

04-708-CD  
FIFTH THIRD BANK, N.A. vs. TIFFANI N. KARR

**Fifth Third Bank vs. Tiffani Karr  
2004-708-CD**

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

FIFTH THIRD BANK,

Plaintiff

vs.

Civil Action No. 04-708-CD

TIFFANO N. KARR,

Defendant

**ASSIGNMENT OF JUDGMENT**

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **FIFTH THIRD BANK**, and its affiliates, located at 38 Fountain Square Plaza, Cincinnati, Ohio 45263 (hereinafter the "Assignor"), hereby transfers, assigns and conveys without recourse and without any representations or warranties, express or implied except as set forth that certain Accounts Sale Agreement dated as of March 29, 2006, but effective as of March 31, 2006, unto **NEW FALLS CORPORATION**, an Ohio corporation located at 100 North Center Street, Newton Falls, Ohio 44444 (hereinafter the "Assignee"), all of Assignor's right, title and interest, if any, in the Judgment rendered in Civil Action No. 04-708-CD, in the Court of Common Pleas, Clearfield County, Pennsylvania, Civil Division, wherein Fifth Third Bank was the Plaintiff and Tiffano N. Karr was the Defendant(s).

In witness whereof, the undersigned has hereunto set its hand by its duly authorized officer this 4 day of AUGUST, 2006, but effective as of March 31, 2006.

Vicky Mounce  
Vicky Mounce, Witness

Stephen Gabbard  
Stephen Gabbard, Witness

FIFTH THIRD BANK

By: M. B. McCoy  
M. B. McCoy  
Its: Vice President

STATE OF OHIO  
COUNTY OF HAMILTON

On this 4 day of AUGUST, 2006, before me, the undersigned Notary Public, personally appeared M. B. McCoy, who acknowledged herself to be a Vice President of Fifth Third Bank, and that she, in such capacity, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the Bank as Vice President.

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

Naomi Davidson  
Naomi Davidson, Notary Public

PREPARED BY AND RETURN TO:  
New Falls Corporation  
100 North Center Street  
Newton Falls, OH 44444-1321  
(330) 872-0918, Attn: Cindy Lou Garro  
Debtor: Tiffano N. Karr  
Our File No. 09191371



NAOMI DAVIDSON  
Notary Public, State of Ohio  
My Commission Expires  
September 15, 2009

09191371

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

FIFTH THIRD BANK

Plaintiff,

vs.

No. 04-708-CD

TIFFANI N. KARR

Defendant.

S  
FILED  
IN 5001  
SEP 23 2019  
PETER T. BARTA  
BRIAN K. SPENCER  
PROTHONOTARY & CLERK OF COURT

**PRAECIPE FOR SATISFACTION AND/OR TERMINATION**

TO THE PROTHONOTARY OF SAID COURT:

You are hereby authorized, empowered, and directed to enter, as indicated, the following on the records thereof:

A. 1. \_\_\_\_\_ The within suit is Settled, Discontinued, Ended and costs paid.  
 2. \_\_\_\_\_ The within suit is Settled, Discontinued, Ended WITH Prejudice and costs paid.  
 3. \_\_\_\_\_ The within suit is Settled, Discontinued, Ended WITHOUT Prejudice and costs paid.

\* \* \* \* \*

B. 1. \_\_\_\_\_ Satisfaction of the Award in the within suit is acknowledged.  
 2. X Satisfaction of Judgment, with interest and costs, in the within matter is acknowledged.

\* \* \* \* \*

C. Other:

DATE: August 14, 2019

Plaintiff, NEW FALLS CORPORATION, as Assignee

WITNESS (if signer is other than a registered attorney):

Amy A. Shaffer  
Attorney or Notary

By:

PETER T. BARTA, PRESIDENT



Amy A. Shaffer  
Resident Trumbull County  
Notary Public, State of Ohio  
My Commission Expires:  
April 10, 2023

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

FIFTH THIRD BANK,

Plaintiff No. 04-708-CD

vs. PRAECIPE FOR DEFAULT JUDGMENT

TIFFANO N. KARR,

Defendant

FILED ON BEHALF OF  
Plaintiff

COUNSEL OF RECORD OF  
THIS PARTY:

William T. Molczan  
PA I.D. #47437  
WELTMAN, WEINBERG & REIS CO., L.P.A.  
2718 Koppers Building  
436 Seventh Avenue  
Pittsburgh, PA 15219  
(412) 434-7955

WWR#02834609  
Judgment Amount \$ 13,683.30

THIS LAW FIRM IS ATTEMPTING TO COLLECT THIS DEBT FOR ITS CLIENT AND ANY  
INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

*FILED 6K*  
*1/31/05 2:20 PM*  
*With the Clerk of Court*  
**FEB 09 2005**

William A. Shaw  
Prothonotary

IN THE COURT OF COMMON PLEAS CLEARFIELD COUNTY, PENNSYLVANIA  
C VII DIVISION

FIFTH THIRD BANK,

Plaintiff

vs.

Civil Action No. 04-708-CD

TIFFANO N. KARR,

Defendant

**PRAECIPE FOR DEFAULT JUDGMENT**

TO THE PROTHONOTARY:

Kindly enter Judgment against the Defendant, Tifani N. Karr, above named, in the default of an Answer, in the amount of \$13,683.30 computed as follows:

Amount claimed in Complaint	\$11,949.94
Interest from April 23, 2004 to February 1, 2005 at the contract interest rate of 10.20% per annum	\$733.36
Attorneys Fees	\$1000.00
<b>TOTAL</b>	<b>\$13,683.30</b>

I hereby certify that appropriate Notices of Default, as attached have been mailed in accordance with PA R.C.P. 237.1 on the dates indicated on the Notices.

WELTMAN, WEINBERG & REIS CO., L.P.A.

By: William T. McIczan

William T. McIczan

PA I.D. #47437

WELTMAN, WEINBERG & REIS CO., L.P.A.

2718 Koppers Building

436 Seventh Avenue

Pittsburgh, PA 15219

(412) 434-7955

WWR#02834609

Plaintiff's address is:

c/o Weltman, Weinberg & Reis Co., L.P.A., 2718 Koppers Building, 436 7<sup>th</sup> Avenue, Pittsburgh, PA 15219  
And that the last known address of the Defendant is: 102 ELLSWORTH DRIVE  
APACHE,OK 73006

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

FIFTH THIRD BANK, N.A.

Plaintiff

vs.

Civil Action No. 04-708 -CD

TIFFANI N KARR

Defendant

**IMPORTANT NOTICE**

TO: Tiffani N Karr  
102 Ellsworth Drive  
Apache , OK 73006

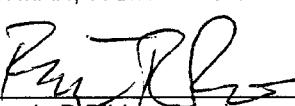
Date of Notice: January 20, 2005

YOU ARE IN DEFAULT BECAUSE YOU HAVE FAILED TO ENTER A WRITTEN APPEARANCE PERSONALLY OR BY ATTORNEY AND FILE IN WRITING WITH THE COURT YOUR DEFENSES OR OBJECTIONS TO THE CLAIMS SET FORTH AGAINST YOU. UNLESS YOU ACT WITHIN TEN DAYS FROM THE DATE OF THIS NOTICE, A JUDGMENT MAY BE ENTERED AGAINST YOU WITHOUT A HEARING AND YOU MAY LOSE YOUR PROPERTY OR OTHER IMPORTANT RIGHTS. YOU SHOULD TAKE THIS NOTICE TO A LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE FOLLOWING OFFICE TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

CLEARFIELD COUNTY

COURT ADMINISTRATOR  
CLEARFIELD COUNTY COURTHOUSE  
230 EAST MARKET ST., SUITE 228  
CLEARFIELD, PA 16830  
(814) 765-2641, ext. 1300-1301

WELTMAN, WEINBERG & REIS CO., L.P.A.

By:   
\_\_\_\_\_  
Benjamin R. Bibler, Esquire  
PA I.D. #93598  
WELTMAN, WEINBERG & REIS CO., L.P.A.  
2718 Koppers Building  
436 Seventh Avenue  
Pittsburgh, PA 15219  
(412) 434-7955

WWR #02834609

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

FIFTH THIRD BANK,

Case no: 04-708-CD

Plaintiff  
vs.

TIFFANO N. KARR,

Defendant

The undersigned, who first being duly sworn, according to law, deposes and states as follows:

That he/she is the duly authorized agent of the Plaintiff in the  
within matter.

Affiant further states that the within Affidavit is made pursuant to and in accordance with the  
Servicemembers' Civil Relief Act (SCRA), 50 U.S.C. App. § 521.

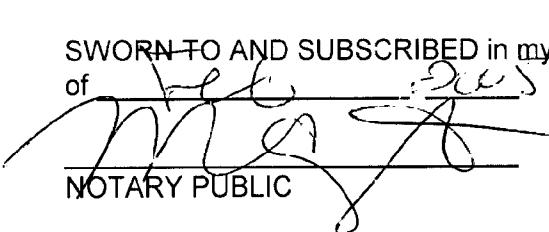
Affiant further states that based upon investigation it is the affiant's belief that the Defendant,  
TIFFANO N. KARR, is not in the military service.

Affiant further states that this belief is supported by the attached certificate from the Defense  
Manpower Data Center (DMDC), which states that the Defendant, TIFFANO N. KARR, is not in the military  
service.

Further Affiant sayeth naught.

  
\_\_\_\_\_  
AFFIANT

SWORN TO AND SUBSCRIBED in my presence this 2 day  
of July 2005

  
\_\_\_\_\_  
NOTARY PUBLIC

Wendy L. Gault Notary Public  
Clearfield County, Pennsylvania  
Commission Expires July 16, 2005

This law firm is a debt collector attempting to collect this debt for our client and any information obtained  
will be used for that purpose.

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

FIFTH THIRD BANK,

Plaintiff

vs.

Civil Action No. 04-708-CD

TIFFANO N. KARR,

Defendant

NOTICE OF JUDGMENT OR ORDER

TO:  Plaintiff  
 Defendant  
 Garnishee

You are hereby notified that the following  
Order or Judgment was entered against  
you on \_\_\_\_\_

Assumpsit Judgment in the amount  
of \$13,683.30 plus costs.

Trespass Judgment in the amount  
of \$\_\_\_\_\_ plus costs.

If not satisfied within sixty (60)  
days, your motor vehicle operator's license and/or registration will be  
suspended by the Department of Transportation, Bureau of Traffic Safety,  
Harrisburg, PA.

Entry of Judgment of  
 Court Order  
 Non-Pro  
 Confession  
 Default  
 Verdict  
 Arbitration  
Award

Prothonotary

By: \_\_\_\_\_  
PROTHONOTARY (OR DEPUTY)

TIFFANI N KARR  
102 ELLSWORTH DRIVE  
APACHE, OK 73006

Plaintiff's address is:

c/o Weltman, Weinberg & Reis Co., L.P.A., 2718 Koppers Building, 436 7<sup>th</sup> Avenue, Pittsburgh, PA 15219  
1-888-434-0085

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

Fifth Third Bank N.A.  
Plaintiff(s)

No.: 2004-00708-CD

Real Debt: \$13,683.30

Atty's Comm: \$

Vs.

Costs: \$

Int. From: \$

Tiffani N. Karr  
Defendant(s)

Entry: \$20.00

Instrument: Default Judgment

Date of Entry: February 9, 2005

Expires: February 9, 2010

Certified from the record this 9th day of February, 2005

-----  
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  
CIVIL DIVISION

**FIFTH THIRD BANK, N.A.**

Plaintiff No. 04-708-CD

VS

**AFFIDAVIT OF SERVICE OF COMPLAINT**

TIFFANI N. KARR

Defendant **FILED ON BEHALF OF**  
Plaintiff

COUNSEL OF RECORD OF  
THIS PARTY:  
James C 'Warmbrodt, Esquire  
PA. I.D. # 42524  
William T. Molczan, Esquire  
PA. I.D.#47437  
WELTMAN, WEINBERG & REIS CO., L.P.A.  
2718 Koppers Building  
Pittsburgh, PA 15219  
(412) 434-7955

WWR#02834609

FILED NO  
M 11 30 61  
NOV 08 2006  
E64  
CC

William A. Shaw  
Prothonotary/Clerk of Courts

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

**FIFTH THIRD BANK, N.A.**

Plaintiff No. 04-708-CD  
vs.

TIFFANI N. KARR

**Defendant**

## **AFFIDAVIT OF SERVICE OF COMPLAINT**

Before me, the undersigned authority, personally appeared James C Warmbrodt, Esquire, who, being duly sworn according to law, deposes and says that on September 28, 2004, he did cause to be sent to Defendant, TIFFANI N. KARR , Plaintiff's Complaint by Certified Mail, Return Receipt requested, and by regular mail directed to the Defendant at her last known address of 102 Ellsworth Drive Apache, OK 73006..

Defendant claimed the copy of Plaintiff's Complaint which was sent by Certified Mail, Return Receipt Requested, a true and correct copy of the Return Receipts which were claimed is attached hereto, collectively marked as Exhibit "1" and made a part hereof.

Service is deemed to be perfected as of October 2, 2004 , the date the copies of Plaintiff's Complaint were signed for.

WELTMAN, WEINBERG & REIS CO., L.P.A.

By: James C Warbrodt, Esquire  
PA I.D. # 42524  
William T. Molczan, Esquire  
PA I.D. #47437  
WELTMAN, WEINBERG & REIS CO., L.P.A.  
2718 Koppers Building  
Pittsburgh, PA 15219  
(412) 434-7955  
WWR#02834609

Sworn to and subscribed  
before me this .

day of Nov, 2004.

NOTARY PUBLIC

**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:**

Tiffany N. Karr  
107 Ellsworth Dr.  
Apache, OK 73006

**COMPLETE THIS SECTION ON DELIVERY****A. Signature**

**X** *Tiffany N. Karr*

 Agent Addressee**B. Received by (Printed Name)***Tiffany Karr***C. Date of Delivery**

10-2-04

**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**

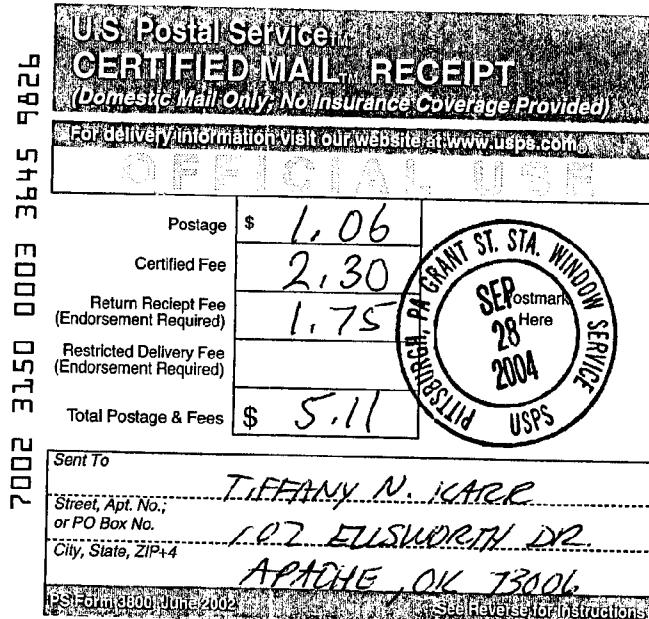
7002 3150 0003 3645 9826

(Transfer from service label)

PS Form 3811, August 2001

Domestic Return Receipt

102695-02-M-1540

**EXHIBIT**

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

FIFTH THIRD BANK, N.A.

Plaintiff No. 04-708 -CD

vs. PRAECIPE TO REINSTATE COMPLAINT

TIFFANI N. KARR

Defendant FILED ON BEHALF OF  
Plaintiff

COUNSEL OF RECORD OF  
THIS PARTY:  
William T. Molczan, Esquire  
PA I.D. #47437  
WELTMAN, WEINBERG & REIS, CO., L.P.A.  
2718 Koppers Building  
436 Seventh Avenue  
Pittsburgh, PA 15219  
(412) 434-7955

WWR#02834609

*(initials)*  
No CC

*7/30/04 Atty pd 7.00  
JUL 29 2004 1 Comp Re inst.*

*to Atty*

Printed on 7-29-2004

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

FIFTH THIRD BANK, N.A.

Plaintiff

vs.

Civil Action No. 04-708 -CD

TIFFANI N. KARR

Defendant

**PRAECIPE TO REINSTATE COMPLAINT**

Kindly reinstate the Complaint in the above captioned matter.

WELTMAN, WEINBERG & REIS CO., L.P.A.

By:   
William T. Molczan, Esquire  
PA I.D. #47437  
WELTMAN, WEINBERG & REIS CO., L.P.A.  
2718 Koppers Building  
436 Seventh Avenue  
Pittsburgh, PA 15219  
(412) 434-7955

WWR #02834609

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

FIFTH THIRD BANK  
VS.  
KARR, TIFFANI N.  
COMPLAINT

Sheriff Docket # 15618  
04-708-CD

**SHERIFF RETURNS**

NOW JUNE 23, 2004 AFTER DILIGENT SEARCH IN MY BAILIWICK I RETURN THE WITHIN COMPLAINT "NOT FOUND" AS TO TIFFANI N. KARR, DEFENDANT. NEW ADDRESS: EAST NORTH TONEY CREEK, APACHE, OKLAHOMA.

---

**Return Costs**

Cost	Description
33.25	SHERIFF HAWKINS PAID BY: ATTY CK# 8131400
10.00	SURCHARGE PAID BY: ATTY CK# 8131401

---

Sworn to Before Me This

23<sup>rd</sup> Day Of June 2004  
Wm A. Shaw  
WILLIAM A. SHAW  
Prothonotary  
My Commission Expires  
1st Monday in Jan. 2006  
Clearfield Co., Clearfield, PA

So Answers,

Chester A. Hawkins  
Chester A. Hawkins  
Sheriff

FILED  
012108N  
JUN 23 2004

*b6*  
William A. Shaw  
Prothonotary/Clerk of Courts

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

## FIFTH THIRD BANK, N.A.

Plaintiff No. 04-708-CJ  
COMPLAINT IN CIVIL ACTION - ASSUMPTION

TIFFANIN KARR

William T. Molczan, Esquire  
PA I.D. #47437  
WELTMAN, WEINBERG & REIS CO., L.P.A.  
2718 Koppers Building  
436 Seventh Avenue  
Pittsburgh, PA 15219  
(412) 434-7955

WWR#02834609

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

MAY 19 2004

Attest,

William L. Shaw  
Prothonotary/  
Clerk of Courts

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

FIFTH THIRD BANK, N.A.

Plaintiff

vs.

Civil Action No.

TIFFANI N. KARR

Defendant

**COMPLAINT IN CIVIL ACTION - ASSUMPSIT**

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 an 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

LAWYER REFERRAL SERVICE  
PA Bar Association  
P.O. Box 186  
Harrisburg, PA 17108  
1-800-692-7375

COMPLAINT IN ASSUMPSIT - IN PERSONAM ACTION ON THE MORTGAGE NOTE

1. Plaintiff is corporation located at 38 Fountain Square Plaza, Cincinnati, OH 45263.
2. Defendant is an adult individual residing at RR 2, Box 141 Goat Road, Dubois, PA 15801.
3. On or about March 2, 2001, Defendant executed a Simple Interest Note and Security Agreement "Note" in favor of Plaintiff in the original principal amount of \$11,700.00. A true and correct copy of said Note is attached hereto, marked as Exhibit "1" and made a part hereof.
4. As security for the payment of the aforesaid Note, Defendant executed and delivered to Plaintiff a Mortgage in the original principal amount of \$11,700.00, a true and correct copy of which is attached as Exhibit "2" and made a part hereof.
5. The mortgage covers the real estate known as RD 1, Cardinal Drive, Rockton, PA 15856 described more fully in the Mortgage, which premises is owned by Defendant.
6. The Note and Mortgage are in default because Defendant has failed to make the required monthly payments of principal and interest to Plaintiff.
7. By the terms of the parties' agreement, more specifically the "acceleration clause" therein, Defendant's default made the entire balance of the loan immediately due and payable.

8. Plaintiff avers that the following amounts are due on said Note and Mortgage:

Principal	\$10,413.79
Interest through 4/23/04 at the Contract rate of 10.2%	\$ 536.15
Reasonable attorneys fees	\$ 1,000.00
<b>TOTAL</b>	<b>\$11,949.94</b>

9. Although repeatedly requested to do so by Plaintiff, Defendant has willfully failed and/or refused to pay the principal balance, attorney fees, interest and any part thereof.

WHEREFORE, Plaintiff demands Judgment and against Defendant, Tiffani N. Karr, individually, in the amount of \$11,949.94 with appropriate additional attorneys' fees and continuing interest thereon at the rate of 10.20% per annum from April 23, 2004 plus attorneys' fees of \$ 1,000.00, and costs.

**THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED SHALL BE USED FOR THAT PURPOSE.**

WELTMAN, WEINBERG & REIS, CO., L.P.A.

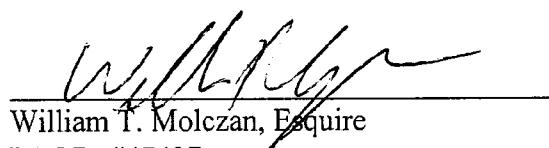
  
\_\_\_\_\_  
William T. Molczan, Esquire  
PA I.D. #47437  
WELTMAN, WEINBERG & REIS CO., L.P.A.  
2718 Koppers Building  
436 Seventh Avenue  
Pittsburgh, PA 15219  
(412) 434-7955  
WWR#:02834609

Exhibit "1"**SIMPLE INTEREST NOTE AND SECURITY AGREEMENT No. 00000000840881569**

\$11,700.00 Lender or Borrower's City MERRILLVILLE, Note Date or Current Date March 2, 2001  
 For value received, the undersigned (hereinafter jointly and severally called the "Borrower") promise(s) to pay to the order of HOME EQUITY OF AMERICA, INC. (hereinafter called the "Lender"), the principal amount of Eleven Thousand Seven Hundred AND 00/100 dollars, together with interest, the total of payments in the number and amounts and on the due dates shown in the payment schedule below (subject to change if variable rate note). The interest will begin on the date of the Note and Security Agreement at the annual rate of 9.990 %.  The interest rate is subject to change as provided herein. Under no circumstances shall the interest rate be raised above the highest rate allowed by Law.(Variable Rate).  The interest rate is not subject to change.

Payable at the Lender, 701 E. 83RD AVE. MERRILLVILLE, IN 46470

Loan Fee: Borrower agrees to pay a non-refundable loan fee of \$ \_\_\_\_\_.

**TRUTH IN LENDING ACT DISCLOSURES**

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate  11.422 %	The dollar amount the credit will cost you if you pay as scheduled.  \$ 7,595.60	The amount of credit provided to you or on your behalf.  \$ 11,020.00	The amount you will have paid after you have made all payments as scheduled.  \$ 18,615.60 (e)

Your payment schedule will be:

Number of Payments (e)	Amount of Payments	When Payments Are Due
120	\$ 155.13	Monthly on the 16th Day of Each Month Starting April, 2001
	\$	

**\*Variable Rate:** The Annual Percentage Rate may increase or decrease during the term of this transaction. Your interest rate will be computed based on an index equal to the highest Prime Rate as published in the Wall Street Journal on the business day immediately preceding the first business day of January, April, July, and October (the "Index Date") plus or minus a margin equal to the difference between your initial interest rate and said Prime Rate on the Index Date preceding the date of your loan. The effective date of each interest rate change will be the day following the Index Date. The INTEREST RATE will not increase or decrease more than 1.5% per year and will not increase or decrease more than 6% during the term of the loan. Any change in the INTEREST RATE will take the form of more or less payments of the same amount (as the case may be) unless this loan is for more than 60 months, in which case any increase may take the form of more payments of the same amount, or higher payment amounts, or both, at the Lender's discretion. If your loan was for \$5000.00 at 15% for 36 months with a monthly payment of \$173.33, and the INTEREST RATE increased to 16.5% after six months, you would have to make one additional partial payment of \$115.25. If your loan was for \$10,000.00 at 15% for 120 months with a monthly payment of \$161.33, and the INTEREST RATE increased to 16.5% after 12 months, and if the Lender so determined, you would pay your loan on schedule, but your remaining 108 regular payments would increase to \$169.96 each.

Property Insurance May be obtained from anyone you desire that is acceptable to the Lender.

Security: To secure the loan and where allowed by Law, you are giving Lender a security interest in your deposit accounts, all collateral securing other loans with Lender and:

 The goods or property being purchased. ROAD 1 CARDINAL DRIVE ROCKTON, PA 158560000,

R.D. # 1

(Brief description of other property)

NOTE: Collateral securing other loans with Lender may also secure this loan, if allowed by Law.

Late Charges: If a payment is more than 15 days late, you will be charged 2% OF THE PAYMENT AMOUNT WITH A MAXIMUM OF \$20.00.

Prepayment Charge: If you pay off this note early, you may have to pay a charge.

Required Deposit: The Annual Percentage Rate does not reflect the effect of any required deposit. This is a four page agreement. See other provisions hereof and any other contract documents for further information about non-payment, default, the right to accelerate the maturity of the obligation, prepayment charge and security interests.  
 (e) means an estimate.

**INSURANCE**Credit life insurance and credit disability insurance are not required to obtain credit. **AT THIS TIME, THESE PRODUCTS ARE NOT AVAILABLE.** Credit insurance is available from

AMERICAN UNITED LIFE INSURANCE COMPANY

P.O. BOX 368 INDIANAPOLIS, IN 46206-0368

(Address)

No credit insurance will be provided unless you sign below and the premium costs shown below are included in the Amount Financed and paid. (See the Notice of Proposed Credit Insurance on page four).

Type	Premium	Signature
Single Credit Life	\$	I want credit life insurance _____ (name insured)
Joint Credit Life	\$	We want credit life insurance _____ (name insured)
Credit Disability	\$	I want credit disability insurance _____ (name insured)

Borrower authorizes the payments listed below:

ITEMIZATION OF THE AMOUNT FINANCED

Itemization of the amount financed of \$

1. \$ \_\_\_\_\_

Amount given to you directly.

2. \$ \_\_\_\_\_

Amount paid on your account with the Lender.

Account numbers: \_\_\_\_\_

3. \$ \_\_\_\_\_

Amount(s) paid to others on your behalf (Total a through j).

a) \$ \_\_\_\_\_ for Credit Life and/or Credit Disability Insurance.

b) \$ \_\_\_\_\_ to Public Officials.

c) \$ \_\_\_\_\_ for Title Examination (Paid To \_\_\_\_\_).

d) \$ \_\_\_\_\_ for Appraiser.

e) \$ \_\_\_\_\_ for Document Preparation (Paid To Lender).

f) \$ \_\_\_\_\_ for Single Interest Insurance.

g) \$ 115.50 for Loan Fee (Paid To Lender).

h) \$ \_\_\_\_\_ to \_\_\_\_\_.

i) \$ \_\_\_\_\_ for Extended Warranty Protection (Paid To \_\_\_\_\_).

Seller's Name \_\_\_\_\_

j) \$ \_\_\_\_\_ for Flood Certification (Paid To \_\_\_\_\_).

Seller's Name \_\_\_\_\_

4. \$ \_\_\_\_\_ Prepaid finance charge.

5. \$ \_\_\_\_\_ Total amount financed (Total of 1 through 3 minus 4).

**Single Interest Insurance:** Single Interest Insurance is required, but you may obtain it from anyone who is acceptable to the Lender. The cost for the term is shown above in Item 3f. This contract does not include coverage for bodily injury and property damage caused to others, nor does it protect your interest in the collateral from any loss or damage.

**SECURITY AGREEMENT:** To secure payment of this liability to Lender and the performance of any obligations you now or in the future have, you give Lender a security interest in the property described as security above, any other property now or hereafter in Lender's possession where allowed by Law, any rights to the payment of money from Lender, the items of property defined on page three hereof, any credit insurance proceeds and refunds and the following described property:

Year	Trade Name	Model No. or Name	Body Type	Serial No.

"Other Property" ROAD 1 CARDINAL DRIVE ROCKTON, PA 158560000,

together with all replacements thereof and all attachments, accessories and equipment now or hereafter attached, added or affixed thereto (The property securing this Note is hereinafter called "Collateral"). THIS AGREEMENT IS SUBJECT TO THE ADDITIONAL PROVISIONS SET FORTH ON PAGES THREE AND FOUR HEREOF, THE SAME BEING INCORPORATED HEREIN BY REFERENCE, AND IS ALSO SUBJECT TO THE TERMS AND PROVISIONS SET FORTH IN THE BUYER'S RESIDUAL VALUE AGREEMENT, IF APPLICABLE, ATTACHED HERETO AND INCORPORATED BY REFERENCE.

Any part of this Note and Security Agreement contrary to the laws of any state having jurisdiction with respect thereto shall be deemed null and void and hereby is waived but shall not invalidate other parts of this Note and Security Agreement in said state.

The undersigned hereby severally waive presentment, demand for payment, protest, notice of protest and notice of nonpayment of this Note.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS NOTE  
AND SECURITY AGREEMENT AND THE ABOVE INFORMATION AT THE TIME OF SIGNING

NOTICE TO COSIGNER

You are being asked to become liable on this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

The LENDER can collect this debt from you without first trying to collect from the borrower. The LENDER can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, that fact may become a part of YOUR credit record.

NOTICE TO CUSTOMER (for Wisconsin residents only)

- (a) DO NOT SIGN THIS BEFORE YOU READ THE WRITING ON PAGE ONE, EVEN IF OTHERWISE ADVISED.
- (b) DO NOT SIGN IF IT CONTAINS ANY BLANK SPACES.
- (c) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN.
- (d) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE FINANCE CHARGE.

(GIVE COMPLETE NAMES AND ADDRESSES)

SIGNATURES (WRITE IN FULL AND IN INK)

TIFFANI N. KARR

  
TIFFANI N. KARR

510 EAST MAIN ST

DU BOIS, PA 15801-0000

MAR 13 2001

1. **LATE CHARGES:** If any monthly installment stipulated herein is not paid on or before 15 days after the due date thereof, (whether by acceleration or otherwise) in addition to all other rights and remedies of Lender given by law or the terms of this Note and Security Agreement, Borrower promises to pay to Lender a delinquent charge of 2% OF THE PAYMENT AMOUNT WITH A MAXIMUM OF \$20.00.  
- Acceptance of such delinquent charge by Lender shall not constitute a waiver of any default or any rights of Lender hereunder.
2. **PREPAYMENT CHARGE:** Borrower may prepay the obligation under this Note and Security Agreement in full at any time prior to maturity without charge unless this Note and Security Agreement is modified by a Prepayment Rider. Partial prepayment shall not excuse any subsequent payment due.
3. **INTEREST AFTER MATURITY:** Interest after maturity shall continue at the rate then in effect or as thereafter adjusted in accordance with the variable rate disclosures. In addition, after maturity, Borrower agrees that Lender may, without notice, increase the interest rate by 6% per annum, or to the highest rate allowed by law, whichever is less.
4. **SECURITY:** Borrower hereby assigns to Lender and agrees that Lender shall have a lien upon and security interest in any and all accounts, balances, credits, deposits or other monies of or in the name of Borrower or another or others now or hereafter with Lender where allowed by Law.
5. **RETURNED CHECK FEE:** A fee of \$25.00 may, at Lender's discretion, be imposed whenever a check offered in payment on this Note is returned to the Lender unpaid for any reason. This fee is subject to change without notice to the Borrower, and the Borrower agrees to pay the fee actually charged by Lender at the time the check is returned.
6. Borrower agrees that if Lender is sued or otherwise directed to respond to any civil, criminal or administrative demand relating to the loan evidenced hereby (including but not limited to, the amount due, any collateral, or the underlying transaction) Borrower will pay Lender, upon request, an administrative fee of \$28 per hour and \$.25 per copy to comply with such demand. Borrower also agrees that any amount not paid within fifteen days of Lender's request may be added to the principal amount of the remaining indebtedness subject to the rate of interest on the Note until paid.
7. Borrower warrants that Borrower has, or, if this creates a purchase money security interest, will acquire, an unencumbered title to, and the possession of the Collateral, and agrees to keep the Collateral free of all other liens whatsoever, and the Borrower will not sell, otherwise dispose of, encumber, or give any other security interest in Collateral without the prior written consent of Lender.
8. Borrower warrants and agrees that if the Collateral is, or will be affixed to realty, Borrower will, upon demand, furnish Lender with a disclaimer, signed by all persons having an interest in the real estate, of any interest in the Collateral.
9. Borrower has executed a deed of trust or a mortgage granting Lender a lien in the Collateral if the Collateral is real property.
10. Borrower agrees that:
  - a. Borrower will be responsible for any loss of, or damage to, the Collateral and will maintain and keep the same in good repair and condition, in default of which Lender may, at its option, maintain and repair the Collateral and add the cost thereof to the obligation secured. Borrower will promptly upon demand, reimburse Lender of the cost of any such maintenance or repairs.
  - b. Borrower will keep the Collateral and the interest of Lender therein fully insured with companies acceptable to Lender, to the satisfaction of Lender, against loss or damage by fire, theft and such other risks as Lender shall require. In the event said Collateral shall at any time not be fully insured as provided, Lender, at its option, may cause the same to be so insured and add the cost thereof to the obligation secured. Borrower will promptly, upon demand, reimburse Lender for the cost of any such insurance paid for by Lender. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Lender is hereby granted the power of attorney to collect on behalf of Borrower any insurance proceeds or to settle and to compromise any insurance claims or to bring suit to recover thereunder.
  - c. Borrower will not, without the prior written consent of Lender, move the Collateral from the county in which it is to be located, and will promptly notify Lender of any change in Borrower's residence or any of the Borrower's places of business.
11. **OTHER SECURITY:** Borrower agrees that any present or future agreement, securing any other debt Borrower owes Lender, will also secure the payment of this Note and Security Agreement where allowed by law. However, an agreement securing any other debt will not secure this Note and Security Agreement if either of the following applies:
  - a. Lender fails to make a disclosure required by law of the existence of such security agreement, or
  - b. Lender fails to provide (to any person entitled) any notice of right of rescission required by law for this transaction.
12. **DEFAULTS:** Upon the occurrence of any of the following described events, each of which will constitute a default, Lender shall have all rights and remedies provided by law, and without limiting the generality of the foregoing, shall include the election to accelerate without notice or demand the final maturity of all of the obligations secured:
  - a. The nonpayment, when the same shall be due, of any installment or other payment on account of the principal or interest of this Note;
  - b. The breach of any warranty or agreement by Borrower herein contained, or contained in any deed of trust, mortgage or security agreement executed by Borrower in connection herewith;
  - c. The death or incompetency of any individual Borrower, or, if Borrower is a partnership, of a partner;
  - d. The default of Borrower under the terms of any lease of, or deed of trust or mortgage on, the premises upon which the Collateral may be located;
  - e. Any assignment for the benefit of the creditors or the commencement of any bankruptcy, receivership, reorganization, foreclosure, insolvency or liquidation proceedings by or against the Borrower, or if Borrower is a partnership, by an agreement as partner;
  - f. The reasonable determination by Lender at any time that it is inadequately secured hereby with respect to the obligation; or
  - g. The creation of any other lien or the issuance of any attachment against the Collateral or the entry of judgment against Borrower;
  - h. The occurrence of a default under any other obligation of Borrower, individually or jointly, to Lender;
  - i. Seizure, levy or confiscation under any legal or governmental process against the collateral.
- IN THE EVENT OF DEFAULT, BORROWER AGREES THAT LENDER MAY, WITHOUT NOTICE, INCREASE THE INTEREST RATE BY 6% PER ANNUM OR TO THE HIGHEST RATE ALLOWED BY LAW, WHICHEVER IS LESS.
- Additionally, in the event of a default, Borrower agrees on demand to deliver Collateral to Lender, and Lender may, without notice or demand and without legal process, enter upon the premises of Borrower and take possession of the Collateral on said premises or wherever found. Further, Borrower agrees to pay and remains liable to Lender for any costs of disposition of the Collateral as well as for reasonable attorneys' fees, court costs and any and every deficiency after the proceeds from the sale of the Collateral are applied as provided by the Uniform Commercial Code as enacted in the state governing this instrument.
13. No failure on the part of Lender to exercise any of its rights hereunder shall be deemed a waiver of such rights or of any default.
14. As used herein, "Borrower" if there be more than one, shall mean "all the Borrowers and each or any of them" and in such case they are jointly and severally bound hereby.
15. A photographic or other reproduction of this Note and Security Agreement or a financing statement is sufficient as a financing statement.
16. In no event shall the interest rate due hereunder exceed the maximum rate of interest under applicable state or federal usury laws.
17. This Note and Security Agreement will be governed by the laws of the State in which these documents were executed. If these documents were executed in Maryland this loan is made pursuant to the credit grantor provisions of the Maryland Commercial Law Code, Md. Com. Law Code Ann. Sec. 12-1001 et seq.

**NOTICE OF PROPOSED CREDIT INSURANCE-OHIO RESIDENTS**

This notice applies only if Borrower(s) chose to obtain group credit life or group credit disability insurance. The type of insurance, the premium and the name and address of the insurance company are indicated on the first page of this Note and Security agreement. This insurance, subject to acceptance by the insurer, covers only the person(s) who signed the request for insurance. Only the named insured will be covered under credit disability insurance. The term of insurance will commence on the date the indebtedness is incurred and will expire on the original maturity date of this Note, unless terminated earlier as provided for in the Certificate of Insurance. Credit life insurance insures the scheduled unpaid balance on the date of death. Credit disability insurance insures each regular installment payment while the insured is disabled. Credit disability insurance monthly coverage is limited to the originally scheduled monthly payment or the policy limitation. If the insurance is accepted by the insurer, a Certificate of Insurance which describes the insurance coverage Borrower(s) have obtained will be delivered to Borrower(s) within 30 days. In the event of termination of the insurance prior to the scheduled maturity date of the indebtedness, any refund of an amount paid by the Borrower(s) for insurance shall be credited promptly to the Borrower(s) account. Borrower(s) must refer to the Certificate of Insurance for the complete terms and conditions of Borrower(s) Insurance.

The following notice is applicable if this agreement involves a purchase of goods or services to which the FTC HOLDER in DUE COURSE RULE applies.

**IF THE COLLATERAL IS TO BE USED PRIMARILY FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES:**  
**NOTICE**

**ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF THE GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.**

**Credit Reporting:**

If you believe information we report about the credit history on your account(s) is incomplete, inaccurate or outdated, you must provide us with clear written documentation including the name on the account, the account number and the nature of the disputed information. Please write to us at HOME EQUITY OF AMERICA, INC. 38 Fountain Square Plaza, Post Office Box 639090, Cincinnati, OH 45263-9090.

KAREN L. STARCK  
REGISTER AND RECORDER  
CLEARFIELD COUNTY  
Pennsylvania

INSTRUMENT NUMBER  
200103072

RECORDED ON  
MAR 05, 2001  
12:22:06 PM

84088 1569

Parcel Number:

CFR  
40

RECORDING FEES	\$19.00
ST. ORDER	\$1.00
HOME IMPROVEMENT	\$1.00
ITEM	\$1.00
ITEM ORDER	\$1.00
ITEM IMPROVEMENT FUND	\$1.00
ITEM GRIT TAX	\$0.50
ITEM	\$21.50
CUSTOMER	
ITEM SETTLEMENT SERVICES	

(Space Above This Line for Recording Data)

## OPEN-END MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on March 2, 2001

The mortgagor is

TIFFANI N. KARR, A SINGLE PERSON WHOSE MAILING ADDRESS IS 510 EAST MAIN ST DU  
BOIS, PA 15801-0000

("Borrower"). This Security Instrument is given to HOME EQUITY OF AMERICA, INC.  
which is organized and existing under the laws of OHIO and whose address is  
701 E. 83RD AVE. MERRILLVILLE, IN 46410  
Borrower owes Lender the principal sum of Eleven Thousand Seven Hundred AND 00/100

("Lender").

Dollars (U.S. 11,700.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on 03/16/11.

TO SECURE to Lender (a) the repayment of the Indebtedness evidenced by the Loan Documents and any extensions or renewals thereof, with interest thereon, the payment of all other funds, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower herein contained, or contained in the Loan Documents or any document executed in connection therewith, and (b) the repayment of any and all other loans, advances or indebtedness of Borrower owed to Lender and all affiliates of Lender, of any nature whatsoever (collectively the "Obligations") and (c) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to Item 21 hereof (herein "Future Advances"), Borrower does hereby mortgage, grant and convey to Lender, with mortgage covenants, the following described property located in the County of Clearfield, State of PENNSYLVANIA, to wit (herein, the "Real Estate"):

*m 2.D+1* SEE ATTACHED EXHIBIT "A"

which has the address of ROAD 1 CARDINAL DRIVE ROCKTON, PA 15856-0000  
("Property Address");

NOTICE OF ASSIGNMENT: THIS MORTGAGE IS HEREBY ASSIGNED TO FIFTH THIRD BANK,  
INDIANA 56 WASHINGTON ST., VALPARAISO, IN 46383 AS OF THE DATE HEREOF.

TOGETHER WITH all the improvements now or hereafter erected on the Real Estate, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, and all fixtures now or hereafter permanently attached to, the Real Estate, and all right, title and interest of Borrower in and to the land lying in the streets and roads, in front of and adjoining the Real Estate, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Real Estate covered by this Mortgage; and all of the foregoing, together with said Real Estate (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property".

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant, and convey the Property, that the Property is unencumbered, and that Borrower will warrant and defend the title of the Property against all claims and demands.

ALL of the following described parcel or piece of land situate in Union Township, Clearfield County, Pennsylvania, located on the Rockton Road leading to the Dan Smith Property, now or formerly the property of John R. Knarr at a point on the South side of a Public Road, on a private road leading from the Township Road through land now or formerly of George Bloom and at a point on the South side of a private drive on the boundary line of land now or formerly of George Bloom and the said land now or formerly of John R. Knarr, the point being also located on the boundary line between Warrants 2205 and 2206, to wit:

BEGINNING at the point and extending Southerly along said line between lands now or formerly of George E. Bloom and John R. Knarr, a distance of approximately 800 feet to the intersection of the property formerly of Henry Lininger and now or formerly of the George G. Sackandy property; thence in a Westerly direction along the line between land now or formerly of George Bloom and line now or formerly of the said George G. Sackandy lands, approximately 800 feet to a point of intersection of the Southeast side of the said Township Road leading to the farm now or formerly of John R. Knarr; thence in a Northeasterly direction and by the various courses and distances along the Southeasterly side of the said Township Road and the mentioned private drive to the said lines now or formerly of John R. Knarr and George Bloom, approximately 1260 feet to the beginning.

BEING the same parcel or piece of land title to which became vested in Mark Allen Coon, Jr., single, and Tiffani I. Karr, single, as joint tenants with right of survivorship, by deed of Richard John Kroft and Sheila Mary Kroft, husband and wife, dated March 2, 2001 and recorded March 2, 2001 in the Office of the Recorder of Deeds in and for Clearfield County, Pennsylvania, for the consideration of \$58,510.00.

BEING FURTHER IDENTIFIED as Tax Map #129-E06-000-019.2.

A handwritten signature consisting of the letters 'YK' underlined.

**Covenants.** Borrower and Lender covenant and agree as follows:

**1. Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and the interest on the Indebtedness evidenced by the Loan Documents, any extensions or renewals thereof, prepayment and late charges as provided in the Loan Documents, and the principal and interest on any Future Advances, Obligations or other sums secured by this Mortgage.

**2. Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require or as may be required by applicable law (including flood insurance required by Item 25 hereof), and in such amounts and for such periods as Lender may require; provided, however, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage unless required by applicable law.

The insurance carrier providing the insurance shall be chosen by Borrower, subject to approval by Lender, provided that such approval shall not be unreasonably withheld. Unless otherwise specified, all premiums on insurance policies shall be paid by Borrower making payment, when due, directly to the insurance carrier and providing receipt of said payment to Lender if requested by Lender.

All insurance policies and renewals thereof shall be in form acceptable to lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender and shall provide that the policies shall not be amended or canceled without thirty (30) days prior written notice to Lender. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Lender is hereby given full power to collect any insurance proceeds or to settle and compromise any insurance claims or bring suit to recover thereunder.

Lender is authorized to apply the net proceeds of any insurance claim, after deducting all costs of collection, including attorney's fees, at Lender's option, either to restoration or repair of the Property or to the sum secured by this Mortgage, and if, in the sole discretion of Lender, Lender is not satisfied with the adequacy of the collateral for the remaining indebtedness, Lender may without further notice or demand, elect to declare the whole of the remaining Indebtedness due and payable and may invoke any of the remedies afforded it by law, and/or by this Mortgage, including those permitted in Item 17 hereof.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of any installment payments agreed to by Lender and Borrower, or change the amount of such installments. If, under Item 17 hereof, the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof, resulting from damage to the Property prior to the sale or acquisition, shall pass to Lender to the extent of the sum secured by this Mortgage, immediately prior to such sale or acquisition.

**3. Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this security instrument, including Borrower's covenants to make payments when due. Borrower shall pay all taxes, liens, assessments and other charges, fines and impositions attributable to the Property, and leasehold payments or ground rents, if any, by Borrower making payment, when due, directly to the Payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and Borrower shall promptly furnish Lender receipts evidencing such payment.

**4. Application of Payments.** Unless otherwise agreed, all payments are to be applied in the following order: costs, expenses, attorney's fees, interest, escrow, late fees or penalties and then principal. In the event this mortgage secures more than one note or other debt instrument, at Lender's option, payments may be applied on any of the outstanding notes, or concurrently on more than one of the outstanding notes.

**5. Preservation and Maintenance of Property; Leasehold; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or planned unit development, Borrower shall perform all of Borrower's obligations under the declaration of covenants creating or governing the condominium or planned unit development, and the by-laws and regulations of the condominium or planned unit development.

**6. Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced with materially affects Lender's interest in the Property, including, but not limited to, eminent domain, foreclosure, code enforcements, deed restrictions and registrations, or arrangements or proceedings involving a bankrupt or decedent, Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs.

Any amounts disbursed by Lender pursuant to this Item 6, with interest thereon, shall become additional indebtedness with Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the applicable rate as prescribed in the Loan Documents evidencing the Indebtedness or the highest rate under applicable law. Nothing contained in this Item 6 shall require Lender to incur any expense or take any action hereunder.

**7. Environmental Laws.** (a) Except as set forth in Exhibit 7(a) hereto, Borrower has obtained all permits, licenses and other authorizations which are required under any now existing or hereafter enacted or amended federal, state or local statute, ordinance, code or regulation affecting or regulating the environment ("Environmental Laws") and, to the best of Borrower's knowledge, Borrower is in compliance in all material respects with all terms and conditions of the required permits, licenses and authorizations, and is also in compliance in all material respects with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in the Environmental Laws;

(b) Except as set forth in Exhibit 7(b) hereto, Borrower is not aware of, and has not received notice of, any past, present or future events, conditions, circumstances, activities, practices, incidents, actions or plans which may interfere with or prevent compliance or continued compliance in any material respect with Environmental Laws, or may give rise to any material common law or legal liability, or otherwise form the basis of any material claim, action, demand, suit, proceeding, hearing, study or investigation, based on or related to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling, or the emission, discharge, release or threatened release into the environment, of any pollutant, contaminant, chemical, or industrial, toxic or hazardous substance or waste; and

(c) Except as set forth in Exhibit 7(c) hereto, there is no civil, criminal or administrative action, suit, demand, claim hearing, notice or demand letter, notice of violation, investigation, or proceeding pending or threatened against Borrower, relating in any way to Environmental Laws; and

(d) Lender will not be deemed to assume any liability or obligation or duty to clean-up or dispose of wastes on or relating to the Property. Borrower agrees to remain fully liable and will indemnify, defend and hold Lender harmless from any and all costs, losses and expenses (including, without limitation attorney's fees) relating to any Environmental Laws or Borrower's breach of any of the foregoing representations or warranties. The provisions of this Item 7 will survive the release or satisfaction of this Mortgage or the foreclosure hereof.

*[Signature]*

**8. Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any inspection specifying reasonable cause therefor related to Lender's interest in the Property. Additionally, Lender shall have the right to inspect the books and records of the operation of the Property and make copies thereof during normal business hours and upon notice to Borrower. Borrower shall keep its books and records in accordance with generally accepted accounting principles covering the operation of the Property, should the same be income-producing, Lender may in its discretion require Borrower to deliver to Lender within 90 days after the close of each of the Borrower's fiscal years an audited statement of condition and profit and loss statement for the Property for the preceding fiscal year, prepared and certified by a certified public accountant acceptable to Lender.

**9. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. No awards or settlements shall be accepted without Lender's prior written consent.

Lender is authorized to settle any claim, collect any award, and apply the net proceeds, after deducting all costs of collection including attorney's fees, at Lender's option, either to restoration or repair of the Property, or to the sums secured by this Mortgage, and if, in the sole discretion of Lender, Lender is not satisfied with the adequacy of collateral for any remaining indebtedness, Lender may without further demand or notice elect to declare the whole of the remaining indebtedness immediately due and payable and may invoke any of the remedies afforded it by law, and/or by this Mortgage, including those permitted by Item 17 hereof.

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

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

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

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

**13. Successors and Assigns Bound; Joint and Several Liability; Captions.** The covenants and agreements contained herein shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Borrower and Lender, subject to the provisions of Items 16 and 17 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the Items of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

**14. Notice.** Except for any notice required under applicable law to be given in another manner, any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by certified or registered mail, return receipt requested, to Borrower at the address set forth above or as carried on the records of the Lender. Any notice to Lender shall be given by certified or registered mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein.

**15. Governing Law; Severability.** This transaction shall be governed by the laws of the State where the Property is located. In the event that any provision or clause of this Mortgage or the Loan Documents conflicts with applicable law, such conflict shall not affect other provisions of either this Mortgage or the Loan Documents which can be given effect without the conflicting provision, and in this regard, the provisions of this Mortgage and the Loan Documents are declared severable.

**16. Transfer of the Property and Interest Therein.** If all or any part of the Property or an interest therein is sold, transferred, encumbered or otherwise conveyed by Borrower, without Lender's prior written consent, or if any contract to do any of the same is entered into by Borrower without Lender's prior written consent, excluding a transfer by devise, descent or, by operation of law upon the death of a joint tenant, it shall be deemed to increase the Lender's risk and Lender may, at Lender's option, either declare all the sums secured by this Mortgage to be immediately due and payable, or may consent to said conveyance in writing and may increase the interest rate of Indebtedness and/or impose whatever conditions it may deem necessary to compensate it for the increased risk. Lender shall have waived such option to accelerate if, prior to the conveyance, Lender and the person to whom the Property is to be conveyed reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sum secured by this Mortgage shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in Item 17, and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender may, in its discretion, release Borrower from all obligations under this Mortgage and the Loan Documents, and any such decision to release or not to release Borrower shall be evidenced by said written assumption agreement.

If Borrower herein is other than an individual or individuals acting on their own behalf, any change in the legal or beneficial ownership of such Borrower or entity which changes the identity of any person or persons having, directly or indirectly, more than 10% of either the legal or beneficial ownership of either such Borrower, such entity, or of the Property, shall be deemed to be a transfer within the meaning of this Item. Such transfer shall not be made, created, or suffered to be made or created, without Lender's prior written consent.

**17. Acceleration; Remedies.** Upon the occurrence of an Event of Default (as defined in the Loan Documents) or a default in the payment of the Indebtedness, the Obligations or Future Advances hereby secured or any part thereof in accordance with the terms of this Mortgage, of the aforesaid Loan Documents or of any other document executed in conjunction with this Mortgage or the Loan Documents, or in the performance of any covenant or agreement of Borrower in this Mortgage or in the payment or performance of any document or instrument securing any Indebtedness or Obligation, or upon the filing of any lien or charge against the Property or any part thereof which is not removed to the satisfaction of Lender within a period of 30 days thereafter, the institution of any proceeding to enforce the lien or charge upon the Property or any part thereof, the filing of any proceeding by or against Borrower in bankruptcy, insolvency or similar proceedings, assignment by Borrower of its property for the benefit of its creditors, the placing of Borrower's property in receivership, trusteeship or conservatorship with or without action or suit in any Court, or the abandonment by Borrower of all or any part of the Property (herein "Events of Default"), then the Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without notice to the Borrower.

The sums secured hereby shall bear interest at the highest rate permitted to be charged on delinquent installments of principal and interest under the Loan Documents or the highest rate allowed by law, and this Mortgage shall become absolute and subject to foreclosure. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, costs of documentary evidence, abstracts, title reports and reasonable attorney's fees.

**18. Borrower's Right to Redeem.** Borrower shall have such rights of redemption as are provided by the law of the State where the Property is located.

*OK*

**19. Assignments of Rents.** Upon the occurrence of an Event of Default, the Lender shall have the right without notice and without regard to the adequacy of any security for the sums hereby secured and with or without the appointment of a receiver, to enter upon and take possession of the Property, and Lender may operate, manage, rent and lease the Property and collect any rents, issues, income and profits therefrom, the same being hereby absolutely assigned and transferred to and for the benefit and protection of Lender, contingent only upon the occurrence of an Event of Default. All rents collected by Lender may be applied to the cost of operation, maintenance and repair, and reasonable collection, management and attorney's fees, and then in reduction of any sums hereby secured in such other proportions as Lender may determine.

**20. Future Advances.** Upon request by Borrower, Lender, at Lender's option, may make Future Advances to Borrower. Such future and additional loan advances, with interest thereon, shall be secured by this Mortgage, when evidenced by promissory notes stating that such notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Indebtedness plus \$0.

**21. Rental of Property Restricted.** Borrower shall not make, or suffer to be made, any lease of the Property or any part thereof, or any modification, extension or cancellation of any existing or future lease, without Lender's prior written consent. If, with Lender's written consent, there is a lease on the Property, Borrower is to perform all of Borrower's obligations under such lease or leases. Borrower is not to accept any prepayment of rent for more than one month in advance without Lender's prior written consent. Upon Lender's request from time to time, Borrower is to furnish Lender a statement, in affidavit form, in such reasonable detail as Lender may require, of all of the leases on the Property and, on demand, to furnish Lender executed counterparts of any and all such leases.

If Borrower shall enter into any lease agreement, written or oral, concerning the Property or any part thereof without having obtained Lender's prior written consent, Lender shall not be bound by, or obligated to perform under, any such lease in the event it exercises its remedies set forth in Item 19 or any other provision hereof.

**22. Release.** Upon payment of all Indebtedness, Obligations and Future Advances secured by this Mortgage, Lender shall discharge this Mortgage with any costs paid by Borrower.

**23. Mortgage as Security For Other Liabilities.** Where permissible by statute, this Mortgage shall serve as security for every other liability or liabilities of the Borrower to the Lender and any of its affiliates however created, direct or contingent, due or to become due, whether now or hereafter existing and whether the same may have been or shall be participated in, in whole or in part by others, by trust agreement or otherwise, or on any manner acquired by or accruing to the holder hereof, whether by agreement with, or by assignment or endorsement to the Lender by anyone whomsoever.

It is the express intent of the parties hereto that this Mortgage and the note or notes given contemporaneously herewith, and any extensions or renewals thereof, shall also evidence and secure any additional loan advances made after the delivery of this Mortgage to the recorder for record.

Notwithstanding the above, no debt or other liability, as described above shall be secured by the within Mortgage, if it shall hereafter be created in a "consumer credit transaction" as defined in Title 1, Consumer Credit Protection Act, 15 U.S.C.A., Sections 1601 et. seq., as amended, or any successor federal statute, or any applicable state statute containing substantially similar provisions.

**24. Uniform Commercial Code Security Agreement.** Borrower hereby grants Lender a security interest in all items included in the Property which can be subject to a security interest under the Uniform Commercial Code. Borrower will execute and deliver to Lender all financing statements and other documents requested by Lender to perfect its security in such property, and Borrower will pay the expense of filing such documents and of conducting a search of records in which documents are recorded. The covenants and agreements of Borrower throughout this Mortgage will apply to all items which are subject to the security interest granted herein. Upon the occurrence of any Event of Default under this Mortgage, Lender will have the remedies of a secured party under the Uniform Commercial Code and, at Lender's sole option, may also invoke the remedies provided in this Mortgage. In exercising any of such remedies, Lender may proceed against the items of real property specified above as part of the Property separately or together and in any order whatsoever, without in any way affecting the availability of Lender's remedies under the Uniform Commercial Code or of the remedies in this Mortgage. This Mortgage may be filed with appropriate authorities as a Uniform Commercial Code Financing Statement.

**25. Flood Insurance.** If any part of any of the Property lies within a "special flood hazard area" as defined and specified by the United States Department of Housing and Urban Development pursuant to the Flood Disaster Protection Act of 1973 as now in effect; Borrower shall (i) promptly purchase and pay the premiums for flood insurance policies as Lender deems required so that Lender shall be deemed in compliance with the rules and regulations and provisions of the Flood Disaster Protection Act of 1973 as then in effect; and (ii) deliver such policies to Lender together with evidence satisfactory to Lender that the premiums therefor have been paid. Such policies of flood insurance shall be in a form satisfactory to Lender, shall name Lender as an insured thereunder, shall provide that losses thereunder be payable to Lender pursuant to such forms of loss payable clause as Lender may approve, shall be for an amount at least equal to the Indebtedness or the maximum limit of coverage made available with respect to any of the Property under the National Flood Insurance Act of 1968, as amended, whichever is less, and shall be noncancelable as to Lender except upon thirty (30) days prior written notice given by the insurer to Lender. Within thirty (30) days prior to the expiration date of each such flood insurance policy, Borrower shall deliver to Lender a renewal policy or endorsement together with evidence satisfactory to Lender that the premium therefor has been paid.

**26. Jury Waiver. UNLESS OTHERWISE PROHIBITED BY LAW, BORROWER WAIVES THE RIGHT TO TRIAL BY JURY OF ANY MATTERS ARISING OUT OF THIS MORTGAGE OR THE TRANSACTION CONTEMPLATED HEREBY.**

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

Witnesses:

*Patricia Nadorlik*

*Tiffani N. Karr*

(Seal)

(Seal)

(Seal)

(Seal)

STATE OF Pennsylvania , Clearfield COUNTY

On this 2nd DAY OF March, 2001, before me, a Notary Public in and for said County and State, personally appeared

TIFFANI N. KARR, A SINGLE PERSON WHOSE MAILING ADDRESS IS 510 EAST MAIN ST DU BOIS, PA 15801-0000

the individual(s) who executed the foregoing instrument and acknowledged that HE/SHE did examine and read the same and did sign the foregoing instrument, and that the same is HIS/HER free act and deed.

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

My Commission Expires: Oct. 30, 2004

(Seal)

*Patricia Nadorlik*  
Notary Public

This instrument was prepared by: HOME EQUITY OF AMERICA, INC.

701 E. 83RD AVE. MERRILLVILLE, IN 46410



NOTARIAL SEAL  
PATRICIA NADORLIK, Notary Public  
Westmont Boro., Cambria County, PA  
My Commission Expires Oct. 30, 2004

NOTARIAL SEAL  
PATRICIA NADORLIK Notary Public  
Westmont Boro., Cambria County, PA  
My Commission Expires Oct. 30, 2004

**ADJUSTABLE RATE NOTE**  
**(LIBOR Index - Rate Caps)**

THIS NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY INTEREST RATE AND MY MONTHLY PAYMENT. THIS NOTE LIMITS THE AMOUNT MY INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE I MUST PAY.

RD#1 CARDINAL DRIVE, ROCKTON, PA 15856  
 [Property Address]

**1. BORROWER'S PROMISE TO PAY**

In return for a loan that I have received, I promise to pay U.S. \$46,808.00 (this amount is called "principal"), plus interest, to the order of the Lender. The Lender is

Option One Mortgage Corporation, a California Corporation  
 I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

**2. INTEREST**

Interest will be charged on unpaid principal until the full amount of principal has been paid. Interest will be calculated on the basis of a 12-month year and a 30-day month. I will pay interest at a yearly rate of 9.100%. The interest rate I will pay may change in accordance with Section 4 of this Note.

The interest rate required by this Section 2 and Section 4 of this Note is the rate I will pay both before and after any default described in Section 7(B) of this Note.

**3. PAYMENTS**

**(A) Time and Place of Payments**

I will pay principal and interest by making payments every month.

I will make my monthly payments on the first day of each month beginning on May 01, 2001. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. My monthly payments will be applied to interest before principal. If, on,

April 01, 2031, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at Option One Mortgage Corporation  
 Department 7821, Los Angeles, CA 90084-7821

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

**(B) Amount of My Initial Monthly Payments**

Each of my initial monthly payments will be in the amount of U.S. \$380.00. This amount may change.

**(C) Monthly Payment Changes**

Changes in my monthly payment will reflect changes in the unpaid principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this Note.

**(D) Application of Payments**

Payments received by the Note Holder will be applied in the following order: (i) prepayment charges due under this Note; (ii) amounts payable under paragraph 2 of the Security Instrument (defined below); (iii) interest due under this Note; (iv) principal due under this Note; and (v) late charges due under this Note.

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

**(A) Change Dates**

The interest rate I will pay may change on the first day of April 01, 2003 and on that day every sixth month thereafter. Each date on which my interest rate could change is called a "Change Date."

**(B) The Index**

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the average of interbank offered rates for six-month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in *The Wall Street Journal*. The most recent Index figure available as of the first business day of the month immediately preceding the month in which the Change Date occurs is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding

FOUR AND 10/100 percentage point(s) ( 4.100% )

to the Current Index. The Note Holder will then round the result of this addition to the next higher one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

*mc  
 jk*

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than 12.100% or less than 9.100%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than one percentage point (1.0%) from the rate of interest I have been paying for the preceding six months. My interest rate will never be greater than 15.100% or less than 9.100%.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

**(F) Notice of Changes**

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

**5. BORROWER'S RIGHT TO PREPAY**

I have the right to make payments of principal at any time before they are due, together with accrued interest. A payment of principal only is known as a "prepayment." When I make a prepayment, I will tell the Note Holder in writing that I am doing so.

If I make a partial prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes. My partial prepayment may reduce the amount of my monthly payments after the first Change Date following my partial prepayment. However, any reduction due to my partial prepayment may be offset by an interest rate increase.

If within 24 Months from the date of execution of the Security Instrument I make a full prepayment or, in certain cases a partial prepayment, I will at the same time pay to the Note Holder a prepayment charge. The prepayment charge will be equal to six (6) months advance interest on the amount of any prepayment that, when added to all other amounts prepaid during the twelve (12) month period immediately preceding the date of the prepayment, exceeds twenty percent (20%) of the original principal amount of this Note. Any prepayment charge will be made in accordance with applicable state or federal law.

**6. LOAN CHARGES**

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

**7. BORROWER'S FAILURE TO PAY AS REQUIRED****(A) Late Charges for Overdue Payments**

If the Note Holder has not received the full amount of any monthly payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 6.000% of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

**(B) Default**

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default. If I am in default, the Note Holder may require me to pay immediately the full amount of principal which has not been paid and all interest that I owe on that amount, together with any other charges that I owe under this Note or the Security Instrument, except as otherwise required by applicable law.

**(C) No Waiver by Note Holder**

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

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

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

**8. GIVING OF NOTICES**

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

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

**9. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

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



**10. WAIVERS**

I and any other person who has obligations under this Note waive the rights of presentment and notice of dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

**11. SECURED NOTE**

In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises that I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

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

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

*Mark A. Coon, Jr.* \_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
MARK A. COON \_\_\_\_\_ -Borrower \_\_\_\_\_ -Borrower

*Tiffani N. Karr* \_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
TIFFANI N. KARR \_\_\_\_\_ -Borrower \_\_\_\_\_ -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
\_\_\_\_\_ -Borrower \_\_\_\_\_ -Borrower

[Sign Original Only]

VERIFICATION

The undersigned does hereby verify subject to the penalties of 18 P.A.C.S. §4904 relating to unsworn falsifications to authorities, that he/she is Stacy Dooley  
(Name)  
Assistant Cashier of Fifth Third Bank, plaintiff herein, that  
(Title) (Company)

he/she is duly authorized to make this Verification, and that the facts set forth in the foregoing Complaint in Complaint are true and correct to the best of his/her knowledge, information and belief.

Stacy Dooley AC  
(Signature) S. DOOLEY, ASST. CASHIER

WWR#\_\_\_\_\_

5/3 Account No. 840881569.

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

FIFTH THIRD BANK, N.A.

Plaintiff

No. 04-708-CD

vs.

COMPLAINT IN CIVIL ACTION - ASSUMPSIT

TIFFANI N. KARR

Defendant

FILED ON BEHALF OF  
Plaintiff

COUNSEL OF RECORD OF  
THIS PARTY:

William T. Molczan, Esquire  
PA I.D. #47437  
WELTMAN, WEINBERG & REIS CO., L.P.A.  
2718 Koppers Building  
436 Seventh Avenue  
Pittsburgh, PA 15219  
(412) 434-7955

WWR#02834609

*July 29, 2004* Document  
Reinstated/Reissued to Sheriff/Attorney  
for service.

*ws*  
\_\_\_\_\_  
Deputy Prothonotary

MAY 19 2004

William A. Shaw  
Prothonotary

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

FIFTH THIRD BANK, N.A.

Plaintiff

vs.

Civil Action No.

TIFFANI N. KARR

Defendant

**COMPLAINT IN CIVIL ACTION - ASSUMPSIT**

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 an 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

LAWYER REFERRAL SERVICE  
PA Bar Association  
P.O. Box 186  
Harrisburg, PA 17108  
1-800-692-7375

COMPLAINT IN ASSUMPSIT - IN PERSONAM ACTION ON THE MORTGAGE NOTE

1. Plaintiff is corporation located at 38 Fountain Square Plaza, Cincinnati, OH 45263.
2. Defendant is an adult individual residing at RR 2, Box 141 Goat Road, Dubois, PA 15801.
3. On or about March 2, 2001, Defendant executed a Simple Interest Note and Security Agreement "Note" in favor of Plaintiff in the original principal amount of \$11,700.00. A true and correct copy of said Note is attached hereto, marked as Exhibit "1" and made a part hereof.
4. As security for the payment of the aforesaid Note, Defendant executed and delivered to Plaintiff a Mortgage in the original principal amount of \$11,700.00, a true and correct copy of which is attached as Exhibit "2" and made a part hereof.
5. The mortgage covers the real estate known as RD 1, Cardinal Drive, Rockton, PA 15856 described more fully in the Mortgage, which premises is owned by Defendant.
6. The Note and Mortgage are in default because Defendant has failed to make the required monthly payments of principal and interest to Plaintiff.
7. By the terms of the parties' agreement, more specifically the "acceleration clause" therein, Defendant's default made the entire balance of the loan immediately due and payable.

8. Plaintiff avers that the following amounts are due on said Note and Mortgage:

Principal	\$10,413.79
Interest through 4/23/04 at the Contract rate of 10.2%	\$ 536.15
Reasonable attorneys fees	\$ 1,000.00
<b>TOTAL</b>	<b>\$11,949.94</b>

9. Although repeatedly requested to do so by Plaintiff, Defendant has willfully failed and/or refused to pay the principal balance, attorney fees, interest and any part thereof.

WHEREFORE, Plaintiff demands Judgment and against Defendant, Tiffani N. Karr, individually, in the amount of \$11,949.94 with appropriate additional attorneys' fees and continuing interest thereon at the rate of 10.20% per annum from April 23, 2004 plus attorneys' fees of \$ 1,000.00, and costs.

**THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED SHALL BE USED FOR THAT PURPOSE.**

WELTMAN, WEINBERG & REIS, CO., L.P.A.

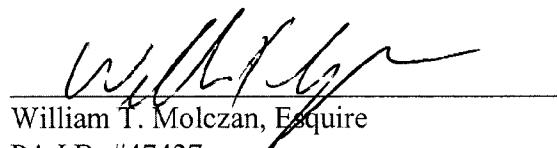
  
\_\_\_\_\_  
William T. Molczan, Esquire  
PA I.D. #47437  
WELTMAN, WEINBERG & REIS CO., L.P.A.  
2718 Koppers Building  
436 Seventh Avenue  
Pittsburgh, PA 15219  
(412) 434-7955  
WWR#:02834609

Exhibit "1"**SIMPLE INTEREST NOTE AND SECURITY AGREEMENT No. 000000000840881569**

\$11,700.00 Lender or Borrower's City MERRILLVILLE, Note Date or Current Date March 2, 2001  
 For value received, the undersigned (hereinafter jointly and severally called the "Borrower") promise(s) to pay to the order of HOME EQUITY OF AMERICA, INC. (hereinafter called the "Lender"), the principal amount of Eleven Thousand Seven Hundred AND 00/100 dollars, together with interest, the total of payments in the number and amounts and on the due dates shown in the payment schedule below (subject to change if variable rate note). The interest will begin on the date of the Note and Security Agreement at the annual rate of 9.990 %.  The interest rate is subject to change as provided herein. Under no circumstances shall the interest rate be raised above the highest rate allowed by Law.(Variable Rate).  
 The interest rate is not subject to change.

Payable at the Lender, 701 E. 83RD AVE. MERRILLVILLE, IN 46410

Loan Fee: Borrower agrees to pay a non-refundable loan fee of \$ \_\_\_\_\_.

**TRUTH IN LENDING ACT DISCLOSURES**

ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate 11.422 %	FINANCE CHARGE The dollar amount the credit will cost you if you pay as scheduled. \$ 7,595.60	Amount Financed The amount of credit provided to you or on your behalf. \$ 11,020.00	Total of Payments The amount you will have paid after you have made all payments as scheduled. \$ 18,615.60 (e)
--	--	--	---

**Your payment schedule will be:**

Number of Payments (e)	Amount of Payments	When Payments Are Due
120	\$ 155.13	Monthly on the 16th Day of Each Month Starting April, 2001
	\$	

**\*Variable Rate:** The Annual Percentage Rate may increase or decrease during the term of this transaction. Your interest rate will be computed based on an index equal to the highest Prime Rate as published in the Wall Street Journal on the business day immediately preceding the first business day of January, April, July, and October (the "Index Date") plus or minus a margin equal to the difference between your initial interest rate and said Prime Rate on the Index Date preceding the date of your loan. The effective date of each interest rate change will be the day following the Index Date. The INTEREST RATE will not increase or decrease more than 1.5% per year and will not increase or decrease more than 6% during the term of the loan. Any change in the INTEREST RATE will take the form of more or less payments of the same amount (as the case may be) unless this loan is for more than 60 months, in which case any increase may take the form of more payments of the same amount, or higher payment amounts, or both, at the Lender's discretion. If your loan was for \$5000.00 at 15% for 36 months with a monthly payment of \$173.33, and the INTEREST RATE increased to 16.5% after six months, you would have to make one additional partial payment of \$115.25. If your loan was for \$10,000.00 at 15% for 120 months with a monthly payment of \$161.33, and the INTEREST RATE increased to 16.5% after 12 months, and if the Lender so determined, you would pay your loan on schedule, but your remaining 108 regular payments would increase to \$169.96 each.

**Property Insurance** May be obtained from anyone you desire that is acceptable to the Lender.

**Security:** To secure the loan and where allowed by Law, you are giving Lender a security interest in your deposit accounts, all collateral securing other loans with Lender and:

The goods or property being purchased.

ROAD 1 CARDINAL DRIVE ROCKTON, PA 158560000,

R.D. # 1

(Brief description of other property)

**NOTE:** Collateral securing other loans with Lender may also secure this loan, if allowed by Law.

**Late Charges:** If a payment is more than 15 days late, you will be charged 2% OF THE PAYMENT AMOUNT WITH A MAXIMUM OF \$20.00.

**Prepayment Charge:** If you pay off this note early, you may have to pay a charge.

**Required Deposit:** The Annual Percentage Rate does not reflect the effect of any required deposit.

This is a four page agreement. See other provisions hereof and any other contract documents for further information about non-payment, default, the right to accelerate the maturity of the obligation, prepayment charge and security interests.

(e) means an estimate.

**INSURANCE**

Credit life insurance and credit disability insurance are not required to obtain credit. **AT THIS TIME, THESE PRODUCTS ARE NOT AVAILABLE.**

Credit insurance is available from

AMERICAN UNITED LIFE INSURANCE COMPANY

P.O. BOX 368 INDIANAPOLIS, IN 46206-0368

(Address)

No credit insurance will be provided unless you sign below and the premium costs shown below are included in the Amount Financed and paid. (See the Notice of Proposed Credit Insurance on page four).

Type	Premium	Signature
Single Credit Life	\$	I want credit life insurance _____ (name insured)
Joint Credit Life	\$	We want credit life insurance _____ (name insured)
Credit Disability	\$	I want credit disability insurance _____ (name insured)

Borrower authorizes the payments listed below:

ITEMIZATION OF THE AMOUNT FINANCED

Itemization of the amount financed of \$

1. \$ \_\_\_\_\_

Amount given to you directly.

2. \$ \_\_\_\_\_

Amount paid on your account with the Lender.

Account numbers: \_\_\_\_\_

3. \$ \_\_\_\_\_

Amount(s) paid to others on your behalf (Total a through j).

a) \$ \_\_\_\_\_ for Credit Life and/or Credit Disability Insurance.

b) \$ \_\_\_\_\_ to Public Officials.

c) \$ \_\_\_\_\_ for Title Examination (Paid To \_\_\_\_\_).

d) \$ \_\_\_\_\_ for Appraiser.

e) \$ \_\_\_\_\_ for Document Preparation (Paid To Lender).

f) \$ \_\_\_\_\_ for Single Interest Insurance.

g) \$ 115.00 for Loan Fee (Paid To Lender).

h) \$ \_\_\_\_\_ to \_\_\_\_\_.

i) \$ \_\_\_\_\_ for Extended Warranty Protection (Paid To \_\_\_\_\_).

j) \$ \_\_\_\_\_ for Flood Certification (Paid To \_\_\_\_\_).

4. \$ \_\_\_\_\_ Prepaid finance charge.

5. \$ \_\_\_\_\_ Total amount financed (Total of 1 through 3 minus 4).

**Single Interest Insurance:** Single Interest Insurance is required, but you may obtain it from anyone who is acceptable to the Lender. The cost for the term is shown above in Item 3f. This contract does not include coverage for bodily injury and property damage caused to others, nor does it protect your interest in the collateral from any loss or damage.

**SECURITY AGREEMENT:** To secure payment of this liability to Lender and the performance of any obligations you now or in the future have, you give Lender a security interest in the property described as security above, any other property now or hereafter in Lender's possession where allowed by Law, any rights to the payment of money from Lender, the items of property defined on page three hereof, any credit insurance proceeds and refunds and the following described property:

Year	Trade Name	Model No. or Name	Body Type	Serial No.

"Other Property" ROAD 1 CARDINAL DRIVE ROCKTON, PA 158560000,

together with all replacements thereof and all attachments, accessories and equipment now or hereafter attached, added or affixed thereto (The property securing this Note is hereinafter called "Collateral"). THIS AGREEMENT IS SUBJECT TO THE ADDITIONAL PROVISIONS SET FORTH ON PAGES THREE AND FOUR HEREOF, THE SAME BEING INCORPORATED HEREIN BY REFERENCE, AND IS ALSO SUBJECT TO THE TERMS AND PROVISIONS SET FORTH IN THE BUYER'S RESIDUAL VALUE AGREEMENT, IF APPLICABLE, ATTACHED HERETO AND INCORPORATED BY REFERENCE.

Any part of this Note and Security Agreement contrary to the laws of any state having jurisdiction with respect thereto shall be deemed null and void and hereby is waived but shall not invalidate other parts of this Note and Security Agreement in said state.

The undersigned hereby severally waive presentment, demand for payment, protest, notice of protest and notice of nonpayment of this Note.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS NOTE  
AND SECURITY AGREEMENT AND THE ABOVE INFORMATION AT THE TIME OF SIGNING

NOTICE TO COSIGNER

You are being asked to become liable on this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

The LENDER can collect this debt from you without first trying to collect from the borrower. The LENDER can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, that fact may become a part of YOUR credit record.

NOTICE TO CUSTOMER (for Wisconsin residents only)

- (a) DO NOT SIGN THIS BEFORE YOU READ THE WRITING ON PAGE ONE, EVEN IF OTHERWISE ADVISED.
- (b) DO NOT SIGN IF IT CONTAINS ANY BLANK SPACES.
- (c) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN.
- (d) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE FINANCE CHARGE.

(GIVE COMPLETE NAMES AND ADDRESSES)

SIGNATURES (WRITE IN FULL AND IN INK)

TIFFANI N. KARR

*Tiffani N. Karr*  
TIFFANI N. KARR

510 EAST MAIN ST

DU BOIS, PA 15801-0000

*MAR 13 2001*

1. **LATE CHARGES:** If any monthly installment stipulated herein is not paid on or before 15 days after the due date thereof, (whether by acceleration or otherwise) in addition to all other rights and remedies of Lender given by law or the terms of this Note and Security Agreement, Borrower promises to pay to Lender a delinquent charge of 2% OF THE PAYMENT AMOUNT WITH A MAXIMUM OF \$20.00.

- Acceptance of such delinquent charge by Lender shall not constitute a waiver of any default or any rights of Lender hereunder.

2. **PREPAYMENT CHARGE:** Borrower may prepay the obligation under this Note and Security Agreement in full at any time prior to maturity without charge unless this Note and Security Agreement is modified by a Prepayment Rider. Partial prepayment shall not excuse any subsequent payment due.

3. **INTEREST AFTER MATURITY:** Interest after maturity shall continue at the rate then in effect or as thereafter adjusted in accordance with the variable rate disclosures. In addition, after maturity, Borrower agrees that Lender may, without notice, increase the interest rate by 6% per annum, or to the highest rate allowed by law, whichever is less.

4. **SECURITY:** Borrower hereby assigns to Lender and agrees that Lender shall have a lien upon and security interest in any and all accounts, balances, credits, deposits or other monies of or in the name of Borrower or another or others now or hereafter with Lender where allowed by Law.

5. **RETURNED CHECK FEE:** A fee of \$25.00 may, at Lender's discretion, be imposed whenever a check offered in payment on this Note is returned to the Lender unpaid for any reason. This fee is subject to change without notice to the Borrower, and the Borrower agrees to pay the fee actually charged by Lender at the time the check is returned.

6. Borrower agrees that if Lender is sued or otherwise directed to respond to any civil, criminal or administrative demand relating to the loan evidenced hereby (including but not limited to, the amount due, any collateral, or the underlying transaction) Borrower will pay Lender, upon request, an administrative fee of \$28 per hour and \$.25 per copy to comply with such demand. Borrower also agrees that any amount not paid within fifteen days of Lender's request may be added to the principal amount of the remaining indebtedness subject to the rate of interest on the Note until paid.

7. Borrower warrants that Borrower has, or, if this creates a purchase money security interest, will acquire, an unencumbered title to, and the possession of the Collateral, and agrees to keep the Collateral free of all other liens whatsoever, and the Borrower will not sell, otherwise dispose of, encumber, or give any other security interest in Collateral without the prior written consent of Lender.

8. Borrower warrants and agrees that if the Collateral is, or will be affixed to realty, Borrower will, upon demand, furnish Lender with a disclaimer, signed by all persons having an interest in the real estate, of any interest in the Collateral.

9. Borrower has executed a deed of trust or a mortgage granting Lender a lien in the Collateral if the Collateral is real property.

10. Borrower agrees that:

- Borrower will be responsible for any loss of, or damage to, the Collateral and will maintain and keep the same in good repair and condition, in default of which Lender may, at its option, maintain and repair the Collateral and add the cost thereof to the obligation secured. Borrower will promptly upon demand, reimburse Lender of the cost of any such maintenance or repairs.
- Borrower will keep the Collateral and the interest of Lender therein fully insured with companies acceptable to Lender, to the satisfaction of Lender, against loss or damage by fire, theft and such other risks as Lender shall require. In the event said Collateral shall at any time not be fully insured as provided, Lender, at its option, may cause the same to be so insured and add the cost thereof to the obligation secured. Borrower will promptly, upon demand, reimburse Lender for the cost of any such insurance paid for by Lender. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Lender is hereby granted the power of attorney to collect on behalf of Borrower any insurance proceeds or to settle and to compromise any insurance claims or to bring suit to recover thereunder.
- Borrower will not, without the prior written consent of Lender, move the Collateral from the county in which it is to be located, and will promptly notify Lender of any change in Borrower's residence or any of the Borrower's places of business.

11. **OTHER SECURITY:** Borrower agrees that any present or future agreement, securing any other debt Borrower owes Lender, will also secure the payment of this Note and Security Agreement where allowed by law. However, an agreement securing any other debt will not secure this Note and Security Agreement if either of the following applies:

- Lender fails to make a disclosure required by law of the existence of such security agreement, or
- Lender fails to provide (to any person entitled) any notice of right of rescission required by law for this transaction.

12. **DEFAULTS:** Upon the occurrence of any of the following described events, each of which will constitute a default, Lender shall have all rights and remedies provided by law, and without limiting the generality of the foregoing, shall include the election to accelerate without notice or demand the final maturity of all of the obligations secured:

- The nonpayment, when the same shall be due, of any installment or other payment on account of the principal or interest of this Note;
- The breach of any warranty or agreement by Borrower herein contained, or contained in any deed of trust, mortgage or security agreement executed by Borrower in connection herewith;
- The death or incompetency of any individual Borrower, or, if Borrower is a partnership, of a partner;
- The default of Borrower under the terms of any lease of, or deed of trust or mortgage on, the premises upon which the Collateral may be located;
- Any assignment for the benefit of the creditors or the commencement of any bankruptcy, receivership, reorganization, foreclosure, insolvency or liquidation proceedings by or against the Borrower, or if Borrower is a partnership, by an agreement as partner;
- The reasonable determination by Lender at any time that it is inadequately secured hereby with respect to the obligation; or
- The creation of any other lien or the issuance of any attachment against the Collateral or the entry of judgment against Borrower;
- The occurrence of a default under any other obligation of Borrower, individually or jointly, to Lender;
- Seizure, levy or confiscation under any legal or governmental process against the collateral.

IN THE EVENT OF DEFAULT, BORROWER AGREES THAT LENDER MAY, WITHOUT NOTICE, INCREASE THE INTEREST RATE BY 6% PER ANNUM OR TO THE HIGHEST RATE ALLOWED BY LAW, WHICHEVER IS LESS.

Additionally, in the event of a default, Borrower agrees on demand to deliver Collateral to Lender, and Lender may, without notice or demand and without legal process, enter upon the premises of Borrower and take possession of the Collateral on said premises or wherever found. Further, Borrower agrees to pay and remains liable to Lender for any costs of disposition of the Collateral as well as for reasonable attorneys' fees, court costs and any and every deficiency after the proceeds from the sale of the Collateral are applied as provided by the Uniform Commercial Code as enacted in the state governing this instrument.

13. No failure on the part of Lender to exercise any of its rights hereunder shall be deemed a waiver of such rights or of any default.

14. As used herein, "Borrower" if there be more than one, shall mean "all the Borrowers and each or any of them" and in such case they are jointly and severally bound hereby.

15. A photographic or other reproduction of this Note and Security Agreement or a financing statement is sufficient as a financing statement.

16. In no event shall the interest rate due hereunder exceed the maximum rate of interest under applicable state or federal usury laws.

17. This Note and Security Agreement will be governed by the laws of the State in which these documents were executed. If these documents were executed in Maryland this loan is made pursuant to the credit grantor provisions of the Maryland Commercial Law Code, Md. Com. Law Code Ann. Sec. 12-1001 et seq.

**NOTICE OF PROPOSED CREDIT INSURANCE-OHIO RESIDENTS**

This notice applies only if Borrower(s) chose to obtain group credit life or group credit disability insurance. The type of insurance, the premium and the name and address of the insurance company are indicated on the first page of this Note and Security agreement. This insurance, subject to acceptance by the insurer, covers only the person(s) who signed the request for insurance. Only the named insured will be covered under credit disability insurance. The term of insurance will commence on the date the indebtedness is incurred and will expire on the original maturity date of this Note, unless terminated earlier as provided for in the Certificate of Insurance. Credit life insurance insures the scheduled unpaid balance on the date of death. Credit disability insurance insures each regular installment payment while the insured is disabled. Credit disability insurance monthly coverage is limited to the originally scheduled monthly payment or the policy limitation. If the insurance is accepted by the insurer, a Certificate of Insurance which describes the insurance coverage Borrower(s) have obtained will be delivered to Borrower(s) within 30 days. In the event of termination of the insurance prior to the scheduled maturity date of the indebtedness, any refund of an amount paid by the Borrower(s) for insurance shall be credited promptly to the Borrower(s) account Borrower(s) must refer to the Certificate of Insurance for the complete terms and conditions of Borrower(s) Insurance.

The following notice is applicable if this agreement involves a purchase of goods or services to which the FTC HOLDER in DUE COURSE RULE applies.

**IF THE COLLATERAL IS TO BE USED PRIMARILY FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES:**  
**NOTICE**

**ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF THE GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.**

**Credit Reporting:**

If you believe information we report about the credit history on your account(s) is incomplete, inaccurate or outdated, you must provide us with clear written documentation including the name on the account, the account number and the nature of the disputed information. Please write to us at HOME EQUITY OF AMERICA, INC. 38 Fountain Square Plaza, Post Office Box 639090, Cincinnati, OH 45263-9090.

# Exhibit "2"

MARCH L. STARCK  
CLERK AND RECORDER  
CLEARFIELD COUNTY  
PA 15830-9100

INSTRUMENT NUMBER  
200103072  
RECORDED ON  
M 35, 2001  
T 22:06 PM

Parcel Number:

CFR  
40

84088 1569

(Space Above This Line for Recording Data)

## OPEN-END MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on March 2, 2001

The mortgagor is

TIFFANI N. KARR, A SINGLE PERSON WHOSE MAILING ADDRESS IS 510 EAST MAIN ST DU  
BOIS, PA 15801-0000

("Borrower"). This Security Instrument is given to HOME EQUITY OF AMERICA, INC.

which is organized and existing under the laws of OHIO and whose address is  
701 E. 83RD AVE. MERRILLVILLE, IN 46410

("Lender").

Borrower owes Lender the principal sum of Eleven Thousand Seven Hundred AND 00/100

Dollars (U.S. 11,700.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on 03/16/11.

TO SECURE to Lender (a) the repayment of the Indebtedness evidenced by the Loan Documents and any extensions or renewals thereof, with interest thereon, the payment of all other funds, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower herein contained, or contained in the Loan Documents or any document executed in connection therewith, and (b) the repayment of any and all other loans, advances or indebtedness of Borrower owed to Lender and all affiliates of Lender, of any nature whatsoever (collectively the "Obligations") and (c) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to Item 21 hereof (herein "Future Advances"), Borrower does hereby mortgage, grant and convey to Lender, with mortgage covenants, the following described property located in the County of Clearfield, State of PENNSYLVANIA, to wit (herein, the "Real Estate"):

*in Z.D#1* SEE ATTACHED EXHIBIT "A"

which has the address of ~~ROAD~~ 1 CARDINAL DRIVE ROCKTON, PA 15856-0000  
("Property Address");

NOTICE OF ASSIGNMENT: THIS MORTGAGE IS HEREBY ASSIGNED TO FIFTH THIRD BANK,  
INDIANA 56 WASHINGTON ST., VALPARAISO, IN 46383 AS OF THE DATE HEREOF.

TOGETHER WITH all the improvements now or hereafter erected on the Real Estate, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, and all fixtures now or hereafter permanently attached to, the Real Estate, and all right, title and interest of Borrower in and to the land lying in the streets and roads, in front of and adjoining the Real Estate, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Real Estate covered by this Mortgage; and all of the foregoing, together with said Real Estate (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property".

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant, and convey the Property, that the Property is unencumbered, and that Borrower will warrant and defend the title of the Property against all claims and demands.

ALL of the following described parcel or piece of land situate in Union Township, Clearfield County, Pennsylvania, located on the Rockton Road leading to the Dan Smith Property, now or formerly the property of John R. Knarr at a point on the South side of a Public Road, on a private road leading from the Township Road through land now or formerly of George Bloom and at a point on the South side of a private drive on the boundary line of land now or formerly of George Bloom and the said land now or formerly of John R. Knarr, the point being also located on the boundary line between Warrants 2205 and 2206, to wit:

BEGINNING at the point and extending Southerly along said line between lands now or formerly of George E. Bloom and John R. Knarr, a distance of approximately 800 feet to the intersection of the property formerly of Henry Lininger and now or formerly of the George G. Sackandy property; thence in a Westerly direction along the line between land now or formerly of George Bloom and line now or formerly of the said George G. Sackandy lands, approximately 800 feet to a point of intersection of the Southeast side of the said Township Road leading to the farm now or formerly of John R. Knarr; thence in a Northeasterly direction and by the various courses and distances along the Southeasterly side of the said Township Road and the mentioned private drive to the said lines now or formerly of John R. Knarr and George Bloom, approximately 1260 feet to the beginning.

BEING the same parcel or piece of land title to which became vested in Mark Allen Coon, Jr., single, and Tiffani I. Karr, single, as joint tenants with right of survivorship, by deed of Richard John Kroft and Sheila Mary Kroft, husband and wife, dated March 2, 2001 and recorded March 2, 2001 in the Office of the Recorder of Deeds in and for Clearfield County, Pennsylvania, for the consideration of \$58,510.00.

BEING FURTHER IDENTIFIED as Tax Map #129-E06-000-019.2.

A handwritten signature, possibly 'MK', is written over a horizontal line.

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

**1. Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and the interest on the Indebtedness evidenced by the Loan Documents, any extensions or renewals thereof, prepayment and late charges as provided in the Loan Documents, and the principal and interest on any Future Advances, Obligations or other sums secured by this Mortgage.

**2. Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require or as may be required by applicable law (including flood insurance required by Item 25 hereof), and in such amounts and for such periods as Lender may require; provided, however, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage unless required by applicable law.

The insurance carrier providing the insurance shall be chosen by Borrower, subject to approval by Lender, provided that such approval shall not be unreasonably withheld. Unless otherwise specified, all premiums on insurance policies shall be paid by Borrower making payment, when due, directly to the insurance carrier and providing receipt of said payment to Lender if requested by Lender.

All insurance policies and renewals thereof shall be in form acceptable to lender and shall include a standard mortgagee clause in favor of and in form acceptable to Lender and shall provide that the policies shall not be amended or canceled without thirty (30) days prior written notice to Lender. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Lender is hereby given full power to collect any insurance proceeds or to settle and compromise any insurance claims or bring suit to recover thereunder.

Lender is authorized to apply the net proceeds of any insurance claim, after deducting all costs of collection, including attorney's fees, at Lender's option, either to restoration or repair of the Property or to the sum secured by this Mortgage, and if, in the sole discretion of Lender, Lender is not satisfied with the adequacy of the collateral for the remaining indebtedness, Lender may without further notice or demand, elect to declare the whole of the remaining Indebtedness due and payable and may invoke any of the remedies afforded it by law, and/or by this Mortgage, including those permitted in Item 17 hereof.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of any installment payments agreed to by Lender and Borrower, or change the amount of such installments. If, under Item 17 hereof, the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof, resulting from damage to the Property prior to the sale or acquisition, shall pass to Lender to the extent of the sum secured by this Mortgage, immediately prior to such sale or acquisition.

**3. Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this security instrument, including Borrower's covenants to make payments when due. Borrower shall pay all taxes, liens, assessments and other charges, fines and impositions attributable to the Property, and leasehold payments or ground rents, if any, by Borrower making payment, when due, directly to the Payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and Borrower shall promptly furnish Lender receipts evidencing such payment.

**4. Application of Payments.** Unless otherwise agreed, all payments are to be applied in the following order: costs, expenses, attorney's fees, interest, escrow, late fees or penalties and then principal. In the event this mortgage secures more than one note or other debt instrument, at Lender's option, payments may be applied on any of the outstanding notes, or concurrently on more than one of the outstanding notes.

**5. Preservation and Maintenance of Property; Leasehold; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or planned unit development, Borrower shall perform all of Borrower's obligations under the declaration of covenants creating or governing the condominium or planned unit development, and the by-laws and regulations of the condominium or planned unit development.

**6. Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced with materially affects Lender's interest in the Property, including, but not limited to, eminent domain, foreclosure, code enforcements, deed restrictions and registrations, or arrangements or proceedings involving a bankrupt or decedent, Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs.

Any amounts disbursed by Lender pursuant to this Item 6, with interest thereon, shall become additional indebtedness with Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the applicable rate as prescribed in the Loan Documents evidencing the Indebtedness or the highest rate under applicable law. Nothing contained in this Item 6 shall require Lender to incur any expense or take any action hereunder.

**7. Environmental Laws.** (a) Except as set forth in Exhibit 7(a) hereto, Borrower has obtained all permits, licenses and other authorizations which are required under any now existing or hereafter enacted or amended federal, state or local statute, ordinance, code or regulation affecting or regulating the environment ("Environmental Laws") and, to the best of Borrower's knowledge, Borrower is in compliance in all material respects with all terms and conditions of the required permits, licenses and authorizations, and is also in compliance in all material respects with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in the Environmental Laws;

(b) Except as set forth in Exhibit 7(b) hereto, Borrower is not aware of, and has not received notice of, any past, present or future events, conditions, circumstances, activities, practices, incidents, actions or plans which may interfere with or prevent compliance or continued compliance in any material respect with Environmental Laws, or may give rise to any material common law or legal liability, or otherwise form the basis of any material claim, action, demand, suit, proceeding, hearing, study or investigation, based on or related to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling, or the emission, discharge, release or threatened release into the environment, of any pollutant, contaminant, chemical, or industrial, toxic or hazardous substance or waste; and

(c) Except as set forth in Exhibit 7(c) hereto, there is no civil, criminal or administrative action, suit, demand, claim hearing, notice or demand letter, notice of violation, investigation, or proceeding pending or threatened against Borrower, relating in any way to Environmental Laws; and

(d) Lender will not be deemed to assume any liability or obligation or duty to clean-up or dispose of wastes on or relating to the Property. Borrower agrees to remain fully liable and will indemnify, defend and hold Lender harmless from any and all costs, losses and expenses (including, without limitation attorney's fees) relating to any Environmental Laws or Borrower's breach of any of the foregoing representations or warranties. The provisions of this Item 7 will survive the release or satisfaction of this Mortgage or the foreclosure hereof.

✓

**8. Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any inspection specifying reasonable cause therefor related to Lender's interest in the Property. Additionally, Lender shall have the right to inspect the books and records of the operation of the Property and make copies thereof during normal business hours and upon notice to Borrower. Borrower shall keep its books and records in accordance with generally accepted accounting principles covering the operation of the Property, should the same be income-producing, Lender may in its discretion require Borrower to deliver to Lender within 90 days after the close of each of the Borrower's fiscal years an audited statement of condition and profit and loss statement for the Property for the preceding fiscal year, prepared and certified by a certified public accountant acceptable to Lender.

**9. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. No awards or settlements shall be accepted without Lender's prior written consent.

Lender is authorized to settle any claim, collect any award, and apply the net proceeds, after deducting all costs of collection including attorney's fees, at Lender's option, either to restoration or repair of the Property, or to the sums secured by this Mortgage, and if, in the sole discretion of Lender, Lender is not satisfied with the adequacy of collateral for any remaining indebtedness, Lender may without further demand or notice elect to declare the whole of the remaining indebtedness immediately due and payable and may invoke any of the remedies afforded it by law, and/or by this Mortgage, including those permitted by Item 17 hereof.

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

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

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

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

**13. Successors and Assigns Bound; Joint and Several Liability; Captions.** The covenants and agreements contained herein shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Borrower and Lender, subject to the provisions of Items 16 and 17 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the Items of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

**14. Notice.** Except for any notice required under applicable law to be given in another manner, any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by certified or registered mail, return receipt requested, to Borrower at the address set forth above or as carried on the records of the Lender. Any notice to Lender shall be given by certified or registered mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein.

**15. Governing Law; Severability.** This transaction shall be governed by the laws of the State where the Property is located. In the event that any provision or clause of this Mortgage or the Loan Documents conflicts with applicable law, such conflict shall not affect other provisions of either this Mortgage or the Loan Documents which can be given effect without the conflicting provision, and in this regard, the provisions of this Mortgage and the Loan Documents are declared severable.

**16. Transfer of the Property and Interest Therein.** If all or any part of the Property or an interest therein is sold, transferred, encumbered or otherwise conveyed by Borrower, without Lender's prior written consent, or if any contract to do any of the same is entered into by Borrower without Lender's prior written consent, excluding a transfer by devise, descent or, by operation of law upon the death of a joint tenant, it shall be deemed to increase the Lender's risk and Lender may, at Lender's option, either declare all the sums secured by this Mortgage to be immediately due and payable, or may consent to said conveyance in writing and may increase the interest rate of Indebtedness and/or impose whatever conditions it may deem necessary to compensate it for the increased risk. Lender shall have waived such option to accelerate if, prior to the conveyance, Lender and the person to whom the Property is to be conveyed reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sum secured by this Mortgage shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in Item 17, and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender may, in its discretion, release Borrower from all obligations under this Mortgage and the Loan Documents, and any such decision to release or not to release Borrower shall be evidenced by said written assumption agreement.

If Borrower herein is other than an individual or individuals acting on their own behalf, any change in the legal or beneficial ownership of such Borrower or entity which changes the identity of any person or persons having, directly or indirectly, more than 10% of either the legal or beneficial ownership of either such Borrower, such entity, or of the Property, shall be deemed to be a transfer within the meaning of this Item. Such transfer shall not be made, created, or suffered to be made or created, without Lender's prior written consent.

**17. Acceleration; Remedies.** Upon the occurrence of an Event of Default (as defined in the Loan Documents) or a default in the payment of the Indebtedness, the Obligations or Future Advances hereby secured or any part thereof in accordance with the terms of this Mortgage, of the aforesaid Loan Documents or of any other document executed in conjunction with this Mortgage or the Loan Documents, or in the performance of any covenant or agreement of Borrower in this Mortgage or in the payment or performance of any document or instrument securing any Indebtedness or Obligation, or upon the filing of any lien or charge against the Property or any part thereof which is not removed to the satisfaction of Lender within a period of 30 days thereafter, the institution of any proceeding to enforce the lien or charge upon the Property or any part thereof, the filing of any proceeding by or against Borrower in bankruptcy, insolvency or similar proceedings, assignment by Borrower of its property for the benefit of its creditors, the placing of Borrower's property in receivership, trusteeship or conservatorship with or without action or suit in any Court, or the abandonment by Borrower of all or any part of the Property (herein "Events of Default"), then the Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without notice to the Borrower.

The sums secured hereby shall bear interest at the highest rate permitted to be charged on delinquent installments of principal and interest under the Loan Documents or the highest rate allowed by law, and this Mortgage shall become absolute and subject to foreclosure. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, costs of documentary evidence, abstracts, title reports and reasonable attorney's fees.

**18. Borrower's Right to Redeem.** Borrower shall have such rights of redemption as are provided by the law of the State where the Property is located.

✓

**19. Assignments of Rents.** Upon the occurrence of an Event of Default, the Lender shall have the right without notice and without regard to the adequacy of any security for the sums hereby secured and with or without the appointment of a receiver, to enter upon and take possession of the Property, and Lender may operate, manage, rent and lease the Property and collect any rents, issues, income and profits therefrom, the same being hereby absolutely assigned and transferred to and for the benefit and protection of Lender, contingent only upon the occurrence of an Event of Default. All rents collected by Lender may be applied to the cost of operation, maintenance and repair, and reasonable collection, management and attorney's fees, and then in reduction of any sums hereby secured in such other proportions as Lender may determine.

**20. Future Advances.** Upon request by Borrower, Lender, at Lender's option, may make Future Advances to Borrower. Such future and additional loan advances, with interest thereon, shall be secured by this Mortgage, when evidenced by promissory notes stating that such notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Indebtedness plus \$0.

**21. Rental of Property Restricted.** Borrower shall not make, or suffer to be made, any lease of the Property or any part thereof, or any modification, extension or cancellation of any existing or future lease, without Lender's prior written consent. If, with Lender's written consent, there is a lease on the Property, Borrower is to perform all of Borrower's obligations under such lease or leases. Borrower is not to accept any prepayment of rent for more than one month in advance without Lender's prior written consent. Upon Lender's request from time to time, Borrower is to furnish Lender a statement, in affidavit form, in such reasonable detail as Lender may require, of all of the leases on the Property and, on demand, to furnish Lender executed counterparts of any and all such leases.

If Borrower shall enter into any lease agreement, written or oral, concerning the Property or any part thereof without having obtained Lender's prior written consent, Lender shall not be bound by, or obligated to perform under, any such lease in the event it exercises its remedies set forth in Item 19 or any other provision hereof.

**22. Release.** Upon payment of all Indebtedness, Obligations and Future Advances secured by this Mortgage, Lender shall discharge this Mortgage with any costs paid by Borrower.

**23. Mortgage as Security For Other Liabilities.** Where permissible by statute, this Mortgage shall serve as security for every other liability or liabilities of the Borrower to the Lender and any of its affiliates however created, direct or contingent, due or to become due, whether now or hereafter existing and whether the same may have been or shall be participated in, in whole or in part by others, by trust agreement or otherwise, or on any manner acquired by or accruing to the holder hereof, whether by agreement with, or by assignment or endorsement to the Lender by anyone whomsoever.

It is the express intent of the parties hereto that this Mortgage and the note or notes given contemporaneously herewith, and any extensions or renewals thereof, shall also evidence and secure any additional loan advances made after the delivery of this Mortgage to the recorder for record.

Notwithstanding the above, no debt or other liability, as described above shall be secured by the within Mortgage, if it shall hereafter be created in a "consumer credit transaction" as defined in Title 1, Consumer Credit Protection Act, 15 U.S.C.A., Sections 1601 et. seq., as amended, or any successor federal statute, or any applicable state statute containing substantially similar provisions.

**24. Uniform Commercial Code Security Agreement.** Borrower hereby grants Lender a security interest in all items included in the Property which can be subject to a security interest under the Uniform Commercial Code. Borrower will execute and deliver to Lender all financing statements and other documents requested by Lender to perfect its security in such property, and Borrower will pay the expense of filing such documents and of conducting a search of records in which documents are recorded. The covenants and agreements of Borrower throughout this Mortgage will apply to all items which are subject to the security interest granted herein. Upon the occurrence of any Event of Default under this Mortgage, Lender will have the remedies of a secured party under the Uniform Commercial Code and, at Lender's sole option, may also invoke the remedies provided in this Mortgage. In exercising any of such remedies, Lender may proceed against the items of real property specified above as part of the Property separately or together and in any order whatsoever, without in any way affecting the availability of Lender's remedies under the Uniform Commercial Code or of the remedies in this Mortgage. This Mortgage may be filed with appropriate authorities as a Uniform Commercial Code Financing Statement.

**25. Flood Insurance.** If any part of any of the Property lies within a "special flood hazard area" as defined and specified by the United States Department of Housing and Urban Development pursuant to the Flood Disaster Protection Act of 1973 as now in effect; Borrower shall (i) promptly purchase and pay the premiums for flood insurance policies as Lender deems required so that Lender shall be deemed in compliance with the rules and regulations and provisions of the Flood Disaster Protection Act of 1973 as then in effect; and (ii) deliver such policies to Lender together with evidence satisfactory to Lender that the premiums therefor have been paid. Such policies of flood insurance shall be in a form satisfactory to Lender, shall name Lender as an insured thereunder, shall provide that losses thereunder be payable to Lender pursuant to such forms of loss payable clause as Lender may approve, shall be for an amount at least equal to the Indebtedness or the maximum limit of coverage made available with respect to any of the Property under the National Flood Insurance Act of 1968, as amended, whichever is less, and shall be noncancelable as to Lender except upon thirty (30) days prior written notice given by the insurer to Lender. Within thirty (30) days prior to the expiration date of each such flood insurance policy, Borrower shall deliver to Lender a renewal policy or endorsement together with evidence satisfactory to Lender that the premium therefor has been paid.

**26. Jury Waiver. UNLESS OTHERWISE PROHIBITED BY LAW, BORROWER WAIVES THE RIGHT TO TRIAL BY JURY OF ANY MATTERS ARISING OUT OF THIS MORTGAGE OR THE TRANSACTION CONTEMPLATED HEREBY.**

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

Witnesses:

*Patricia Nadorlik*

*Tiffani N. Karr*

(Seal)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

TIFFANI N. KARR

(Seal)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Seal)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Seal)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

STATE OF Pennsylvania, Clearfield COUNTY

On this 2nd DAY OF March, 2001, before me, a Notary Public in and for said County and State, personally appeared

TIFFANI N. KARR, A SINGLE PERSON WHOSE MAILING ADDRESS IS 510 EAST MAIN ST DU  
BOIS, PA 15801-0000

the individual(s) who executed the foregoing instrument and acknowledged that HE/SHE did examine and read the same and did sign the foregoing instrument, and that the same is HIS/HER free act and deed.

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

My Commission Expires: Oct. 30, 2004

(Seal)

*Patricia Nadorlik*  
Notary Public

This instrument was prepared by: HOME EQUITY OF AMERICA, INC.

701 E. 83RD AVE. MERRILLVILLE, IN 46410



NOTARIAL SEAL  
PATRICIA NADORLIK, Notary Public  
Westmont Boro., Cambria County, PA  
My Commission Expires Oct. 30, 2004

NOTARIAL SEAL  
PATRICIA NADORLIK Notary Public  
Westmont Boro., Cambria County, PA  
My Commission Expires Oct. 30, 2004

**ADJUSTABLE RATE NOTE**  
**(LIBOR Index - Rate Caps)**

**THIS NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY INTEREST RATE AND MY  
 MONTHLY PAYMENT. THIS NOTE LIMITS THE AMOUNT MY INTEREST RATE CAN CHANGE AT  
 ANY ONE TIME AND THE MAXIMUM RATE I MUST PAY.**

RD#1 CARDINAL DRIVE, ROCKTON, PA 15856  
 [Property Address]

**1. BORROWER'S PROMISE TO PAY**

In return for a loan that I have received, I promise to pay U.S. \$46,808.00 (this amount is called "principal"), plus interest, to the order of the Lender. The Lender is

Option One Mortgage Corporation, a California Corporation

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

**2. INTEREST**

Interest will be charged on unpaid principal until the full amount of principal has been paid. Interest will be calculated on the basis of a 12-month year and a 30-day month. I will pay interest at a yearly rate of 9.100%. The interest rate I will pay may change in accordance with Section 4 of this Note.

The interest rate required by this Section 2 and Section 4 of this Note is the rate I will pay both before and after any default described in Section 7(B) of this Note.

**3. PAYMENTS**

**(A) Time and Place of Payments**

I will pay principal and interest by making payments every month.

I will make my monthly payments on the first day of each month beginning on May 01, 2001. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. My monthly payments will be applied to interest before principal. If, on,

April 01, 2031, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at Option One Mortgage Corporation

Department 7821, Los Angeles, CA 90084-7821

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

**(B) Amount of My Initial Monthly Payments**

Each of my initial monthly payments will be in the amount of U.S. \$380.00. This amount may change.

**(C) Monthly Payment Changes**

Changes in my monthly payment will reflect changes in the unpaid principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this Note.

**(D) Application of Payments**

Payments received by the Note Holder will be applied in the following order: (i) prepayment charges due under this Note; (ii) amounts payable under paragraph 2 of the Security Instrument (defined below); (iii) interest due under this Note; (iv) principal due under this Note; and (v) late charges due under this Note.

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

**(A) Change Dates**

The interest rate I will pay may change on the first day of April 01, 2003, and on that day every sixth month thereafter. Each date on which my interest rate could change is called a "Change Date."

**(B) The Index**

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the average of interbank offered rates for six-month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in *The Wall Street Journal*. The most recent Index figure available as of the first business day of the month immediately preceding the month in which the Change Date occurs is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding

FOUR AND 10/100 percentage point(s) ( 4.100% )

to the Current Index. The Note Holder will then round the result of this addition to the next higher one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

*MC  
TR*

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than 12.100% or less than 9.100%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than one percentage point (1.0%) from the rate of interest I have been paying for the preceding six months. My interest rate will never be greater than 15.100% or less than 9.100%.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

**(F) Notice of Changes**

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

**5. BORROWER'S RIGHT TO PREPAY**

I have the right to make payments of principal at any time before they are due, together with accrued interest. A payment of principal only is known as a "prepayment." When I make a prepayment, I will tell the Note Holder in writing that I am doing so.

If I make a partial prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes. My partial prepayment may reduce the amount of my monthly payments after the first Change Date following my partial prepayment. However, any reduction due to my partial prepayment may be offset by an interest rate increase.

If within 24 Months from the date of execution of the Security Instrument I make a full prepayment or, in certain cases a partial prepayment, I will at the same time pay to the Note Holder a prepayment charge. The prepayment charge will be equal to six (6) months advance interest on the amount of any prepayment that, when added to all other amounts prepaid during the twelve (12) month period immediately preceding the date of the prepayment, exceeds twenty percent (20%) of the original principal amount of this Note. Any prepayment charge will be made in accordance with applicable state or federal law.

**6. LOAN CHARGES**

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

**7. BORROWER'S FAILURE TO PAY AS REQUIRED****(A) Late Charges for Overdue Payments**

If the Note Holder has not received the full amount of any monthly payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 6.000% of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

**(B) Default**

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default. If I am in default, the Note Holder may require me to pay immediately the full amount of principal which has not been paid and all interest that I owe on that amount, together with any other charges that I owe under this Note or the Security Instrument, except as otherwise required by applicable law.

**(C) No Waiver by Note Holder**

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

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

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

**8. GIVING OF NOTICES**

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

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

**9. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

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



**10. WAIVERS**

I and any other person who has obligations under this Note waive the rights of presentment and notice of dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

**11. SECURED NOTE**

In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises that I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

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

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

*Mark A. Coon Jr.* \_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
MARK A. COON \_\_\_\_\_ -Borrower \_\_\_\_\_ -Borrower

*TIFFANI N. KARR* \_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
TIFFANI N. KARR \_\_\_\_\_ -Borrower \_\_\_\_\_ -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
-Borrower \_\_\_\_\_ -Borrower

[Sign Original Only]

VERIFICATION

The undersigned does hereby verify subject to the penalties of 18 P.A.C.S. §4904 relating to unsworn falsifications to authorities, that he/she is Stacy Dooley  
(Name)  
Assistant Cashier of Fifth Third Bank, plaintiff herein, that  
(Title) (Company)

he/she is duly authorized to make this Verification, and that the facts set forth in the foregoing Complaint in Complaint are true and correct to the best of his/her knowledge, information and belief.

*Stacy Dooley AC*  
(Signature) **S. DOOLEY, ASST. CASHIER**

WWR# \_\_\_\_\_

5/3 Account No. 840881569

M 1.26 85.00  
125.850  
MAY 19 2004

William A. Shaw  
Prothonotary