9-268-109



Thomas E. Reiber, Esquire  
Attorney for Clearfield Bank and  
Trust Company, Plaintiff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND  
TRUST COMPANY,

CIVIL DIVISION

Plaintiff,

No. 03-1038-CD

vs.

JOSEPH F. KANE and  
GRACE J. KANE,

AMENDED AFFIDAVIT  
PURSUANT TO PA R.C.P. 3129.1

Defendants.

Filed on behalf of CLEARFIELD  
BANK AND TRUST COMPANY, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Brett A. Solomon, Esquire  
Pa. I.D. No. 83746  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

FILED E62  
M 10/23/04 NO  
SEP 20 2004  
cc

William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND ) CIVIL DIVISION  
TRUST COMPANY, )  
Plaintiff, ) No. 03-1038-CD  
vs. )  
JOSEPH F. KANE and )  
GRACE J. KANE, )  
Defendants. )

**AMENDED AFFIDAVIT PURSUANT TO Pa. R.C.P. 3129.1**

CLEARFIELD BANK AND TRUST COMPANY, Plaintiff in the above action, by its attorneys, Tucker Arensberg, P.C., sets forth as of the date of the Praeclipe for Writ of Execution was filed the following information concerning the real property located at Washington Avenue, Village of Hyde, Township of Lawrence, County of Clearfield and Commonwealth of Pennsylvania:

1. Name and address of the Owners or Reputed Owners:

JOSEPH F. KANE and 805 S. Second Street  
GRACE J. KANE Clearfield, Pennsylvania 16830

2. Name and address of Defendants in the judgment:

SAME AS ABOVE

3. Name and address of every judgment creditor whose judgment is a record lien on the real property to be sold:

CLEARFIELD BANK AND c/o Thomas E. Reiber, Esquire  
TRUST COMPANY Tucker Arensberg, P.C.  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222

LEZZER CASH & CARRY c/o Andrew P. Gates, Esquire  
Gates & Seaman  
Two North Front Street  
P. O. Box 846  
Clearfield, Pennsylvania 16830

4. Name and address of last recorded holder of every mortgage of record:

CLEARFIELD BANK AND c/o Thomas E. Reiber, Esquire  
TRUST COMPANY Tucker Arensberg, P.C.  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222

5. Name and address of every other person who has any record lien on their property:

UNKNOWN

6. Name and address of every other person who has any record interest in the property and whose interest may be affected by the sale:

|                                 |   |
|---------------------------------|---|
| CLEARFIELD COUNTY TREASURER     | P. O. Box 289<br>Clearfield, Pennsylvania 16830   |
| CLEARFIELD COUNTY TAX CLAIM     | Clearfield County Courthouse<br>1 North Second Street<br>Clearfield, Pennsylvania 16830 |
| LAWRENCE TOWNSHIP               | c/o Hazel Shifter, Tax Collector<br>105 Fulton Street<br>Clearfield, Pennsylvania 16830 |
| CLEARFIELD AREA SCHOOL DISTRICT | c/o Hazel Shifter, Tax Collector<br>105 Fulton Street<br>Clearfield, Pennsylvania 16830 |
| CLEARFIELD COUNTY               | c/o Hazel Shifter, Tax Collector<br>105 Fulton Street<br>Clearfield, Pennsylvania 16830 |

7. 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:

|                        |   |
|------------------------|---|
| NORTHWEST SAVINGS BANK | 1200 S. Second Street<br>Clearfield, Pennsylvania 16830 |
|------------------------|---|

The information provided in the foregoing Affidavit is provided solely to comply with the Pennsylvania Rules of Civil Procedure 3129.1, and it is not intended to be a comprehensive abstract of the condition of the title of the real estate which is being sold under this execution. No person or entity is entitled to rely on any statements made herein in regard to the condition of the title of the property or to rely on any statement herein in formulating bids which might be made at the sale of the property.

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.

Dated: Sept. 16, 2004

By:



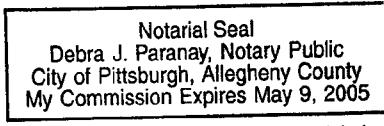
Thomas E. Reiber, Esquire  
Attorney for Clearfield Bank and  
Trust Company, Plaintiff

Sworn to and subscribed before me  
this 16th day of September, 2004.



Debra J. Paranay  
Notary Public

My Commission Expires:



Member, Pennsylvania Association of Notaries

232176.1:BF/#13828-113500

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND  
TRUST COMPANY,

Plaintiff,

vs.

JOSEPH F. KANE and  
GRACE J. KANE,

Defendants.

CIVIL DIVISION

No. 03-1038-CD

VERIFICATION OF SERVICE OF NOTICE  
OF SALE TO DEFENDANTS AND LIEN  
CREDITORS PURSUANT TO PA. R.C.P.  
3129

Filed on behalf of CLEARFIELD BANK  
AND TRUST COMPANY, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Brett A. Solomon, Esquire  
Pa. I.D. No. 83746  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

SALE DATE: NOVEMBER 5, 2004

FILED  
m 11/34 BA No cc  
OCT 08 2004

William A. Shaw  
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK AND ) CIVIL DIVISION  
TRUST COMPANY, )  
Plaintiff, ) No. 03-1038-CD  
vs. )  
JOSEPH F. KANE and )  
GRACE J. KANE, )  
Defendants. )

**VERIFICATION OF SERVICE OF NOTICE OF SALE  
TO DEFENDANTS AND LIEN CREDITORS**

The undersigned does hereby certify that the undersigned personally mailed a copy of the Notice of Sale in the above captioned matter by Certified Mail to the Defendants on the 22nd day of September, 2004, and that the Notice of Sale was received by Defendant, Joseph F. Kane, on the 24th day of September, 2004, and by Defendant, Grace J. Kane, on the 1st day of October, 2004. Copies of the Certified Mail Receipts are attached hereto as Exhibit "A".

The undersigned further certifies that the undersigned personally mailed a copy of the Notice of Sale in the above captioned matter by Certificate of Mailing (P.S. Form #3817) to all Lien Creditors and Parties of Interest on the 17th day of September, 2004, as evidenced by P.S. Forms 3817 attached hereto as Exhibit "B".

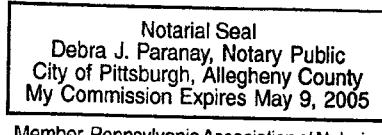


Thomas E. Reiber, Esquire  
Brett A. Solomon, Esquire  
Attorneys for Clearfield Bank and  
Trust Company, Plaintiff

Sworn to and subscribed before me  
this 5th day of October, 2004.

  
\_\_\_\_\_  
Debra J. Paranay  
Notary Public

My Commission Expires:



Member, Pennsylvania Association of Notaries

233374.1:BF/#13828-113500

**U.S. Postal Service™**

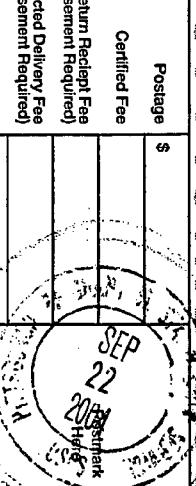
**CERTIFIED MAIL™ RECEIPT**

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

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

|  |    |                        |  |
|--|----|------------------------|--|
| Postage  | \$ | 1160 0001 8506 9284    |  |
| Certified Fee  |    | 1160 0001 8506 9284    |  |
| (Endorsement Required)   |    | (Endorsement Required) |  |
| Total Postage & Fees   |    | \$                     |  |
| <b>Sent To</b><br><i>Joseph J. Kane</i><br><i>9 Elm Street</i><br><i>Clearfield PA 16830</i><br><small>PS Form 3810, June 2002</small> |    |                        |  |



**SENDER: COMPLETE THIS SECTION**

**COMPLETE THIS SECTION ON DELIVERY**

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

|   |   |  |  |
|---|---|--|--|
| A. Signature                                  | X <i>Joseph J. Kane</i>   |  |  |
| B. Received by / Printed Name                 | Date of Delivery  |  |  |
| If YES, enter delivery address below:         |   |  |  |
| D. Is delivery address different from item 1? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |  |  |

*Joseph J. Kane*  
*303 Elm Avenue*  
*Clearfield PA 16830*

PS Form 3811, August 2001  
*(Transfer from service label)*

7004 1160 0001 8506 9017  
 Domestic Return Receipt  
*13828-113500*

102595-02-M

**SENDER: COMPLETE THIS SECTION**

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

**COMPLETE THIS SECTION ON DELIVERY**

|   |   |  |  |
|---|---|--|--|
| A. Signature                                  | <i>Joseph J. Kane</i>   |  |  |
| B. Received by / Printed Name                 | <i>Joseph J. Kane</i>   |  |  |
| C. Date of Delivery                           | 09/22/04  |  |  |
| D. Is delivery address different from item 1? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  |  |
| If YES, enter delivery address below:         |   |  |  |

*Joseph J. Kane*  
*9 Elm Street*  
*Clearfield PA 16830*

2. Article Number  
*(Transfer from service label)*

7004 1160 0001 8506 9284

PS Form 3811, August 2001

Domestic Return Receipt

13828-113500

102595-02-M-1035

**SENDER: COMPLETE THIS SECTION**

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

**COMPLETE THIS SECTION ON DELIVERY**

|   |   |  |  |
|---|---|--|--|
| A. Signature                                  | <i>Joseph J. Kane</i>   |  |  |
| B. Received by / Printed Name                 | <i>Joseph J. Kane</i>   |  |  |
| C. Date of Delivery                           | 09/22/04  |  |  |
| D. Is delivery address different from item 1? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  |  |
| If YES, enter delivery address below:         |   |  |  |

*Joseph J. Kane*  
*9 Elm Street*  
*Clearfield PA 16830*

2. Article Number  
*(Transfer from service label)*

7004 1160 0001 8506 9284

PS Form 3811, August 2001

Domestic Return Receipt

13828-113500

102595-02-M-1035

**EXHIBIT**

*A*

| Line  | Article Number | Name of Addressee, Street, and Post Office Address  | Indicate Type of Mail:                          |                |                         | Check Appropriate block for Reg   |               |             |
|---|----------------|---|---|----------------|-------------------------|---|---------------|-------------|
|   |                |   | Registered                                      | Return Receipt | Insured for merchandise | COD   | Intl Recorded | Postage Fee |
| 1   |                | Clearfield County Treasurer<br>P. O. Box 289<br>Clearfield, PA 16830  |   | .37            | .30                     |   |               |             |
| 2   |                | Clearfield County Tax Claim<br>Clearfield County Courthouse<br>1 North Second Street<br>Clearfield, PA 16830          |   | .37            | .30                     |   |               |             |
| 3   |                | Lawrence Township<br>c/o Hazel Shifter, Tax Collector<br>105 Fulton Street<br>Clearfield, PA 16830-3038               |   | .37            | .30                     |   |               |             |
| 4   |                | Clearfield Area School District<br>c/o Hazel Shifter, Tax Collector<br>105 Fulton Street<br>Clearfield, PA 16830-3038 |   | .37            | .30                     |   |               |             |
| 5   |                | Clearfield County<br>c/o Hazel Shifter, Tax Collector<br>105 Fulton Street<br>Clearfield, PA 16830-3038               |   | .37            | .30                     |   |               |             |
| 6   |                | Lezzer Cash & Cary<br>c/o Andrew P. Gates, Esquire<br>Two North Front Street<br>P. O. Box 846<br>Clearfield, PA 16830 |   | .37            | .30                     |   |               |             |
| 7   |                | Northwest Savings Bank<br>1200 S. Second Street<br>Clearfield, PA 16830   |   | .37            | .30                     |   |               |             |
| 8   |                |   |   | .37            | .30                     |   |               |             |
| 9   |                |   |   | .37            | .30                     |   |               |             |
| 10  |                |   |   | .37            | .30                     |   |               |             |
| Total Number of<br>Pieces Listed by<br>Sender |                | Total Number of<br>Pieces Received at Post<br>Office  | Postmaster, Per (Name of receiving<br>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 \$50,000 per piece subject to a limit of \$500,000 per occurrence. The maximum indemnity payable on Express Mail merchandise insurance is \$500. The maximum indemnity payable is \$25,000 for registered mail, sent with optional postal insurance. See <i>Domestic Mail Manual</i> R900, S913 and S921 for limitations of coverage on Insured and COD mail. See <i>International Mail Manual</i> for limitations of coverage on international mail. Special handling charges apply only to third and fourth class parcels. |               |             |

EXHIBIT

22691.1:BF  
#13828-113500

Clearfield-Kane  
H 13828-113500  
PARAVAN

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 16236  
NO: 03-1038-CD

PLAINTIFF: CLEARFIELD BANK AND TRUST COMPANY  
vs.  
DEFENDANT: JOSEPH F. KANE AND GRACE J. KANE

WRIT OF EXECUTION REAL ESTATE

SHERIFF RETURN

DATE RECEIVED WRIT: 07/01/2004

LEVY TAKEN 09/23/2004 @ 6:00 PM

POSTED 09/23/2004 @ 6:00 PM

SALE HELD 11/05/2004

SOLD TO CLEARFIELD BANK AND TRUST COMPANY

SOLD FOR AMOUNT \$30,000.00 PLUS COSTS

WRIT RETURNED 01/31/2005

DATE DEED FILED 01/31/2005

PROPERTY ADDRESS WASHINGTON AVENUE HYDE , PA 16843

FILED  
01/31/05  
FEB 07 2005

William A. Shaw  
Prothonotary/Clerk of Courts

SERVICES

11/04/2004 @ SERVED JOSEPH F. KANE

ATTORNEY OFFICE SERVED JOSEPH F. KANE BY CERTIFIED MAIL ON 9/24/04. THE SHERIFF'S OFFICE SERVED JOSEPH F. KANE BY CERT AND REG MAIL, CERT SIGEND BY JOSEPH F. KANE, DEFENDANT ON 11/4/04. CERT #70023150000078546327

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 / HER THE CONTENTS THEREOF.

@ SERVED GRACE J. KANE

ATTORNEY OFFICE SERVED GRACE J. KANE BY CERT MAIL OCTOBER 1, 2004. SHERIFF OFFICE CERT RETURNED UNCLAIMED 11/29/2004. CERT #70023150000078546334

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 / HER THE CONTENTS THEREOF.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 16236  
NO: 03-1038-CD

PLAINTIFF: CLEARFIELD BANK AND TRUST COMPANY

vs.

DEFENDANT: JOSEPH F. KANE AND GRACE J. KANE

WRIT OF EXECUTION REAL ESTATE

**SHERIFF RETURN**

---

SHERIFF HAWKINS \$813.94

SURCHARGE \$40.00 PAID BY ATTORNEY

Sworn to Before Me This

\_\_\_\_ Day of \_\_\_\_\_ 2005

So Answers,

  
In witness whereof, I, Chester A. Hawkins, Sheriff, do hereto affix my signature this 1st day of August, 2005.  
Chester A. Hawkins  
Sheriff

**WRIT OF EXECUTION and/or ATTACHMENT  
COMMONWEALTH OF PENNSYLVANIA, COUNTY OF CLEARFIELD  
CIVIL ACTION - LAW**

Clearfield Bank and Trust Co.

Vs.

NO.: 2003-01038-CD

Joseph F. Kane and Grace J. Kane

**TO THE SHERIFF OF CLEARFIELD COUNTY:**

To satisfy the debt, interest and costs due CLEARFIELD BANK AND TRUST CO., Plaintiff(s) from JOSEPH F. KANE and GRACE J. KANE, Defendant(s):

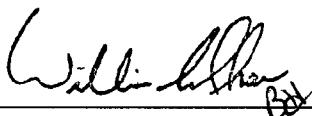
- (1) You are directed to levy upon the property of the defendant(s) and to sell interest(s) therein:  
See Attached Descriptions
- (2) You are also directed to attach the property of the defendant(s) not levied upon in the possession of:

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:                          | <b>\$133,338.67</b> | PAID:                                    | <b>\$125.00</b>   |
| INTEREST from 7/3/03 through 6/30/04 |                     | SHERIFF:                                 | \$                |
| (per diem \$21.75):                  | <b>\$7,895.25</b>   | LATE FEES (5% of \$2,610.92/mo. pmt.     |                   |
| FORECLOSURE FEES:                    | <b>\$15,000.00</b>  | or \$130.55/mo. for months of July, 2003 |                   |
| PROTH. COSTS:                        |                     | through June, 2004):                     | <b>\$1,566.60</b> |
| ATTY'S COMM:                         |                     | OTHER COSTS:                             | \$                |
| DATE: 07/01/2004                     |                     |  |                   |



\_\_\_\_\_  
William A. Shaw  
Prothonotary/Clerk Civil Division

Received this writ this 1st day  
of July A.D. 2004  
At 3:00 A.M./P.M.

Requesting Party: Thomas E. Reiber, Esq.  
1500 One PPG Place  
Pittsburgh, PA 15222  
(412) 566-1212

Chesler A. Hawkins  
Sheriff by Amber Butler-Aughenbaugh

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

|                     |   |                |
|---------------------|---|----------------|
| CLEARFIELD BANK AND | ) | CIVIL DIVISION |
| TRUST COMPANY,      | ) |                |
|                     | ) |                |
| Plaintiff,          | ) | No. 03-1038-CD |
|                     | ) |                |
| vs.                 | ) |                |
|                     | ) |                |
| JOSEPH F. KANE and  | ) |                |
| GRACE J. KANE,      | ) |                |
|                     | ) |                |
| Defendants.         | ) |                |

TO THE SHERIFF OF CLEARFIELD COUNTY:

Please use the following legal description of property for advertising purposes:

**SHORT LEGAL DESCRIPTION OF REAL ESTATE**

ALL THE RIGHT, TITLE, INTEREST AND CLAIMS OF JOSEPH F. KANE AND  
GRACE J. KANE OF, IN AND TO THE FOLLOWING DESCRIBED PROPERTY:

ALL THOSE TWO CERTAIN LOTS OR PARCELS OF LAND, TOGETHER WITH  
IMPROVEMENTS THEREON, SITUATE IN THE VILLAGE OF HYDE,  
TOWNSHIP OF LAWRENCE, BEING MORE FULLY DESCRIBED AT DBV  
1277, PAGE 360.

CLEARFIELD COUNTY TAX PARCEL I.D. NO. 123-J9-268-109

225969.1:BF  
13828-113500

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

|                     |   |                |
|---------------------|---|----------------|
| CLEARFIELD BANK AND | ) | CIVIL DIVISION |
| TRUST COMPANY,      | ) |                |
|                     | ) |                |
| Plaintiff,          | ) | No. 03-1038-CD |
|                     | ) |                |
| vs.                 | ) |                |
|                     | ) |                |
| JOSEPH F. KANE and  | ) |                |
| GRACE J. KANE,      | ) |                |
|                     | ) |                |
| Defendants.         | ) |                |

TO THE SHERIFF OF CLEARFIELD COUNTY:

Please use the following legal description for preparation of the Sheriff's Deed:

**LEGAL DESCRIPTION OF REAL ESTATE**

ALL those two certain lots or parcels of land, together with all improvements thereon, situate in the Village of Hyde, Lawrence Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a point in the West line of the right-of-way of Pennsylvania Legislative Route 17098 and at the Southwest corner of Lot No. 9; thence in a northwesterly direction along the line of Lot No. 9 One Hundred Twenty (120) feet to an alley; thence along the line of said alley in a southwesterly direction Eighty (80) feet to the corner of Lot No. 6; thence along the line of Lot No. 6 in a southeasterly direction One Hundred Twenty (120) feet, more or less, to the western line of the State Highway Legislative Route 17098; thence by the line of right-of-way of said highway in a northeasterly direction Eighty (80) feet to the point and place of beginning; being Lots Nos. 7 and 8 in Section 36 of the Kerr and Short Plan of Lots in the Village of Hyde, each lot being Forty (40) feet by One Hundred Twenty (120) feet.

BEING the same property granted and conveyed unto Joseph F. Kane and Grace J. Kane, husband and wife, tenants by the entireties, by Deed of Bryan K. Lingle, Sr. and Brenda C. Lingle, husband and wife, dated April 17, 1987 and recorded in the Office of the Recorder of Deeds of Clearfield County, Pennsylvania on April 17, 1987 in Deed Book Volume 1277, page 360.

CLEARFIELD COUNTY TAX PARCEL I.D. NO. 123-J9-268-109



Thomas E. Reiber, Esquire  
Attorney for Clearfield Bank and  
Trust Company, Plaintiff

**REAL ESTATE SALE  
SCHEDULE OF DISTRIBUTION**

NAME JOSEPH F. KANE

NO. 03-1038-CD

NOW, January 31, 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 November 05, 2004, I exposed the within described real estate of Joseph F. Kane And Grace J. Kane to public venue or outcry at which time and place I sold the same to CLEARFIELD BANK AND TRUT COMPANY 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                    | 2.00            |
| LEVY                       | 15.00           |
| MILEAGE                    | 2.00            |
| POSTING                    | 15.00           |
| CSDS                       | 10.00           |
| COMMISSION                 | 600.00          |
| POSTAGE                    | 14.94           |
| HANDBILLS                  | 15.00           |
| DISTRIBUTION               | 25.00           |
| ADVERTISING                | 15.00           |
| ADD'L SERVICE              | 15.00           |
| DEED                       | 30.00           |
| ADD'L POSTING              |                 |
| ADD'L MILEAGE              |                 |
| ADD'L LEVY                 |                 |
| BID AMOUNT \$ 1.00         | 30,000.00       |
| RETURNS/DEPUTIZE           |                 |
| COPIES                     | 15.00           |
|                            | 5.00            |
| BILLING/PHONE/FAX          | 5.00            |
| CONTINUED SALES            |                 |
| MISCELLANEOUS              |                 |
| <b>TOTAL SHERIFF COSTS</b> | <b>\$813.94</b> |

**DEED COSTS:**

|                         |                |
|-------------------------|----------------|
| ACKNOWLEDGEMENT         | 5.00           |
| REGISTER & RECORDER     | 28.50          |
| TRANSFER TAX 2%         | 0.00           |
| <b>TOTAL DEED COSTS</b> | <b>\$28.50</b> |

**PLAINTIFF COSTS, DEBT AND INTEREST:**

|                                |                     |
|--------------------------------|---------------------|
| DEBT-AMOUNT DUE                | 108,876.82          |
| INTEREST @ %                   | 0.00                |
| FROM TO 11/05/2004             |                     |
| PROTH SATISFACTION             |                     |
| LATE CHARGES AND FEES          | 1,566.60            |
| COST OF SUIT-TO BE ADDED       |                     |
| FORECLOSURE FEES               | 15,000.00           |
| ATTORNEY COMMISSION            |                     |
| REFUND OF ADVANCE              |                     |
| REFUND OF SURCHARGE            | 40.00               |
| SATISFACTION FEE               |                     |
| ESCROW DEFICIENCY              |                     |
| PROPERTY INSPECTIONS           |                     |
| INTEREST                       | 7,895.25            |
| MISCELLANEOUS                  |                     |
| <b>TOTAL DEBT AND INTEREST</b> | <b>\$133,378.67</b> |

**COSTS:**

|                     |                   |
|---------------------|-------------------|
| ADVERTISING         | 223.74            |
| TAXES - COLLECTOR   |                   |
| TAXES - TAX CLAIM   | 1,066.45          |
| DUE                 |                   |
| LIEN SEARCH         | 100.00            |
| ACKNOWLEDGEMENT     | 5.00              |
| DEED COSTS          | 28.50             |
| SHERIFF COSTS       | 813.94            |
| LEGAL JOURNAL COSTS | 117.00            |
| PROTHONOTARY        | 125.00            |
| MORTGAGE SEARCH     | 40.00             |
| MUNICIPAL LIEN      |                   |
| <b>TOTAL COSTS</b>  | <b>\$2,519.63</b> |

DISTRIBUTION WILL BE MADE IN ACCORDANCE WITH THE ABOVE SCHEDULE UNLESS EXCEPTIONS ARE FILED WITH THIS OFFICE **WITHIN TEN (10) DAYS FROM THIS DATE.**

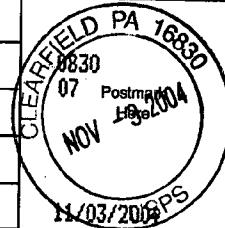
CHESTER A. HAWKINS, Sheriff

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

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

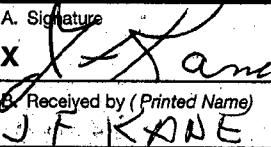
|           |   |          |
|-----------|---|----------|
| 7854 6327 | Postage   | \$ 10.60 |
|           | Certified Fee                                     | \$ 2.30  |
|           | Return Receipt Fee<br>(Endorsement Required)      | \$ 1.75  |
| 3150      | Restricted Delivery Fee<br>(Endorsement Required) | \$ 0.00  |
| 7002      | Total Postage & Fees                              | \$ 4.65  |



|                                   |                      |
|-----------------------------------|----------------------|
| Sent To                           | Joseph F. Kane       |
| Street, Apt. No.<br>or PO Box No. | 9 Gulich Avenue      |
| City, State, Zip                  | Clearfield, PA 16830 |

PS Form 3800, June 2002

See Reverse for Instructions

|  |  |   |  |
|--|--|---|--|
| <b>SENDER: COMPLETE THIS SECTION</b>   |  | <b>COMPLETE THIS SECTION ON DELIVERY</b>  |  |
| <ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul> |  | <p>A. Signature  <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <b>J F KANE</b> C. Date of Delivery <b>11/04/04</b></p> <p>D. Is delivery address different from Item 1? <input type="checkbox"/> Yes<br/>If YES, enter delivery address below: <input type="checkbox"/> No</p> |  |
| <p>1. Article Addressed to:</p> <p>Joseph F. Kane<br/>9 Gulich Avenue<br/>Clearfield, PA 16830</p>   |  | <p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail<br/> <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise<br/> <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>   |  |
| <p>2. Article Number<br/>(Transfer from service label)</p>   |  | <p>7002 3150 0000 7854 6327</p>   |  |
| <p>PS Form 3811, August 2001</p>   |  | <p>Domestic Return Receipt</p>  |  |
|  |  | <p>102595-02-M-1540</p>   |  |

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

Grace J. Kane  
303 Elm Avenue  
Clearfield, PA 16830

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

Agent  
 Addressee

B. Received by (Printed Name)

C. Date of Delivery

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

3. Service Type

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

4. Restricted Delivery? (Extra Fee)

Yes

2. Article Number  
(Transfer from service label)

7002 3150 0000 7854 6334

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

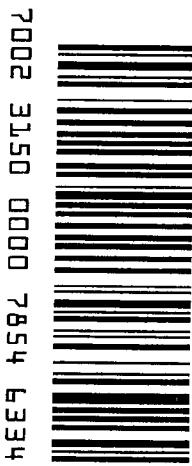
**UNCLAIMED**

**RTS**  
RETURN TO SENDER

GRACE J. KANE  
303 ELM AVENUE  
CLEARFIELD, PA 16830

A  
 C  
 S  
     INSUFFICIENT ADDRESS  
     ATTEMPTED NOT KNOWN  
     NO SUCH NUMBER STREET  
     NOT DELIVERABLE AS ADDRESSED  
     UNABLE TO FORWARD

11-9  
11



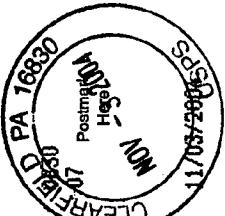
1 NORTH SECOND STREET - SUITE 116  
CLEARFIELD, PENNSYLVANIA 16830

CHESTER A. HAWKINS

SHERIFF



|  |         |
|--|---------|
| <b>U.S. Postal Service™<br/>CERTIFIED MAIL™ RECEIPT</b>                                      |         |
| <i>(Domestic Mail Only; No Insurance Coverage Provided)</i>                                  |         |
| For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a> |         |
| <b>CLEARFIELD PA 16830</b>   |         |
| Postage  | \$ 0.60 |
| Certified Fee  | \$ 2.30 |
| Return Receipt Fee<br>(Endorsement Required)   | \$ 1.75 |
| Restricted Delivery Fee<br>(Endorsement Required)  | \$ 0.00 |
| Total Postage & Fees   | \$ 4.65 |



7854 634 3250 0000 2004

Sent To Grace J. Kane  
Street, Apt No., 303 Elm Avenue  
or PO Box No.  
City, State, ZIP+4 Clearfield, PA 16830

**COURT OF COMMON PLEAS OF CLEARFIELD COUNTY  
PENNSYLVANIA**

Clearfield Bank & Trust Company  
11 N Second St., P.O. Box 171  
Clearfield, PA 16830

CIVIL ACTION  
No. 03-1038-CD  
Type of Case: District Justice  
Type of Pleading: Satisfaction

VS.

Filed on Behalf of:

Clearfield Bank & Trust Company  
Plaintiff

Joseph F. & Grace J. Kane  
Defendant

9 Guelich St.  
Street Address

Clearfield, PA 16830  
City, State, Zip

pd \$7.00  
**FILED** 1 cent of  
01/10/2007 Sat issued  
DEC 26 2007 to PHL  
William A. Shaw  
Prothonotary/Clerk of Courts

Clearfield Bank & Trust Company  
Justin B. Dinkfelt, Collector  
Filed by

11 N Second St., P.O. Box 171  
Clearfield, PA 16830  
Ph. 814-765-7551 Ext. 8878  
Justin B. Dinkfelt

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

Clearfield Bank and Trust Co.  
Plaintiff(s)

No.: 2003-01038-CD

Real Debt: \$108,876.82

Atty's Comm: \$

Vs.

Costs: \$

Int. From: \$

Joseph F Kane  
Grace J. Kane  
Defendant(s)

Entry: \$20.00

Instrument: Consent Judgment

Date of Entry: February 6, 2004

Expires: February 6, 2009

Certified from the record this 19th day of December, 2007.

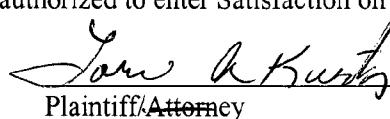


\_\_\_\_\_  
William A. Shaw, Prothonotary

\*\*\*\*\*

SIGN BELOW FOR SATISFACTION

Received on December 26, 2007 of defendant full satisfaction of this Judgment,  
Debt, Interest and Costs and Prothonotary is authorized to enter Satisfaction on the same.

  
\_\_\_\_\_  
Plaintiff Attorney

IN THE COURT OF COMMON PLEAS OF  
CLEARFIELD COUNTY, PENNSYLVANIA

COPY

CIVIL DIVISION

**CERTIFICATE OF SATISFACTION OF JUDGMENT**

No.: 2003-01038-CD

Clearfield Bank and Trust Co.

Debt: \$108,876.82

Vs.

Atty's Comm.:

Joseph F Kane

Grace J. Kane

Interest From:

Cost: \$7.00

NOW, Wednesday, December 26, 2007 , directions for satisfaction having been received, and all costs having been paid, SATISFACTION was entered of record.

Certified from the record this 26th day of December, A.D. 2007.

  
\_\_\_\_\_  
Prothonotary