

04-1517-CD  
CITIFINANCIAL INC. vs. ELLEN M. SHIELDS

	04-1517 C.D.
Ply vs	Frank Maygan Jr.
Ellen M. Shields	
847 W. Long Ave	
Du Bois, PA 15801	

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

CITIFINANCIAL, INC.  
7467 New Ridge Road, Suite 200  
Hanover, MD 21076,

Plaintiff

vs.

ELLEN M. SHIELDS  
847 W. Long Avenue  
Dubois, Pa. 15801

Defendant

NO. 04-1517-CD

CIVIL ACTION - MORTGAGE FORECLOSURE

**THIS LAW FIRM IS A DEBT COLLECTOR AND WE ARE ATTEMPTING TO  
COLLECT A DEBT OWED TO OUR CLIENT. ANY INFORMATION OBTAINED  
FROM YOU WILL BE USED FOR THE PURPOSE OF COLLECTING THE DEBT.**

**NOTICE**

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

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

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

DAVID S. MEHOLICK, COURT ADMINISTRATOR  
CLEARFIELD COUNTY COURTHOUSE  
200 E. MARKET STREET  
CLEARFIELD, PA. 16830; (814) 765-2641 EXT. 5982

**FILED**

0 3:01 PM 2004

SEP 29 2004

William A. Shaw  
Prothonotary

FRANK L. MAJCZAK, JR., ESQUIRE  
ATTORNEY FOR PLAINTIFF  
ATTORNEY I.D. #17638

MAJCZAN-SCHAEDLER-KELLEHER  
901 W. Lehigh Street, Suite 200  
Bethlehem, PA 18018  
(610) 882-2111

Attorney for Plaintiff

CITIFINANCIAL, INC.  
7467 New Ridge Road, Suite 200  
Hanover, MD 21076

Plaintiff

vs.

ELLEN M. SHIELDS  
847 W. Long Avenue  
Dubois, Pa. 15801

Defendant

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

: NO.

: **CIVIL ACTION - MORTGAGE FORECLOSURE**

### **COMPLAINT**

Plaintiff, CITIFINANCIAL, INC., by its attorneys, MAJCZAN-SCHAEDLER-KELLEHER,  
respectfully presents the following Complaint for consideration by Your Honorable Court:

1. Plaintiff, Citifinancial, Inc., is a lending institution which maintains an office for the conduct of its business at 7467 New Ridge Road, Suite 200, Hanover, Maryland 21076.
2. Defendant, Ellen M. Shields, Mortgagor and Owner of property located in the City of Dubois, Clearfield County, Pennsylvania, is an adult individual whose last known address is 847 W. Long Avenue, Dubois, Clearfield County, Pennsylvania 15801.
3. On June 7, 2001, Defendant made, executed and delivered a Disclosure Statement, Note and Security Agreement, secured by a Mortgage executed by Defendant, upon premises hereinafter described, to Plaintiff in the amount of Thirteen Thousand, Fifty-Four and 91/100

(\$13,054.91) Dollars, which Mortgage is recorded in the Office of the Recorder of Deeds of Clearfield County, Pennsylvania, at Instrument #200108906. Copies of said Mortgage, Disclosure Statement, Note and Security Agreement are attached hereto, collectively marked Exhibit "A", and are intended to become a part hereof.

4. Said Mortgage has not been assigned.

5. The premises subject to said Mortgage is described as follows:

***SEE EXHIBIT "B" ATTACHED HERETO***

6. Defendant is in default under the terms of said Mortgage in that she has failed to make full payments from February, 2004, to the present, pursuant to said Mortgage as outlined in Paragraph Nine (9) below, and the Plaintiff does hereby exercise its right to accelerate the payment of debt and to demand payment in full thereon.

7. Notice was mailed to Defendant according to the provisions of Act 160 of 1998 (previously known as Act 91 of 1983 and the provisions of Act 6 of 1974) on August 24, 2004. A copy of said Notice is attached hereto, marked Exhibit "C", and is intended to become a part hereof.

8. Plaintiff is entitled to be reimbursed for reasonable attorney collection fees incurred in the prosecution of the instant action pursuant to the terms in Exhibit "A" attached hereto.

9. The following amounts are due on account of said Mortgage as of September 27, 2004:

Principal of Mortgage debt due and unpaid -----	\$10,675.69
Interest up to and including 9/27/04-----	\$ 1,070.26


(Each day add Four and 43/100 (\$4.43)  
Dollars after September 27, 2004)

Deferred interest charges-----	\$ 476.77
Title/Appraisal Fees -----	\$ 225.00
Late charges to date -----	\$ 21.46
Attorney fees (anticipated and actual to Twenty-Five (25%) percent of the principal) -----	\$ 2,668.92
TOTAL	<u>\$15,138.10</u>

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

**WHEREFORE**, Plaintiff demands Judgment against Defendant, pursuant to this Complaint, in the amount of Fifteen Thousand, One Hundred Thirty-Eight and 10/100 Dollars (\$15,138.10) together with interest at the contract rate of Four and 43/100 (\$4.43) per diem from September 27, 2004, together with other charges and costs incidental thereto to the date of Sheriff's Sale and all costs of suit.

DATED: SEPTEMBER 27, 2004

MAJCZAN-SCHAEDLER-KELLEHER  
  
By: \_\_\_\_\_  
FRANK L. MAJCZAN, JR., ESQUIRE  
ATTORNEY FOR PLAINTIFF  
ATTORNEY I.D. NO. 17638

## VERIFICATION

I, Jenny Jaillet, Foreclosure Analyst, of

CITIFINANCIAL, INC.

, hereby verify that


the statements made in COMPLAINT IN MORTGAGE FORECLOSURE

are true and correct to the

best of my knowledge, information and belief.

I understand that false statements herein are made subject to the penalties of 18 Pa. C.S.  
Section 4904, relating to unsworn falsification to authorities.

DATED: SEPTEMBER 27, 2004

  
Jenny Jaillet, Foreclosure Analyst

KAREN L. S. DER	REGISTER AND	CLERK FIELD	PERMISSYON
INSTRUMENT NO:	20010890	RECORDED ON	Jun 12, 2001
RECORDING FEES -	\$19.00	RECORDER	
COUNTY IMPROVEMENT	\$1.00	FUND	
REC	\$1.00	INTELLIGENT FUND	
STATE EMT TAX	\$0.50	TOTAL	\$21.50
CUSTOMER		CITY/FINANCIAL	

## MORTGAGE

THIS MORTGAGE is made this 7th day of June, 2001, between the Mortgagor,  
ELLEN M SHIELDS (herein "Borrower")

and the Mortgagee, CITIFINANCIAL, INC.  
a corporation organized and existing under the laws of Maryland  
whose address is CITIFINANCIAL DUBOIS PA 15801  
(herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of U.S. \$ 13,054.91, which indebtedness is evidenced by Borrower's note dated 06/07/2001 and extensions and renewals thereof (herein "Note"), providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on 06/15/2011;

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon; the payment of all other sums, with the 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, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of CLEARFIELD, State of Pennsylvania:

ALL THAT CERTAIN PARCEL OF LAND IN THE CITY OF DUBOIS, CLEARFIELD COUNTY, COMMONWEALTH OF PENNSYLVANIA, AS MORE FULLY DESCRIBED IN DEED BOOK 1051, PAGE 163, ID # 7.1-08-2160, BEING KNOWN AND DESIGNATED AS A METES AND BOUNDS PROPERTY.

BEING premises which are more fully described in a deed dated the 19th day of NOVEMBER, 1985, and recorded in the Office of the Recorder of Deeds of CLEARFIELD County, Pennsylvania, in Record Book 1051, Volume , Page 163.

PA 0042-8 7/2000 Original (Recorded) Copy (Branch) Copy (Customer)

Page 1 of 7

EXHIBIT "A"



TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents, all of which shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property."

Borrower covenants that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, and that the Property is unencumbered, except for encumbrances of record.

Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

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

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and interest indebtedness evidenced by the Note and late charges as provided in the Note.

2. **Funds for Taxes and Insurance.** Subject to applicable law or a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments (including condominium and planned unit development assessments, if any) which may attain priority over this Mortgage and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Borrower shall not be obligated to make such payments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional lender.

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

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as Lender may require.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 17 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Mortgage.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to

Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, and then to the principal of the Note.

**4. 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 Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any.

**5. Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

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.

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

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

**7. Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, at the Note rate, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

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

**9. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of

condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

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

**11. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Note, (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.

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

**13. Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs", "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

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

**15. Rehabilitation Loan Agreement.** Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

**16. 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 Mortgage. However, this option shall not be exercised by Lender if exercise is

prohibited by federal law as of the date of this Mortgage.

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

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

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

18. **Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to at least one hour before the commencement of bidding at a sheriff's sale or other sale pursuant to this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage, and in enforcing Lender's remedies as provided in paragraph 17 hereof, including, but not limited to, reasonable attorneys' fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

19. **Assignment of Rents; Appointment of Receiver; Lender In Possession.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 17 hereof or abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collections of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

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

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

22. **Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 22, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 22, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

(Intentionally left blank)

ELLEN M SHIELDS

202416 06/07/2001

**REQUEST FOR NOTICE OF DEFAULT  
AND FORECLOSURE UNDER SUPERIOR  
MORTGAGES OR DEEDS OF TRUST**

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page one of this Mortgage, with a copy to P. O. Box 17170, Baltimore, MD 21203, of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

Witness:

Shane P Farrell  
SHANE P FARRELL

Ellen M Shields  
ELLEN M SHIELDS

— Borrower

— Borrower

I hereby certify that the precise address of the Lender (Mortgagee) is: RD3 BOX 146H  
DUBOIS, PA 15801

On behalf of the Lender, By: JEANNE M STORY Title SR CSSR

COMMONWEALTH OF PENNSYLVANIA, CLEARFIELD County ss:

On this, the 7 day of JUNE, 2001, before me,

SHANE P FARRELL the undersigned officer, personally appeared

ELLEN M. SHIELDS

known to me (or satisfactorily proven) to be the person whose name \_\_\_\_\_ subscribed  
to the within instrument and SHE executed the same for the  
purposes herein contained.

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

My Commission expires:

Jeane M. Story, Notary Public  
Sandy Twp., Clearfield County  
My Commission Expires Feb. 4, 2003

Member, Pennsylvania Association of Notaries

Jeane M. Story  
Title of Officer

PA 042-8-7/2000

Original (Recorded)

Copy (Branch)

Copy (Customer)

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Commonwealth of Pennsylvania

ss.

County of \_\_\_\_\_

Recorded on this \_\_\_\_\_ day of \_\_\_\_\_, in the Office for

Recording Deeds of said County, in Mortgage Book No. \_\_\_\_\_, Page \_\_\_\_\_

RECORDER

# Disclosure Statement, Note and Security Agreement

Borrower(s) (Name and mailing address)  ELLEN M SHIELDS 847 W LONG AVE DUBOIS PA 15801	Lender (Name, address, city and state) CITIFINANCIAL, INC.  CITIFINANCIAL DUBOIS PA 15801	Account No. 202416
		Date of Loan 06/07/2001

ANNUAL PERCENTAGE RATE The cost of Borrower's credit as a yearly rate.  15.50 %	FINANCE CHARGE The dollar amount the credit will cost Borrower. \$ 12,717.32	Amount Financed The amount of credit provided to Borrower or on Borrower's behalf. \$ 13,054.91	Total of Payments The amount Borrower will have paid after Borrower has made all payments as scheduled. \$ 25,772.23
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**Payment Schedule:**

Number of Payments	Amount of Payments	When Payments Are Due
1	\$ 231.26	07/15/2001
119	\$ 214.63	MONTHLY BEGINNING 08/15/2001
	\$	
	\$	

**Security:** If checked, Borrower is giving a security interest in:

☒ Real Property

☐ Mobile Home or Manufactured Home

**Late Charge:** If a payment is more than 15 days late, Borrower will be charged a late charge of the greater of \$20.00 or 10.0% of the payment amount.

**Prepayment:** If Borrower pays off early, Borrower will not have to pay a penalty; and will not be entitled to a refund of part of the finance charge.

**Demand Feature:**

☒ Not Applicable ☐ This obligation has a demand feature.

See the contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties.

**Additional Information:**

PRINCIPAL \$ 13,054.91	APPLICATION FEE \$ NONE	DATE CHARGES BEGIN 06/12/2001
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## INSURANCE DISCLOSURE

**Required Insurance:** If Borrower obtains credit that is secured by Borrower's interest in improved real property (including a mobile or manufactured home that is part of real property), then Lender requires Borrower to provide fire and extended coverage for the replacement value of the improvements. If the collateral securing the credit is a motor vehicle (including a recreational vehicle, boat, or movable mobile home), Borrower must provide collision and comprehensive casualty insurance in an amount sufficient to satisfy the unpaid balance of the loan or equal to the value of the collateral, whichever is less. All such policies and renewals thereof must name Lender as loss payee and must be maintained by Borrower, until the credit is repaid in full. Borrower may obtain a new insurance policy or provide an existing policy from any insurer that is acceptable to Lender. If Borrower obtains the collateral protection coverage or Automobile Physical Damage Insurance at Lender's office, Borrower acknowledges that such insurance (1) may cost more than insurance that is available from another insurer, (2) will only protect Lender's interest in the collateral and does not protect Borrower's interest, and (3) does not protect Borrower from claims by other persons.

**Optional Insurance:** Credit life insurance, credit disability insurance, credit personal property insurance, involuntary unemployment insurance, and any other insurance products that are not required per the above paragraph are optional to Borrower and are not required in order to obtain credit. If Borrower desires voluntarily to purchase any of these optional insurance products, Borrower must sign below and in other required documents and will receive an insurance certificate or policy detailing the coverage terms and conditions that apply to the insurance. Borrower should refer to the terms and conditions contained in the applicable insurance certificate or policy issued for the exact description of benefits and exclusions. Borrower is encouraged to inquire about coverage and refund provisions.

If the initial amount of coverage for credit life insurance and/or credit personal property insurance set forth in Borrower's insurance certificate or policy is equal to the Total of Payments stated above, it may exceed the amount necessary to pay off Borrower's loan at any given time. Any excess insurance coverage amount that may become payable will be paid to the appropriate party as designated in the insurance certificate or policy. Borrower acknowledges that if optional credit personal property insurance is purchased, Borrower's property coverage under other policies such as homeowner's or renter's insurance may be adversely affected.

Borrower's regular monthly loan payment if Borrower elects not to purchase insurance will be \$ 214.63.

**Termination of Optional Insurance:** Borrower may cancel any of the optional insurance products obtained at Lender's office at any time upon Borrower's written request for cancellation to Lender. If Borrower is in default under the terms of this agreement, Borrower authorizes the insurer to terminate any and/or all optional insurance products upon Lender's request. Upon termination of any insurance for any reason, Borrower authorizes and directs that the insurer deliver the premium refund, if any, to Lender, which will apply it to Borrower's outstanding loan balance. Borrower hereby irrevocably and unconditionally assigns to Lender any right, title or interest which Borrower may have in any premium refund ("Refund"). Such assignment is absolute and not intended as security. Borrower acknowledges and agrees that the Refund shall be the sole property of Lender and that Borrower shall have no interest in the Refund. Lender agrees to pay to Borrower any amount by which the Refund received by Lender exceeds the outstanding loan balance.

I/we request the following insurance:

Cost/Premium:	Insurance Type:	Insurance Term (in mos.):	First Borrower's Signature	Date
\$NONE			<i>Ellen M. Shields</i>	6-7-01
\$NONE				
\$NONE				
\$NONE				
\$NONE				

## SECONDARY MORTGAGE NOTE

This agreement is subject to the provisions of the Secondary Mortgage Loan Act.

**TERMS:** In this Disclosure Statement, Note and Security Agreement, the word "Borrower" refers to the persons signing below as Borrower, whether one or more. If more than one Borrower signs, each will be responsible, individually and together, for all promises made and for repaying the loan in full. The word "Lender" refers to the Lender, whose name and address are shown above.

**PROMISE TO PAY:** In return for a loan that Borrower has received, Borrower promises to pay to the order of Lender the Principal amount shown above, plus interest on the unpaid Principal balance from the Date Charges Begin shown above at the Agreed Rate of Interest of 15.4992 % per annum. Lender will compute interest on the unpaid Principal balance on a daily basis from the date charges begin until Borrower repays the loan. If Borrower does not make sufficient or timely payments according to the payment schedule above, Borrower will incur greater interest charges on the loan. On the N/A month anniversary of the Date of Loan shown above, the Agreed Rate of Interest shall decrease to N/A % per annum on the unpaid Principal balance until the balance is paid in full.

Any amount shown above as an Application Fee is considered a prepaid charge and is in addition to interest at the agreed rates. In the event of prepayment of the loan, this Fee will not be refundable to Borrower.

Borrower's Initials: *ES*

Principal and interest shall be payable in the monthly installments shown above, except that any appropriate adjustments will be made to the first and final payments, beginning on the first payment date shown above and continuing on the same day in each following month until paid in full unless this loan is subject to a call provision as indicated, in which event the final payment date may be accelerated. Upon the final payment date or the acceleration thereof, the entire outstanding balance of Principal and interest evidenced by this Disclosure Statement, Note and Security Agreement shall be due and payable. Any payment(s) which Lender accepts after the final payment date or the acceleration thereof do not constitute a renewal or extension of this loan unless Lender so determines.

Each payment will be applied first to interest computed to the date of payment, with the remainder applied to Principal. Lender may collect interest from and after maturity upon the unpaid Principal balance at either the maximum rate permitted by the then applicable law or the rate of interest prevailing under this Disclosure Statement, Note and Security Agreement.

If this box is checked, the following provision applies:

**CALL:** Lender, at its option, may declare any remaining indebtedness immediately due and payable \_\_\_\_\_ years after the date of this loan or annually thereafter on the anniversary of that date.

**LATE CHARGE:** If any installment is paid more than 15 days after the scheduled payment date, Borrower agrees to pay a late charge of the greater of \$ 20.00 or 10.0 % of the installment amount. Lender may, at its option, waive any late charge or portion thereof without waiving its right to require a late charge with regard to any other late payment.

**PREPAYMENT:** Borrower may prepay this loan in whole or in part at any time without penalty. However, upon partial prepayment, interest will continue to accrue on any remaining Principal balance. Partial prepayment and the application of a Refund to the unpaid balance of the loan will not affect the amount or due date of subsequent scheduled payments on the loan, but may reduce the number of such payments.

**SECURITY:** This loan is secured by a lien against the real property located at 847 W LONG AVE  
DUBOIS PA 15801

See either the Deed of Trust or the Mortgage for terms applicable to Lender's interest in Borrower's real property ("Property").

**INSURANCE:** If Borrower purchases any insurance at Lender's office, Borrower understands and acknowledges that (1) the insurance company may be affiliated with Lender, (2) Lender's employee(s) may be an agent for the insurance company, (3) such employee(s) is not acting as the agent, broker or fiduciary for Borrower on this loan, but may be the agent of the insurance company, and (4) Lender or the insurance company may realize some benefit from the sale of that insurance. If Borrower fails to obtain or maintain any required insurance or fails to designate an agent through whom the insurance is to be obtained, Lender may purchase such required insurance for Borrower through an agent of Lender's choice, and the amounts paid by Lender will be added to the unpaid balance of the loan.

**LOAN CHARGES:** If a law that applies to this loan and that 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 will be reduced by the amount necessary to reduce the charge to the permitted limit, and (ii) any sums already collected from Borrower that exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under this loan or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge.

**DEFAULT:** Borrower will be in default if he does not make any scheduled payment on time or fails to comply with the provisions of any mortgage on the real property which secures this loan. If Borrower defaults, Lender may require Borrower to repay the entire unpaid Principal balance and any accrued interest at once. Lender's failure to exercise or delay in exercising any of its rights when default occurs does not constitute a waiver of those or any other rights under this agreement. As permitted by the Secondary Mortgage Loan Act, Borrower agrees to pay actual and reasonable attorney's fees, court costs, and other actual and reasonable costs incurred in foreclosing on the real property securing this loan. Borrower will receive written notice at least 30 days prior to foreclosure.

**LAW THAT APPLIES:** Pennsylvania law and federal law, as applicable, govern this Disclosure Statement, Note and Security Agreement. If any part is unenforceable, this will not make any other part unenforceable. In no event will Borrower be required to pay interest or charges in excess of those permitted by law.

**RETURNED CHECK FEE:** Lender may charge a fee, not to exceed \$ 20.00 if a check, negotiable order of withdrawal or share draft is returned for insufficient funds or insufficient credit.

**OTHER TERMS:** Where the context requires, singular words may be read in the plural and plural words in the singular, and references to the masculine gender may be read to apply to the feminine gender.

Borrower, endorser, sureties and guarantors, to the extent permitted by law, severally waive their right to require Lender to demand payment of amounts due, to give notice of amounts that have not been paid, to receive notice of any extensions of time to pay which Lender allows to any Borrower and to require Lender to show particular diligence in bringing suit against anyone responsible for repayment of this loan, and additionally, waive benefit of homestead and exemption laws now in force or later enacted, including stay of execution and condemnation, on any Property securing this loan and waive the benefit of valuation and appraisal.

This Disclosure Statement, Note and Security Agreement shall be the joint and several obligation of all makers, sureties, guarantors and endorser and shall be binding upon them, their heirs, successors, legal representatives and assigns.

If any part of the Disclosure Statement, Note and Security Agreement and, if applicable, the Mortgage or Deed of Trust and accompanying Itemization of Amount Financed is unenforceable, this will not make any other part unenforceable.

**REFINANCING:** The overall cost of refinancing an existing loan balance may be greater than the cost of keeping the existing loan and obtaining a second loan for any additional funds Borrower wishes to borrow.

(Intentionally left blank)

Borrower's Initials: ES



## NOTICE OF ARBITRATION PROVISION

**THIS ARBITRATION PROVISION PROVIDES THAT ALL DISPUTES BETWEEN BORROWER AND LENDER, EXCEPT THOSE SPECIFIED BELOW, WILL BE RESOLVED BY MANDATORY, BINDING ARBITRATION: YOU THUS GIVE UP YOUR RIGHT TO GO TO COURT TO ASSERT OR DEFEND YOUR RIGHTS (EXCEPT FOR MATTERS THAT ARE EXCLUDED FROM ARBITRATION AS SPECIFIED BELOW). YOUR RIGHTS WILL BE DETERMINED BY A NEUTRAL ARBITRATOR AND NOT A JUDGE OR JURY. YOU ARE ENTITLED TO A FAIR HEARING, BUT THE ARBITRATION PROCEDURES ARE SIMPLER AND MORE LIMITED THAN RULES APPLICABLE IN COURT.**

In consideration of Lender making the extension of credit described above and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by both parties, You and We agree that either You or We have an absolute right to demand that any Claim be submitted to an arbitrator in accordance with this Arbitration Provision. If either You or We file a lawsuit, counterclaim, or other action in court, the other party has the absolute right to demand arbitration following the filing of such action.

**Definitions for Arbitration Provision.** As used in this Arbitration Provision ("Provision"), the following definitions will apply:

"You" or "Your" means any or all of Borrower(s) who execute this Disclosure Statement, Note and Security Agreement, and their heirs, survivors, assigns, and representatives.

"We" or "Us" means the Lender under this Disclosure Statement, Note and Security Agreement, American Health & Life Insurance Company, Triton Insurance Company, and any assignee of Lender, together with all of their respective corporate parents, subsidiaries, affiliates, predecessors, assignees, successors, employees, agents, directors, and officers (whether acting in their corporate or individual capacity).

"Credit Transaction" means any one or more past, present, or future extension, application, or inquiry of credit or forbearance of payment such as a loan, retail credit agreement, or otherwise from any of Us to You.

"Claim" means any case, controversy, dispute, tort, disagreement, lawsuit, or claim now or hereafter existing between You and Us. A Claim includes, without limitation, anything related to:

- This Provision, its enforceability, and the arbitrability of any Claim pursuant to this Provision, including but not limited to the scope of this Provision and any defenses to enforcement of this Provision;
- Any Credit Transaction;
- Any past, present, or future insurance, service, or other product that is offered or purchased in connection with a Credit Transaction;
- Any documents or instruments that contain information about any Credit Transaction, insurance, service, or product;
- Any act or omission by any of Us;
- Fraud or misrepresentation, including claims for failing to disclose material facts;
- Any federal or state statute or regulation, or any alleged violation thereof, including without limitation insurance, usury, and lending laws;
- Any party's execution of this Provision and/or willingness to be bound by its terms and provisions; or
- Any dispute about closing, servicing, collecting, or enforcing a Credit Transaction.

**Agreement to Arbitrate Claims.** Upon written request by either party that is submitted according to the applicable rules for arbitration, any Claim, except those specified below in this Provision, shall be resolved by binding arbitration in accordance with (i) the Federal Arbitration Act, (ii) the Financial Services Arbitration Rules and Procedures of JAMS/Endispute, Inc. ("Administrator"), and (iii) this Provision, unless we both agree in writing to forgo arbitration. The terms of this Provision shall control any inconsistency between the rules of the Administrator and this Provision. You may obtain a copy of the arbitration rules by calling (800) 448-1660 or by accessing the Administrator's internet site at [www.jamsadr.com/financial\\_rules.asp](http://www.jamsadr.com/financial_rules.asp). At Your request, We will obtain and provide to You copies of the Administrator's rules and other materials, including a form Demand for Arbitration. Any party to this Provision may bring an action, including a summary or expedited proceeding, to compel arbitration of any Claim, and/or to stay the litigation of any Claim pending arbitration, in any court having jurisdiction. Such action may be brought at any time, even if a Claim is part of a lawsuit, up until the entry of a final judgment. Pursuant to this Provision, You and We also agree to submit to final, binding arbitration not only all Claims, but also any claim or dispute You or We have against (i) all persons or entities involved with any Credit Transaction or any other matter covered by this Disclosure Statement, Note and Security Agreement, (ii) all persons who signed or executed any document relating to any Credit Transaction or Claim, and (iii) all persons or entities who may be jointly or severally liable to either You or any of Us regarding any Claim.

**Judgment.** Judgment upon any arbitration award may be entered in any court having jurisdiction. If timely requested by either party, the arbitrator shall provide a brief written statement of the reasons for any award.

**Claims Excluded from Arbitration.** The following types of matters will not be arbitrated. This means that neither one of us can require the other to arbitrate:

- Any action to effect a foreclosure to transfer title to the property being foreclosed, or exercise of extra-judicial or self-help repossession under applicable law; or
- Any matter where all parties collectively (including multiple named parties) seek monetary relief in the aggregate of \$15,000.00 or less in total relief, including but not limited to compensatory, statutory and punitive damages; restitution; disgorgement; costs and fees (including attorneys' fees), or any Claims brought in a small claims court. In the event You attempt to assert any of Your Claims on behalf of a putative class of persons, in violation of other terms in this Provision, the value of Your Claims will, for purposes of this exclusion, be deemed to exceed \$15,000.00. In the event that any party fails to specify the amount being sought for any relief, or any form or component of relief, the amount being sought shall, for purposes of this exclusion, be deemed to exceed \$15,000.00.

However, should either party initiate arbitration, the other party, at its option, may seek injunctive and monetary relief in arbitration. Participating in a lawsuit or seeking enforcement of this section by a court shall not waive the right to arbitrate any other Claim.

#### Additional Terms.

**Administration of Arbitration.** Arbitration shall be administered by the Administrator, but if it is unable or unwilling to administer the arbitration, then the American Arbitration Association will administer any arbitration required under this Provision pursuant to its Commercial Arbitration Rules and Expedited Procedures. The arbitrator shall make his or her decision in accordance with the applicable law, and shall be empowered to award any damages or other relief provided for under the applicable law.

**Place of Arbitration.** The arbitration shall be conducted in the county of Your residence, unless all parties agree to another location.

**Appeal.** Either You or We may appeal the arbitrator's award in accordance with the Optional Appeals Procedures of the Administrator, and the award may be subject to judicial review on the grounds stated in 9 U.S.C. § 10.

**No Class Actions/No Joinder of Parties.** You agree that any arbitration proceeding will only consider Your Claims. Claims by or on behalf of other borrowers will not be arbitrated in any proceeding that is considering Your Claims. Because You have agreed to arbitrate all Claims, You may not serve as a class representative or participate as a class member in a putative class action against any party entitled to compel arbitration under this Provision.

**Depositions.** After a demand for arbitration is made, You and We may conduct a limited number of depositions by mutual agreement. Any disagreements concerning the taking of depositions will be resolved by the arbitrator.

**Costs.** The cost of any arbitration proceeding shall be divided as follows:

- The party making demand upon the Administrator for arbitration shall pay the initial filing fee up to \$125.00 to the Administrator when the demand is made. We will pay any balance.
- We will pay to the Administrator all other costs for the arbitration proceeding up to a maximum of one day (eight hours) of hearings.
- All costs of the arbitration proceeding that exceed one day of hearings will be advanced by the party that initiated the arbitration. To the extent allowed by the applicable arbitration rules and applicable law, the arbitrator may tax or assess costs of the arbitration to any party.
- In the case of an appeal, the appealing party will advance any costs of initiating an appeal. The non-prevailing party shall pay all costs, fees, and expenses of the appeal proceeding and, if applicable, shall reimburse the prevailing party for the cost of filing an appeal.
- Each party shall pay his/her own attorney, expert, and witness fees and expenses, unless otherwise required by law or by other terms of this Disclosure Statement, Note and Security Agreement.

**Governing Law.** This Provision is governed by federal law and by the laws of the state where the closing of the Credit Transaction took place, but only to the extent that such state laws are consistent or compatible with federal law.

Borrower's Initials: ES

Severability. If the arbitrator or any court determines that one or more terms of this Provision or the arbitration rules are unenforceable, or would make this Provision unenforceable, only such terms(s) shall be deemed unenforceable and shall be deemed stricken from this Provision, but such determination shall not impair or affect the enforceability of the other terms of this Provision or the arbitration rules.

Special Acknowledgments. You understand and acknowledge by signing Your name to this Provision that (i) a court and/or jury will not hear or decide any Claim governed by this Provision, (ii) the funding for Your Credit Transaction will come in whole or in part from sources outside this state, which will constitute interstate commerce within the meaning of the United States Arbitration Act, 9 U.S.C. §§1-9, (iii) discovery in an arbitration proceeding can be much more limited than in a court proceeding, (iv) rights to appeal an arbitration award are very limited, and (v) the rights of the parties hereunder may not be exactly mutual in all respects.

READ THE ABOVE ARBITRATION PROVISION CAREFULLY. IT LIMITS CERTAIN OF YOUR RIGHTS, INCLUDING YOUR RIGHT TO OBTAIN REDRESS THROUGH COURT ACTION.

*Ellen M. Shields*  
ELLEN M SHIELDS

(Seal)  
-Borrower

(Seal)  
-Borrower

The following notice applies only if this box is checked. ☐

NOTICE

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

By signing below, Borrower agrees to the terms contained herein, acknowledges receipt of a copy of this Disclosure Statement, Note and Security Agreement and, if applicable, the Mortgage or Deed of Trust and of the accompanying Itemization of Amount Financed, and authorizes the disbursements stated therein.

WITNESSES:

SIGNED:

*Ellen M. Shields*  
ELLEN M SHIELDS

(Seal)  
-Borrower

(Seal)

-Borrower

(Seal)  
-Borrower

CITIFINANCIAL, INC.

By:

*Shawn J. Smith*  
(Name and Title)

**SECURITY INTEREST OF NONOBLIGOR:** Borrower only is personally liable for payment of the loan. Nonobligor is liable and bound by all other terms, conditions, covenants, and agreements contained in this Disclosure Statement, Note and Security Agreement, including but not limited to the right and power of Lender to repossess and sell the Property securing this loan, in the event of default by Borrower in payment of this loan.

Signature

(Seal)

Date

Signature

(Seal)

Date

### **DESCRIPTION**

ALL THAT CERTAIN piece or parcel of land situate in the First Ward of the City of DuBois, Clearfield County, Pennsylvania, being bounded and described as follows:

BEGINNING at a post at the corner of Long Avenue and Simmons Street; thence along the line of Simmons Street 100 feet, more or less, to a post at the lot now or formerly of Alex Lukeszewicz; thence along the line of the same towards the lot now or formerly of Annie Lawshaw 66 feet, more or less, to a post; thence along the line of the same towards Long Avenue 128 feet, more or less, to a post at Long Avenue; thence along the line of the same along the line of Long Avenue 57 feet, more or less, to a post and the place of Beginning.

NOTICE - THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT. (THIS NOTICE IS SET FORTH PURSUANT TO ACT NO. 255, APPROVED SEPTEMBER 10, 1965, AS AMENDED).

PARCEL ID# 008-000-02160

**EXHIBIT "B"**

LAW OFFICES  
MAJCZAN-SCHAEDLER-KELLEHER

Frank L. Majczan, Jr.  
Richard J. Schaedler  
Kevin J. Kelleher

901 West Lehigh Street  
Suite 200  
Bethlehem, PA 18018

Telephone 610-882-2111  
Facsimile 610-882-2588

# ACT 91 NOTICE

## TAKE ACTION TO SAVE YOUR HOME FROM FORECLOSURE

This is an official notice that the mortgage on your home is in default, and the lender intends to foreclose. Specific information about the nature of the default is provided in the attached pages.

The HOMEOWNER'S MORTGAGE ASSISTANCE PROGRAM (HEMAP) may  
be able to help to save your home.

This Notice explains how the program works.

To see if HEMAP can help you, you must MEET WITH A CONSUMER CREDIT COUNSELING AGENCY WITHIN 30 DAYS OF THE DATE OF THIS NOTICE. Take this Notice with you when you meet with the Counseling agency.

The name, address and phone number of the Consumer Credit Counseling Agencies serving your County are listed at the end of this Notice. If you have any questions, you may call the Pennsylvania Housing Finance Agency toll free at 1-800-342-2397 (Persons with impaired hearing can call (717) 780-1869.

This Notice contains important legal information. If you have any questions, representatives at the Consumer Credit Counseling Agency may be able to help explain it. You may also want to contact an attorney in your area. The local bar association may be able to help you find a lawyer.

LA NOTIFICACION EN ADJUNTO ES DE SUMA IMPORTANCIA, PUES AFECTA SU DERECHO A CONTINUAR VIVIENDO EN SU CASA. SI NO COMPRENDE EL CONTENIDO DE ESTA NOTIFICACION OBTENGA UNA TRADUCCION INMEDITAMENTE LLAMANDO ESTA AGENCIA (PENNSYLVANIA HOUSING FINANCE AGENCY) SIN CARGOS AL NUMERO MENCIONADO ARRIBA. PUEDES SER ELEGIBLE PARA UN PRESTAMO POR EL PROGRAMA

8

*FOUNDED AS BUTTERFIELD & JOACHIM  
Thomas E. Butterfield, Jr. (1914-1990) and William B. Joachim, Jr. (1918-2002)*

EXHIBIT "C"

Ellen M. Shields  
847 W. Long Avenue  
Dubois, Pa. 15801

August 24, 2004  
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LLAMADO "HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE PROGRAM" EL CUAL PUEDE SALVAR SU CASA DE LA PERDIDA DEL DERECHO A REDIMIR SU HIPOTECA.

HOMEOWNER'S NAME(S): ELLEN M. SHIELDS  
PROPERTY ADDRESS: 847 W. LONG AVENUE, CITY OF DUBOIS,  
CLEARFIELD COUNTY, PENNSYLVANIA 15801  
LOAN ACCT. NO.: 20-0051-0220103  
ORIGINAL LENDER: CITIFINANCIAL, INC.  
CURRENT LENDER/SERVICER: CITIFINANCIAL, INC.

**HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE PROGRAM**

**YOU MAY BE ELIGIBLE FOR FINANCIAL ASSISTANCE WHICH CAN SAVE YOUR HOME FROM FORECLOSURE AND HELP YOU MAKE FUTURE MORTGAGE PAYMENTS**

**IF YOU COMPLY WITH THE PROVISIONS OF THE HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE ACT OF 1983 (THE "ACT"), YOU MAY BE ELIGIBLE FOR EMERGENCY MORTGAGE ASSISTANCE:**

● **IF YOUR DEFAULT HAS BEEN CAUSED BY CIRCUMSTANCES BEYOND YOUR CONTROL,**

● **IF YOU HAVE A REASONABLE PROSPECT OF BEING ABLE TO PAY YOUR MORTGAGE PAYMENTS, AND**

● **IF YOU MEET OTHER ELIGIBILITY REQUIREMENTS ESTABLISHED BY THE PENNSYLVANIA HOUSING FINANCE AGENCY.**

**TEMPORARY STAY OF FORECLOSURE** - Under the Act, you are entitled to a temporary stay of foreclosure on your mortgage for thirty (30) days from the date of this Notice. During that time, you must arrange and attend a "face-to-face" meeting with one of the consumer credit counseling agencies listed at the end of this Notice. **THIS MEETING MUST OCCUR WITHIN THE**

Ellen M. Shields  
847 W. Long Avenue  
Dubois, Pa. 15801

August 24, 2004  
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**NEXT THIRTY (30) DAYS. IF YOU DO NOT APPLY FOR EMERGENCY MORTGAGE ASSISTANCE, YOU MUST BRING YOUR MORTGAGE UP TO DATE. THE PART OF THIS NOTICE CALLED "HOW TO CURE YOUR MORTGAGE DEFAULT" EXPLAINS HOW TO BRING YOUR MORTGAGE UP TO DATE.**

**CONSUMER CREDIT COUNSELING AGENCIES** - If you meet with one of the consumer credit counseling agencies listed at the end of this notice, the lender may NOT take action against you for thirty (30) days after the date of this meeting. The names, addresses and telephone numbers of designated consumer credit counseling agencies for the county in which the property is located are set forth at the end of this Notice. It is only necessary to schedule one (1) face-to-face meeting. Advise your lender immediately of your intentions.

**APPLICATION FOR MORTGAGE ASSISTANCE** - Your mortgage is in default for the reasons set forth later in this Notice (see following pages for specific information about the nature of your default). If you have tried and are unable to resolve this problem with the lender, you have the right to apply for financial assistance from the Homeowner's Emergency Mortgage Assistance Program. To do so, you must fill out, sign and file a completed Homeowner's Emergency Assistance Program Application with one of the designated consumer credit counseling agencies listed at the end of this Notice. Only consumer credit counseling agencies have applications for the program and they will assist you in submitting a complete application to the Pennsylvania Housing Finance Agency. Your application MUST be filed or postmarked within thirty (30) days of your face-to-face meeting.

**YOU MUST FILE YOUR APPLICATION PROMPTLY. IF YOU FAIL TO DO SO OR IF YOU DO NOT FOLLOW THE OTHER TIME PERIODS SET FORTH IN THIS LETTER, FORECLOSURE MAY PROCEED AGAINST YOUR HOME IMMEDIATELY AND YOUR APPLICATION FOR MORTGAGE ASSISTANCE WILL BE DENIED.**

**AGENCY ACTION** - Available funds for emergency mortgage assistance are very limited. They will be disbursed by the Agency under the eligibility criteria established by the Act. The Pennsylvania Housing Finance Agency has sixty (60) days to make a decision after it receives your application. During that time, no foreclosure proceedings will be pursued against you if you

Ellen M. Shields  
847 W. Long Avenue  
Dubois, Pa. 15801

August 24, 2004  
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have met the time requirements set forth above. You will be notified directly by the Pennsylvania Housing Finance Agency of its decision on your application.

**NOTE: IF YOU ARE CURRENTLY PROTECTED BY THE FILING OF A PETITION IN BANKRUPTCY, THE FOLLOWING PART OF THIS NOTICE IS FOR INFORMATION PURPOSES ONLY AND SHOULD NOT BE CONSIDERED AS AN ATTEMPT TO COLLECT THE DEBT.**

(If you have filed bankruptcy you can still apply for Emergency Mortgage Assistance.)

**HOW TO CURE YOUR MORTGAGE DEFAULT (Bring it up to date).**

**NATURE OF THE DEFAULT** - The MORTGAGE debt held by the above lender on your property located at 847 W. LONG AVENUE, CITY OF DUBOIS, CLEARFIELD COUNTY, PENNSYLVANIA 15801 IS SERIOUSLY IN DEFAULT because:

- A. YOU HAVE NOT MADE MONTHLY MORTGAGE PAYMENTS for the following dates and the following amounts are now past due:

REGULAR MONTHLY PAYMENTS OF \$207.53 FOR 3/15/04 THROUGH AND INCLUDING 8/15/04 (6 PAYMENTS) SUBTOTALING \$1,245.18;

Other charges (explain/itemize): TITLE/APPRAISAL FEES IN THE AMOUNT OF \$225.00; PARTIAL PAYMENT IN THE AMOUNT OF \$57.53 AND LATE CHARGES IN THE AMOUNT OF \$21.46

**TOTAL AMOUNT PAST DUE:** \$1,549.17

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

**HOW TO CURE THE DEFAULT** - You may cure the default within THIRTY (30) DAYS of the date of this notice **BY PAYING THE TOTAL AMOUNT PAST DUE TO THE LENDER, WHICH IS**

Ellen M. Shields  
847 W. Long Avenue  
Dubois, Pa. 15801

August 24, 2004  
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\$ 1,549.17 \_\_\_\_\_, PLUS ANY MORTGAGE PAYMENTS AND LATE CHARGES WHICH BECOME DUE DURING THE THIRTY (30) DAY PERIOD. Payments must be made either by cash, cashier's check, certified check or money order made payable and sent to:

MS. JENNY JAILLET, FORECLOSURE ANALYST  
CITIFINANCIAL, INC.  
7467 NEW RIDGE ROAD, SUITE 200  
HANOVER, MD 21076

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

N/A

**IF YOU DO NOT CURE THE DEFAULT** - If you do not cure the default within THIRTY (30) DAYS of the date of this Notice, the lender intends to exercise its rights to accelerate the mortgage debt. This means that the entire outstanding balance of this debt will be considered due immediately and you may lose the chance to pay the mortgage in monthly installments. If full payment of the total amount past due is not made within THIRTY (30) DAYS, the lender also intends to instruct its attorneys to start legal action to foreclose upon your mortgaged property.

**IF THE MORTGAGE IS FORECLOSED UPON** - The mortgaged property will be sold by the Sheriff to pay off the mortgage debt. If the lender refers your case to its attorneys, but you cure the delinquency before the lender begins legal proceedings against you, you will still be required to pay the reasonable attorney's fees that were actually incurred, up to \$50.00. However, if legal proceedings are started against you, you will have to pay all reasonable attorney's fees actually incurred by the lender even if they exceed \$50.00.

Any attorney's fees will be added to the amount you owe the lender, which may also include other reasonable costs. If you cure the default within the THIRTY (30) DAY period, you will not be required to pay attorney's fees.

**OTHER LENDER REMEDIES** - This lender may also sue you personally for the unpaid principal balance and all other sums due under the mortgage.



Ellen M. Shields  
847 W. Long Avenue  
Dubois, Pa. 15801

August 24, 2004  
Page 6

**RIGHT TO CURE THE DEFAULT PRIOR TO SHERIFF'S SALE** - If you have not cured the default within the THIRTY (30) DAY period and foreclosure proceedings have begun, you still have the right to cure the default and prevent the sale at any time up to one (1) hour before the Sheriff's Sale. You may do so by paying the total amount then past due, plus any late or other charges then due, reasonable attorney's fees and costs connected with the foreclosure sale and any other costs connected with the Sheriff's Sale as specified in writing by the lender and by performing any other requirements under the mortgage. Curing your default in the manner set forth in this notice will restore your mortgage to the same position as if you had never defaulted.

**EARLIEST POSSIBLE SHERIFF'S SALE DATE** - It is estimated that the earliest date that such a Sheriff's Sale of the mortgaged property could be held would be **approximately six (6) months from the date of this Notice.** A notice of the actual date of the Sheriff's Sale will be sent to you before the sale. Of course, the amount needed to cure the default will increase the longer you wait. You may find out at any time exactly what the required payment or action will be by contacting the lender.

**HOW TO CONTACT THE LENDER:**

Name of Lender: Citifinancial Services, Inc.  
Address: 311 New Rodgers Road, Levittown, Pa. 19056  
Phone Number: (877) 675-3656  
Contact Person: Loss Mitigation

Attorney for Lender: Frank L. Majczan, Jr., Esquire  
Address: 901 W. Lehigh Street, Suite 200, Bethlehem, Pa. 18018  
Phone Number: (610) 882-2111  
Fax Number: (610) 882-2588

**EFFECT OF SHERIFF'S SALE** - You should realize that a Sheriff's Sale will end your ownership of the mortgaged property and your right to occupy it. If you continue to live in the property after the Sheriff's Sale, a lawsuit to remove you and your furnishings and other belongings could be started by the lender at any time.

Ellen M. Shields  
847 W. Long Avenue  
Dubois, Pa. 15801

August 24, 2004  
Page 7

**ASSUMPTION OF MORTGAGE** - You \_\_\_\_ may or  X  may not (CHECK ONE) sell or transfer your home to a buyer or transferee who will assume the mortgage debt, provided that all the outstanding payments, charges and attorney's fees and costs are paid prior to or at the sale and that the other requirements of the mortgage are satisfied.

**YOU MAY ALSO HAVE THE RIGHT:**

● TO SELL THE PROPERTY TO OBTAIN MONEY TO PAY OFF THE MORTGAGE DEBT OR TO BORROW MONEY FROM ANOTHER LENDING INSTITUTION TO PAY OFF THIS DEBT.

● TO HAVE THIS DEFAULT CURED BY ANY THIRD PARTY ACTING ON YOUR BEHALF.

● TO HAVE THE MORTGAGE RESTORED TO THE SAME POSITION AS IF NO DEFAULT HAD OCCURRED, IF YOU CURE THE DEFAULT. (HOWEVER, YOU DO NOT HAVE THIS RIGHT TO CURE YOUR DEFAULT MORE THAN THREE TIMES IN ANY CALENDAR YEAR.)

● TO ASSERT THE NONEXISTENCE OF A DEFAULT IN ANY FORECLOSURE PROCEEDING OR ANY OTHER LAWSUIT INSTITUTED UNDER THE MORTGAGE DOCUMENTS.

● TO ASSERT ANY OTHER DEFENSE YOU BELIEVE YOU MAY HAVE TO SUCH ACTION BY THE LENDER.

● TO SEEK PROTECTION UNDER THE FEDERAL BANKRUPTCY LAW.

CONSUMER CREDIT COUNSELING AGENCIES SERVING YOUR COUNTY

Ellen M. Shields  
847 W. Long Avenue  
Dubois, Pa. 15801

August 24, 2004  
Page 8

CLEARFIELD COUNTY

CCCS of Northeastern PA  
208 W. Hamilton Avenue,  
Suite 1, Hamilton Square  
State College, PA 16801  
(814) 238-3668

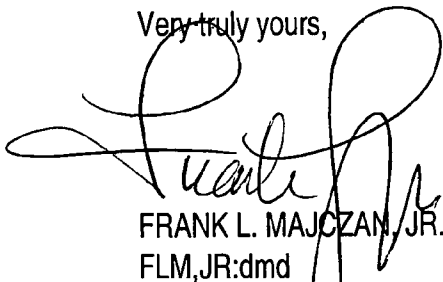
CCCS of Western PA  
219-A College Park Plaza  
Johnstown, Pa. 15904  
888-559-2227 Ext. 108

CCCS of Western Pa., Inc.  
217 E. Plank Road  
Altoona, Pa. 16602  
888-559-2227 Ext. 108

Indiana Co. Community Action Program  
827 Water Street, Box 187  
Indiana, Pa. 15701  
(724) 465-2657

Keystone Economic Development Corp.  
1954 Mary Grace Lane  
Johnstown, Pa. 15901  
(814) 535-6556

Very truly yours,

A large, stylized handwritten signature in black ink, appearing to read 'Frank L. Majczan, Jr.', is written over the typed name and the 'Very truly yours,' line.

FRANK L. MAJCZAN, JR.  
FLM,JR:dmd

**CERTIFIED MAIL/RETURN RECEIPT REQUESTED**  
**FIRST CLASS MAIL/CERTIFICATE OF MAILING**

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

CITIFINANCIAL INC.

VS.

SHIELDS, ELLEN M.

Sheriff Docket # 16365

04-1517-CD

**COMPLAINT IN MORTGAGE FORECLOSURE**

**SHERIFF RETURNS**

NOW OCTOBER 18, 2004 AT 11:10 AM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON ELLEN M. SHIELDS, DEFENDANT AT RESIDENCE, 21 E. LONG AVE., APT 515, DUBOIS, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO ELEN SHIELDS A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN TO HER THE CONTENTS THEREOF. PROPERTY ADDRESS OF 847 W. LONG AVE., DUBOIS, PA. IS EMPTY.  
SERVED BY: COUDRIET/DEHAVEN

**Return Costs**

Cost	Description
46.50	SHERIFF HAWKINS PAID BY: ATTY CK# 2685
10.00	SURCHARGE PAID BY: ATT CK# 2686

**Sworn to Before Me This**

15<sup>th</sup> Day Of Nov. 2004

William A. Shaw

WILLIAM A. SHAW

Prothonotary

My Commission Expires

1st Monday in Jan. 2006

Clearfield Co., Clearfield, PA

**So Answers,**

Chester A. Hawkins  
by Marilyn Harris

Chester A. Hawkins

Sheriff

**FILED**  
**013:25BQ**  
**NOV 01 2004**

William A. Shaw  
Prothonotary/Clerk of Courts

10.                      DEFENDANT  
YOU ARE HEREBY NOTIFIED TO FILE A  
WRITTEN RESPONSE TO THE ENCLOSED  
WITHIN TWENTY (20) DAYS FROM  
SERVICE HEREOF OR JUDGMENT MAY  
BE ENTERED AGAINST YOU.  
BY                      ATTORNEY

**FOR PLAINTIFF**

MAJCZAN-SCHAEGLER-KELLEHER  
901 W. LEHIGH STREET, SUITE 200  
BETHLEHEM, PA. 18018  
610-882-2111  
FAX (610) 882-2588

FRANK L. MAJCZAN, JR., ESQUIRE

ATTORNEY AT LAW  
3644 ROUTE 378

SUITE A  
BETHLEHEM, PENNSYLVANIA 18015

610 317 0778  
FAX 610 317-0702

I DO HEREBY CERTIFY THAT THE  
WITHIN IS A TRUE AND CORRECT COPY  
OF THE ORIGINAL FILED IN THIS  
ACTION.

BY                      ATTORNEY

**FOR PLAINTIFF**

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

COPY

CITIFINANCIAL, INC.  
7467 New Ridge Road, Suite 200  
Hanover, MD 21076,

Plaintiff

vs.

ELLEN M. SHIELDS  
847 W. Long Avenue  
Dubois, Pa. 15801

Defendant

NO.

04-1517-W

CIVIL ACTION - MORTGAGE FORECLOSURE

**THIS LAW FIRM IS A DEBT COLLECTOR AND WE ARE ATTEMPTING TO  
COLLECT A DEBT OWED TO OUR CLIENT. ANY INFORMATION OBTAINED  
FROM YOU WILL BE USED FOR THE PURPOSE OF COLLECTING THE DEBT.**

**NOTICE**

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

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

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO  
PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL  
SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

DAVID S. MEHOLICK, COURT ADMINISTRATOR  
CLEARFIELD COUNTY COURTHOUSE  
200 E. MARKET STREET  
CLEARFIELD, PA. 16830 (814) 765-2641 EXT. 5982

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

SEP 29 2004

Attest.

*Green d. h.*  
Prothonotary/  
Clerk of Courts

*Frank L. Majozan, Jr.*  
FRANK L. MAJOSAN, JR., ESQUIRE  
ATTORNEY FOR PLAINTIFF  
ATTORNEY I.D. #17638

MAJCZAN-SCHAEDLER-KELLEHER  
901 W. Lehigh Street, Suite 200  
Bethlehem, PA 18018  
(610) 882-2111

Attorney for Plaintiff

CITIFINANCIAL, INC.  
7467 New Ridge Road, Suite 200  
Hanover, MD 21076

Plaintiff

vs.

ELLEN M. SHIELDS  
847 W. Long Avenue  
Dubois, Pa. 15801

Defendant

: **IN THE COURT OF COMMON PLEAS OF**  
: **CLEARFIELD COUNTY, PENNSYLVANIA**  
: **CIVIL DIVISION**  
:  
: **NO.**  
:  
: **CIVIL ACTION - MORTGAGE FORECLOSURE**  
:  
:  
:

### **COMPLAINT**

Plaintiff, CITIFINANCIAL, INC., by its attorneys, MAJCZAN-SCHAEDLER-KELLEHER,  
respectfully presents the following Complaint for consideration by Your Honorable Court:

1. Plaintiff, Citifinancial, Inc., is a lending institution which maintains an office for the conduct of its business at 7467 New Ridge Road, Suite 200, Hanover, Maryland 21076.
2. Defendant, Ellen M. Shields, Mortgagor and Owner of property located in the City of Dubois, Clearfield County, Pennsylvania, is an adult individual whose last known address is 847 W. Long Avenue, Dubois, Clearfield County, Pennsylvania 15801.
3. On June 7, 2001, Defendant made, executed and delivered a Disclosure Statement, Note and Security Agreement, secured by a Mortgage executed by Defendant, upon premises hereinafter described, to Plaintiff in the amount of Thirteen Thousand, Fifty-Four and 91/100

(\$13,054.91) Dollars, which Mortgage is recorded in the Office of the Recorder of Deeds of Clearfield County, Pennsylvania, at Instrument #200108906. Copies of said Mortgage, Disclosure Statement, Note and Security Agreement are attached hereto, collectively marked Exhibit "A", and are intended to become a part hereof.

4. Said Mortgage has not been assigned.

5. The premises subject to said Mortgage is described as follows:

***SEE EXHIBIT "B" ATTACHED HERETO***

6. Defendant is in default under the terms of said Mortgage in that she has failed to make full payments from February, 2004, to the present, pursuant to said Mortgage as outlined in Paragraph Nine (9) below, and the Plaintiff does hereby exercise its right to accelerate the payment of debt and to demand payment in full thereon.

7. Notice was mailed to Defendant according to the provisions of Act 160 of 1998 (previously known as Act 91 of 1983 and the provisions of Act 6 of 1974) on August 24, 2004. A copy of said Notice is attached hereto, marked Exhibit "C", and is intended to become a part hereof.

8. Plaintiff is entitled to be reimbursed for reasonable attorney collection fees incurred in the prosecution of the instant action pursuant to the terms in Exhibit "A" attached hereto.

9. The following amounts are due on account of said Mortgage as of September 27, 2004:

Principal of Mortgage debt due and unpaid -----	\$10,675.69
Interest up to and including 9/27/04-----	\$ 1,070.26



(Each day add Four and 43/100 (\$4.43)  
Dollars after September 27, 2004)

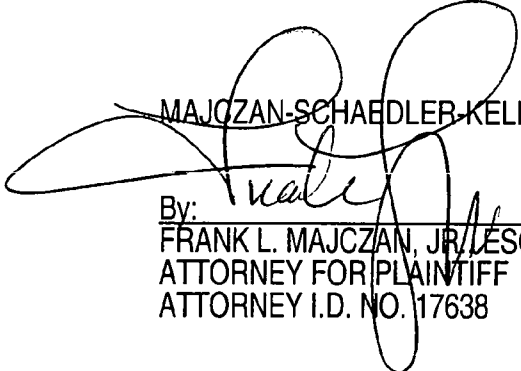
Deferred interest charges-----	\$ 476.77
Title/Appraisal Fees -----	\$ 225.00
Late charges to date -----	\$ 21.46
Attorney fees (anticipated and actual to Twenty-Five (25%) percent of the principal) -----	<u>\$ 2,668.92</u>
TOTAL	<u>\$15,138.10</u>

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

**WHEREFORE,** Plaintiff demands Judgment against Defendant, pursuant to this Complaint, in the amount of Fifteen Thousand, One Hundred Thirty-Eight and 10/100 Dollars (\$15,138.10) together with interest at the contract rate of Four and 43/100 (\$4.43) per diem from September 27, 2004, together with other charges and costs incidental thereto to the date of Sheriff's Sale and all costs of suit.

DATED: SEPTEMBER 27, 2004

MAJCZAN-SCHAEDLER-KELLEHER

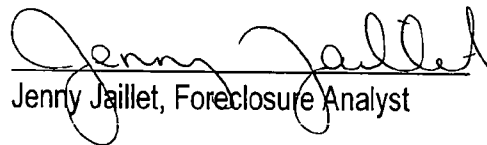
By:   
FRANK L. MAJCZAN, JR./ESQUIRE  
ATTORNEY FOR PLAINTIFF  
ATTORNEY I.D. NO. 17638

## VERIFICATION

I, Jenny Jaillet, Foreclosure Analyst, of  
CITIFINANCIAL, INC. , hereby verify that  
the statements made in COMPLAINT IN MORTGAGE FORECLOSURE are true and correct to the  
best of my knowledge, information and belief.

I understand that false statements herein are made subject to the penalties of 18 Pa. C.S.  
Section 4904, relating to unsworn falsification to authorities.

DATED: SEPTEMBER 27, 2004

  
Jenny Jaillet, Foreclosure Analyst

KAREN L. S. A  
REGISTER & DEED  
CLERK  
CLEARFIELD COUNTY  
Pennsylvania

INSTRUMENT NO.  
20010890  
RECORDED ON  
Jun 12, 2001  
2:08:08 PM

RECORDING FEES - \$19.00  
RECORDER  
COUNTY IMPROVEMENT \$1.00  
FUND  
REC'D  
IMPROVEMENT FUND  
STATE UNIT TAX \$0.50  
TOTAL \$21.50

CUSTOMER  
CITY/FINANCIAL

## MORTGAGE

THIS MORTGAGE is made this 7th day of June, 2001, between the Mortgagor,  
ELLEN M SHIELDS

and the Mortgagee, CITIFINANCIAL, INC.  
a corporation organized and existing under the laws of Maryland  
whose address is CITIFINANCIAL DUBOIS PA 15801  
(herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of U.S. \$ 13,054.91, which indebtedness is evidenced by Borrower's note dated 06/07/2001 and extensions and renewals thereof (herein "Note"), providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on 06/15/2011;

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon; the payment of all other sums, with the 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, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of **CLEARFIELD**, State of Pennsylvania:

ALL THAT CERTAIN PARCEL OF LAND IN THE CITY OF DUBOIS, CLEARFIELD  
COUNTY, COMMONWEALTH OF PENNSYLVANIA, AS MORE FULLY DESCRIBED IN  
DEED BOOK 1051, PAGE 163, ID # 7.1-08-2160, BEING KNOWN AND DESIGNATED  
AS A METES AND BOUNDS PROPERTY.

BEING premises which are more fully described in a deed dated the 19th day of NOVEMBER, 1985, and recorded in the Office of the Recorder of Deeds of CLEARFIELD County, Pennsylvania, in Record Book 1051, Volume, Page 163.

PA 0042-8 7/2000 Original (Recorded) Copy (Branch) Copy (Customer) Page 1 of 7

EXHIBIT "A"

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents, all of which shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property."

Borrower covenants that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, and that the Property is unencumbered, except for encumbrances of record.

Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

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

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and interest indebtedness evidenced by the Note and late charges as provided in the Note.

2. **Funds for Taxes and Insurance.** Subject to applicable law or a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments (including condominium and planned unit development assessments, if any) which may attain priority over this Mortgage and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Borrower shall not be obligated to make such payments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional lender.

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

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as Lender may require.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 17 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Mortgage.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to

Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, and then to the principal of the Note.

**4. 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 Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any.

**5. Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

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.

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

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

**7. Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, at the Note rate, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

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

**9. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of

condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

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

**11. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Note, (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.

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

**13. Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs", "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

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

**15. Rehabilitation Loan Agreement.** Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

**16. 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 Mortgage. However, this option shall not be exercised by Lender if exercise is

prohibited by federal law as of the date of this Mortgage.

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

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

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

18. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to at least one hour before the commencement of bidding at a sheriff's sale or other sale pursuant to this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage, and in enforcing Lender's remedies as provided in paragraph 17 hereof, including, but not limited to, reasonable attorneys' fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

19. Assignment of Rents; Appointment of Receiver; Lender in Possession. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 17 hereof or abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collections of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

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

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

**22. Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 22, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 22, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

(Intentionally left blank)



ELLEN M SHIELDS

202416

06/07/2001

REQUEST FOR NOTICE OF DEFAULT  
AND FORECLOSURE UNDER SUPERIOR  
MORTGAGES OR DEEDS OF TRUST

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page one of this Mortgage, with a copy to P. O. Box 17170, Baltimore, MD 21203, of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

Witness:

Shane P Farrell  
SHANE P FARRELL

Ellen M Shields  
ELLEN M SHIELDS

I hereby certify that the precise address of the Lender (Mortgagee) is: RD3 BOX 146H  
DUBOIS, PA 15801

On behalf of the Lender, By: JEANNE M STORY Title SR CSSR

COMMONWEALTH OF PENNSYLVANIA, CLEARFIELD County ss:

On this, the 7 day of JUNE, 2001, before me,  
SHANE P FARRELL the undersigned officer, personally appeared

ELLEN M. SHIELDS

known to me (or satisfactorily proven) to be the person whose name \_\_\_\_\_ subscribed  
to the within instrument and SHE executed the same for the  
purposes herein contained.

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

My Commission expires:

Jeanne M. Story, Publicly Notary  
Sandy Twp., Clearfield County  
My Commission Expires Feb. 1, 2003  
Member, Pennsylvania Association of Notaries

Jeanne M. Story  
Title of Officer

PA 0042-8-7/2000

Original (Recorded)

Copy (Branch)

Copy (Customer)

Page 7 of 7

(Space Below This Line Reserved For Lender and Recorder)

Commonwealth of Pennsylvania

ss.

County of

Recorded on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, in the Office for  
Recording Deeds of said County, in Mortgagee Book No. \_\_\_\_\_, Page \_\_\_\_\_

RECORDER

# Disclosure Statement, Note and Security Agreement

Borrower(s) (Name and mailing address)  ELLEN M SHIELDS 847 W LONG AVE DUBOIS PA 15801	Lender (Name, address, city and state) CITIFINANCIAL, INC.  CITIFINANCIAL DUBOIS PA 15801	Account No. 202416
		Date of Loan 06/07/2001

<b>ANNUAL PERCENTAGE RATE</b> The cost of Borrower's credit as a yearly rate.  15.50 %	<b>FINANCE CHARGE</b> The dollar amount the credit will cost Borrower.  \$ 12,717.32	<b>Amount Financed</b> The amount of credit provided to Borrower or on Borrower's behalf.  \$ 13,054.91	<b>Total of Payments</b> The amount Borrower will have paid after Borrower has made all payments as scheduled.  \$ 25,772.23
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Payment Schedule:		
Number of Payments	Amount of Payments	When Payments Are Due
1	\$ 231.26	07/15/2001
119	\$ 214.63	MONTHLY BEGINNING 08/15/2001
	\$	
	\$	

**Security:** If checked, Borrower is giving a security interest in:

☒ Real Property

☐ Mobile Home or Manufactured Home

**Late Charge:** If a payment is more than 15 days late, Borrower will be charged a late charge of the greater of \$20.00 or 10.0% of the payment amount.

**Prepayment:** If Borrower pays off early, Borrower will not have to pay a penalty; and will not be entitled to a refund of part of the finance charge.

**Demand Feature:**

☒ Not Applicable ☐ This obligation has a demand feature.

See the contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties.

Additional Information:  
PRINCIPAL \$ 13,054.91 APPLICATION FEE NONE DATE CHARGES BEGIN 06/12/2001

## INSURANCE DISCLOSURE

**Required Insurance:** If Borrower obtains credit that is secured by Borrower's interest in improved real property (including a mobile or manufactured home that is part of real property), then Lender requires Borrower to provide fire and extended coverage for the replacement value of the improvements. If the collateral securing the credit is a motor vehicle (including a recreational vehicle, boat, or movable mobile home), Borrower must provide collision and comprehensive casualty insurance in an amount sufficient to satisfy the unpaid balance of the loan or equal to the value of the collateral, whichever is less. All such policies and renewals thereof must name Lender as loss payee and must be maintained by Borrower, until the credit is repaid in full. Borrower may obtain a new insurance policy or provide an existing policy from any insurer that is acceptable to Lender. If Borrower obtains the collateral protection coverage or Automobile Physical Damage Insurance at Lender's office, Borrower acknowledges that such insurance (1) may cost more than insurance that is available from another insurer, (2) will only protect Lender's interest in the collateral and does not protect Borrower's interest, and (3) does not protect Borrower from claims by other persons.

**Optional Insurance:** Credit life insurance, credit disability insurance, credit personal property insurance, involuntary unemployment insurance, and any other insurance products that are not required per the above paragraph are optional to Borrower and are not required in order to obtain credit. If Borrower desires voluntarily to purchase any of these optional insurance products, Borrower must sign below and in other required documents and will receive an insurance certificate or policy detailing the coverage terms and conditions that apply to the insurance. Borrower should refer to the terms and conditions contained in the applicable insurance certificate or policy issued for the exact description of benefits and exclusions. Borrower is encouraged to inquire about coverage and refund provisions.

If the initial amount of coverage for credit life insurance and/or credit personal property insurance set forth in Borrower's insurance certificate or policy is equal to the Total of Payments stated above, it may exceed the amount necessary to pay off Borrower's loan at any given time. Any excess insurance coverage amount that may become payable will be paid to the appropriate party as designated in the insurance certificate or policy. Borrower acknowledges that if optional credit personal property insurance is purchased, Borrower's property coverage under other policies such as homeowner's or renter's insurance may be adversely affected.

Borrower's regular monthly loan payment if Borrower elects not to purchase insurance will be \$ 214.63.

**Termination of Optional Insurance:** Borrower may cancel any of the optional insurance products obtained at Lender's office at any time upon Borrower's written request for cancellation to Lender. If Borrower is in default under the terms of this agreement, Borrower authorizes the insurer to terminate any and/or all optional insurance products upon Lender's request. Upon termination of any insurance for any reason, Borrower authorizes and directs that the insurer deliver the premium refund, if any, to Lender, which will apply it to Borrower's outstanding loan balance. Borrower hereby irrevocably and unconditionally assigns to Lender any right, title or interest which Borrower may have in any premium refund ("Refund"). Such assignment is absolute and not intended as security. Borrower acknowledges and agrees that the Refund shall be the sole property of Lender and that Borrower shall have no interest in the Refund. Lender agrees to pay to Borrower any amount by which the Refund received by Lender exceeds the outstanding loan balance.

If we request the following insurance:

Cost/Premium:	Insurance Type:	Insurance Term (in mos.):	First Borrower's Signature	Date
\$NONE			<i>Ellen M. Shields</i>	6-7-01
\$NONE				
\$NONE				
\$NONE				
\$NONE				

## SECONDARY MORTGAGE NOTE

This agreement is subject to the provisions of the Secondary Mortgage Loan Act.

**TERMS:** In this Disclosure Statement, Note and Security Agreement, the word "Borrower" refers to the persons signing below as Borrower, whether one or more. If more than one Borrower signs, each will be responsible, individually and together, for all promises made and for repaying the loan in full. The word "Lender" refers to the Lender, whose name and address are shown above.

**PROMISE TO PAY:** In return for a loan that Borrower has received, Borrower promises to pay to the order of Lender the Principal amount shown above, plus interest on the unpaid Principal balance from the Date Charges Begin shown above at the Agreed Rate of Interest of 15.4992 % per annum. Lender will compute interest on the unpaid Principal balance on a daily basis from the date charges begin until Borrower repays the loan. If Borrower does not make sufficient or timely payments according to the payment schedule above, Borrower will incur greater interest charges on the loan. On the N/A month anniversary of the Date of Loan shown above, the Agreed Rate of Interest shall decrease to N/A % per annum on the unpaid Principal balance until the balance is paid in full.

Any amount shown above as an Application Fee is considered a prepaid charge and is in addition to interest at the agreed rates. In the event of prepayment of the loan, this Fee will not be refundable to Borrower.

Borrower's Initials: *ES*

Principal and interest shall be payable in the monthly installments shown above, except that any appropriate adjustments will be made to the first and final payments, beginning on the first payment date shown above, and continuing on the same day in each following month until paid in full unless this loan is subject to a call provision as indicated, in which event the final payment date may be accelerated. Upon the final payment date or the acceleration thereof, the entire outstanding balance of Principal and interest evidenced by this Disclosure Statement, Note and Security Agreement shall be due and payable. Any payment(s) which Lender accepts after the final payment date or the acceleration thereof do not constitute a renewal or extension of this loan unless Lender so determines.

Each payment will be applied first to interest computed to the date of payment, with the remainder applied to Principal. Lender may collect interest from and after maturity upon the unpaid Principal balance at either the maximum rate permitted by the then applicable law or the rate of interest prevailing under this Disclosure Statement, Note and Security Agreement.

If this box is checked, the following provision applies:

**CALL:** Lender, at its option, may declare any remaining indebtedness immediately due and payable \_\_\_\_\_ years after the date of this loan or annually thereafter on the anniversary of that date.

**LATE CHARGE:** If any installment is paid more than 15 days after the scheduled payment date, Borrower agrees to pay a late charge of the greater of \$ 20.00 or 1.0 % of the installment amount. Lender may, at its option, waive any late charge or portion thereof without waiving its right to require a late charge with regard to any other late payment.

**PREPAYMENT:** Borrower may prepay this loan in whole or in part at any time without penalty. However, upon partial prepayment, interest will continue to accrue on any remaining Principal balance. Partial prepayment and the application of a Refund to the unpaid balance of the loan will not affect the amount or due date of subsequent scheduled payments on the loan, but may reduce the number of such payments.

**SECURITY:** This loan is secured by a lien against the real property located at 847 W LONG AVE  
DUBOIS PA 15801

See either the Deed of Trust or the Mortgage for terms applicable to Lender's interest in Borrower's real property ("Property").

**INSURANCE:** If Borrower purchases any insurance at Lender's office, Borrower understands and acknowledges that (1) the insurance company may be affiliated with Lender, (2) Lender's employee(s) may be an agent for the insurance company, (3) such employee(s) is not acting as the agent, broker or fiduciary for Borrower on this loan, but may be the agent of the insurance company, and (4) Lender or the insurance company may realize some benefit from the sale of that insurance. If Borrower fails to obtain or maintain any required insurance or fails to designate an agent through whom the insurance is to be obtained, Lender may purchase such required insurance for Borrower through an agent of Lender's choice, and the amounts paid by Lender will be added to the unpaid balance of the loan.

**LOAN CHARGES:** If a law that applies to this loan and that 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 will be reduced by the amount necessary to reduce the charge to the permitted limit, and (ii) any sums already collected from Borrower that exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under this loan or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge.

**DEFAULT:** Borrower will be in default if he does not make any scheduled payment on time or fails to comply with the provisions of any mortgage on the real property which secures this loan. If Borrower defaults, Lender may require Borrower to repay the entire unpaid Principal balance and any accrued interest at once. Lender's failure to exercise or delay in exercising any of its rights when default occurs does not constitute a waiver of those or any other rights under this agreement. As permitted by the Secondary Mortgage Loan Act, Borrower agrees to pay actual and reasonable attorney's fees, court costs, and other actual and reasonable costs incurred in foreclosing on the real property securing this loan. Borrower will receive written notice at least 30 days prior to foreclosure.

**LAW THAT APPLIES:** Pennsylvania law and federal law, as applicable, govern this Disclosure Statement, Note and Security Agreement. If any part is unenforceable, this will not make any other part unenforceable. In no event will Borrower be required to pay interest or charges in excess of those permitted by law.

**RETURNED CHECK FEE:** Lender may charge a fee, not to exceed \$ 20.00 if a check, negotiable order of withdrawal or share draft is returned for insufficient funds or insufficient credit.

**OTHER TERMS:** Where the context requires, singular words may be read in the plural and plural words in the singular, and references to the masculine gender may be read to apply to the feminine gender.

Borrower, endorser, sureties and guarantors, to the extent permitted by law, severally waive their right to require Lender to demand payment of amounts due, to give notice of amounts that have not been paid, to receive notice of any extensions of time to pay which Lender allows to any Borrower and to require Lender to show particular diligence in bringing suit against anyone responsible for repayment of this loan, and additionally, waive benefit of homestead and exemption laws now in force or later enacted, including stay of execution and condemnation, on any Property securing this loan and waive the benefit of valuation and appraisal.

This Disclosure Statement, Note and Security Agreement shall be the joint and several obligation of all makers, sureties, guarantors and endorser and shall be binding upon them, their heirs, successors, legal representatives and assigns.

If any part of the Disclosure Statement, Note and Security Agreement and, if applicable, the Mortgage or Deed of Trust and accompanying Itemization of Amount Financed is unenforceable, this will not make any other part unenforceable.

**REFINANCING:** The overall cost of refinancing an existing loan balance may be greater than the cost of keeping the existing loan and obtaining a second loan for any additional funds Borrower wishes to borrow.

(Intentionally left blank)

Borrower's Initials: ES

## NOTICE OF ARBITRATION PROVISION

THIS ARBITRATION PROVISION PROVIDES THAT ALL DISPUTES BETWEEN BORROWER AND LENDER, EXCEPT THOSE SPECIFIED BELOW, WILL BE RESOLVED BY MANDATORY, BINDING ARBITRATION. YOU THUS GIVE UP YOUR RIGHT TO GO TO COURT TO ASSERT OR DEFEND YOUR RIGHTS (EXCEPT FOR MATTERS THAT ARE EXCLUDED FROM ARBITRATION AS SPECIFIED BELOW). YOUR RIGHTS WILL BE DETERMINED BY A NEUTRAL ARBITRATOR AND NOT A JUDGE OR JURY. YOU ARE ENTITLED TO A FAIR HEARING, BUT THE ARBITRATION PROCEDURES ARE SIMPLER AND MORE LIMITED THAN RULES APPLICABLE IN COURT.

In consideration of Lender making the extension of credit described above and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by both parties, You and We agree that either You or We have an absolute right to demand that any Claim be submitted to an arbitrator in accordance with this Arbitration Provision. If either You or We file a lawsuit, counterclaim, or other action in court, the other party has the absolute right to demand arbitration following the filing of such action.

**Definitions for Arbitration Provision.** As used in this Arbitration Provision ("Provision"), the following definitions will apply:

"You" or "Your" means any or all of Borrower(s) who execute this Disclosure Statement, Note and Security Agreement, and their heirs, survivors, assigns, and representatives.

"We" or "Us" means the Lender under this Disclosure Statement, Note and Security Agreement, American Health & Life Insurance Company, Triton Insurance Company, and any assignee of Lender, together with all of their respective corporate parents, subsidiaries, affiliates, predecessors, assignees, successors, employees, agents, directors, and officers (whether acting in their corporate or individual capacity).

"Credit Transaction" means any one or more past, present, or future extension, application, or inquiry of credit or forbearance of payment such as a loan, retail credit agreement, or otherwise from any of Us to You.

"Claim" means any case, controversy, dispute, tort, disagreement, lawsuit, or claim now or hereafter existing between You and Us. A Claim includes, without limitation, anything related to:

- This Provision, its enforceability, and the arbitrability of any Claim pursuant to this Provision, including but not limited to the scope of this Provision and any defenses to enforcement of this Provision;
- Any Credit Transaction;
- Any past, present, or future insurance, service, or other product that is offered or purchased in connection with a Credit Transaction;
- Any documents or instruments that contain information about any Credit Transaction, insurance, service, or product;
- Any act or omission by any of Us;
- Fraud or misrepresentation, including claims for failing to disclose material facts;
- Any federal or state statute or regulation, or any alleged violation thereof, including without limitation insurance, usury, and lending laws;
- Any party's execution of this Provision and/or willingness to be bound by its terms and provisions; or
- Any dispute about closing, servicing, collecting, or enforcing a Credit Transaction.

**Agreement to Arbitrate Claims.** Upon written request by either party that is submitted according to the applicable rules for arbitration, any Claim, except those specified below in this Provision, shall be resolved by binding arbitration in accordance with (i) the Federal Arbitration Act, (ii) the Financial Services Arbitration Rules and Procedures of JAMS/Endispute, Inc. ("Administrator"), and (iii) this Provision, unless we both agree in writing to forgo arbitration. The terms of this Provision shall control any inconsistency between the rules of the Administrator and this Provision. You may obtain a copy of the arbitration rules by calling (800) 448-1660 or by accessing the Administrator's internet site at [www.jamsadr.com/financial\\_rules.asp](http://www.jamsadr.com/financial_rules.asp). At Your request, We will obtain and provide to You copies of the Administrator's rules and other materials, including a form Demand for Arbitration. Any party to this Provision may bring an action, including a summary or expedited proceeding, to compel arbitration of any Claim, and/or to stay the litigation of any Claim pending arbitration, in any court having jurisdiction. Such action may be brought at any time, even if a Claim is part of a lawsuit, up until the entry of a final judgment. Pursuant to this Provision, You and We also agree to submit to final, binding arbitration not only all Claims, but also any claim or dispute You or We have against (i) all persons or entities involved with any Credit Transaction or any other matter covered by this Disclosure Statement, Note and Security Agreement, (ii) all persons who signed or executed any document relating to any Credit Transaction or Claim, and (iii) all persons or entities who may be jointly or severally liable to either You or any of Us regarding any Claim.

**Judgment.** Judgment upon any arbitration award may be entered in any court having jurisdiction. If timely requested by either party, the arbitrator shall provide a brief written statement of the reasons for any award.

**Claims Excluded from Arbitration.** The following types of matters will not be arbitrated. This means that neither one of us can require the other to arbitrate:

- Any action to effect a foreclosure to transfer title to the property being foreclosed, or exercise of extra-judicial or self-help repossession under applicable law; or
- Any matter where all parties collectively (including multiple named parties) seek monetary relief in the aggregate of \$15,000.00 or less in total relief, including but not limited to compensatory, statutory and punitive damages; restitution; disgorgement; costs and fees (including attorneys' fees), or any Claims brought in a small claims court. In the event You attempt to assert any of Your Claims on behalf of a putative class of persons, in violation of other terms in this Provision, the value of Your Claims will, for purposes of this exclusion, be deemed to exceed \$15,000.00. In the event that any party fails to specify the amount being sought for any relief, or any form or component of relief, the amount being sought shall, for purposes of this exclusion, be deemed to exceed \$15,000.00.

However, should either party initiate arbitration, the other party, at its option, may seek injunctive and monetary relief in arbitration. Participating in a lawsuit or seeking enforcement of this section by a court shall not waive the right to arbitrate any other Claim.

**Additional Terms.**

**Administration of Arbitration.** Arbitration shall be administered by the Administrator, but if it is unable or unwilling to administer the arbitration, then the American Arbitration Association will administer any arbitration required under this Provision pursuant to its Commercial Arbitration Rules and Expedited Procedures. The arbitrator shall make his or her decision in accordance with the applicable law, and shall be empowered to award any damages or other relief provided for under the applicable law.

**Place of Arbitration.** The arbitration shall be conducted in the county of Your residence, unless all parties agree to another location.

**Appeal.** Either You or We may appeal the arbitrator's award in accordance with the Optional Appeals Procedures of the Administrator, and the award may be subject to judicial review on the grounds stated in 9 U.S.C. § 10.

**No Class Actions/No Joinder of Parties.** You agree that any arbitration proceeding will only consider Your Claims. Claims by or on behalf of other borrowers will not be arbitrated in any proceeding that is considering Your Claims. Because You have agreed to arbitrate all Claims, You may not serve as a class representative or participate as a class member in a putative class action against any party entitled to compel arbitration under this Provision.

**Depositions.** After a demand for arbitration is made, You and We may conduct a limited number of depositions by mutual agreement. Any disagreements concerning the taking of depositions will be resolved by the arbitrator.

**Costs.** The cost of any arbitration proceeding shall be divided as follows:

- The party making demand upon the Administrator for arbitration shall pay the initial filing fee up to \$125.00 to the Administrator when the demand is made. We will pay any balance.
- We will pay to the Administrator all other costs for the arbitration proceeding up to a maximum of one day (eight hours) of hearings.
- All costs of the arbitration proceeding that exceed one day of hearings will be advanced by the party that initiated the arbitration. To the extent allowed by the applicable arbitration rules and applicable law, the arbitrator may tax or assess costs of the arbitration to any party.
- In the case of an appeal, the appealing party will advance any costs of initiating an appeal. The non-prevailing party shall pay all costs, fees, and expenses of the appeal proceeding and, if applicable, shall reimburse the prevailing party for the cost of filing an appeal.
- Each party shall pay his/her own attorney, expert, and witness fees and expenses, unless otherwise required by law or by other terms of this Disclosure Statement, Note and Security Agreement.

**Governing Law.** This Provision is governed by federal law and by the laws of the state where the closing of the Credit Transaction took place, but only to the extent that such state laws are consistent or compatible with federal law.

Borrower's Initials: ES

Severability. If the arbitrator or any court determines that one or more terms of this Provision or the arbitration rules are unenforceable, or would make this Provision unenforceable, only such terms(s) shall be deemed unenforceable and shall be deemed stricken from this Provision, but such determination shall not impair or affect the enforceability of the other terms of this Provision or the arbitration rules.

Special Acknowledgments. You understand and acknowledge by signing Your name to this Provision that (i) a court and/or jury will not hear or decide any Claim governed by this Provision, (ii) the funding for Your Credit Transaction will come in whole or in part from sources outside this state, which will constitute interstate commerce within the meaning of the United States Arbitration Act, 9 U.S.C. §§1-9, (iii) discovery in an arbitration proceeding can be much more limited than in a court proceeding, (iv) rights to appeal an arbitration award are very limited, and (v) the rights of the parties hereunder may not be exactly mutual in all respects.

READ THE ABOVE ARBITRATION PROVISION CAREFULLY. IT LIMITS CERTAIN OF YOUR RIGHTS, INCLUDING YOUR RIGHT TO OBTAIN REDRESS THROUGH COURT ACTION.

*Ellen M. Shields*  
ELLEN M SHIELDS

(Seal)  
-Borrower

(Seal)  
-Borrower

The following notice applies only if this box is checked. ☐

#### NOTICE

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

By signing below, Borrower agrees to the terms contained herein, acknowledges receipt of a copy of this Disclosure Statement, Note and Security Agreement and, if applicable, the Mortgage or Deed of Trust and of the accompanying Itemization of Amount Financed, and authorizes the disbursements stated therein.

WITNESSES:

SIGNED:

*Ellen M. Shields*  
ELLEN M SHIELDS

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

CITIFINANCIAL, INC.

By:

*Shau Javell*  
(Name and Title)

**SECURITY INTEREST OF NONOBLIGOR:** Borrower only is personally liable for payment of the loan. Nonobligor is liable and bound by all other terms, conditions, covenants, and agreements contained in this Disclosure Statement, Note and Security Agreement, including but not limited to the right and power of Lender to repossess and sell the Property securing this loan, in the event of default by Borrower in payment of this loan.

Signature (Seal)

Date

Signature (Seal)

Date

### **DESCRIPTION**

ALL THAT CERTAIN piece or parcel of land situate in the First Ward of the City of DuBois, Clearfield County, Pennsylvania, being bounded and described as follows:

BEGINNING at a post at the corner of Long Avenue and Simmons Street; thence along the line of Simmons Street 100 feet, more or less, to a post at the lot now or formerly of Alex Lukeszewicz; thence along the line of the same towards the lot now or formerly of Annie Lawshaw 66 feet, more or less, to a post; thence along the line of the same towards Long Avenue 128 feet, more or less, to a post at Long Avenue; thence along the line of the same along the line of Long Avenue 57 feet, more or less, to a post and the place of Beginning.

NOTICE - THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT. (THIS NOTICE IS SET FORTH PURSUANT TO ACT NO. 255, APPROVED SEPTEMBER 10, 1965, AS AMENDED).

PARCEL ID# 008-000-02160

**EXHIBIT "B"**

LAW OFFICES  
MAJCZAN-SCHAEDLER-KELLEHER

Frank L. Majczan, Jr.  
Richard J. Schaedler  
Kevin J. Kelleher

901 West Lehigh Street  
Suite 200  
Bethlehem, PA 18018

Telephone 610-882-2111  
Facsimile 610-882-2588

# ACT 91 NOTICE

## TAKE ACTION TO SAVE YOUR HOME FROM FORECLOSURE

This is an official notice that the mortgage on your home is in default, and the lender intends to foreclose. Specific information about the nature of the default is provided in the attached pages.

The HOMEOWNER'S MORTGAGE ASSISTANCE PROGRAM (HEMAP) may  
be able to help to save your home.

This Notice explains how the program works.

To see if HEMAP can help you, you must MEET WITH A CONSUMER CREDIT COUNSELING AGENCY WITHIN 30 DAYS OF THE DATE OF THIS NOTICE. Take this Notice with you when you meet with the Counseling agency.

The name, address and phone number of the Consumer Credit Counseling Agencies serving your County are listed at the end of this Notice. If you have any questions, you may call the Pennsylvania Housing Finance Agency toll free at 1-800-342-2397 (Persons with impaired hearing can call (717) 780-1869).

This Notice contains important legal information. If you have any questions, representatives at the Consumer Credit Counseling Agency may be able to help explain it. You may also want to contact an attorney in your area. The local bar association may be able to help you find a lawyer.

LA NOTIFICACION EN ADJUNTO ES DE SUMA IMPORTANCIA, PUES AFECTA SU DERECHO A CONTINUAR VIVIENDO EN SU CASA. SI NO COMPRENDE EL CONTENIDO DE ESTA NOTIFICACION OBTENGA UNA TRADUCCION INMEDITAMENTE LLAMANDO ESTA AGENCIA (PENNSYLVANIA HOUSING FINANCE AGENCY) SIN CARGOS AL NUMERO MENCIONADO ARRIBA. PUEDES SER ELEGIBLE PARA UN PRESTAMO POR EL PROGRAMA

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Dubois, Pa. 15801

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LLAMADO "HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE PROGRAM" EL CUAL PUEDE SALVAR SU CASA DE LA PERDIDA DEL DERECHO A REDIMIR SU HIPOTECA.

HOMEOWNER'S NAME(S): ELLEN M. SHIELDS  
PROPERTY ADDRESS: 847 W. LONG AVENUE, CITY OF DUBOIS,  
CLEARFIELD COUNTY, PENNSYLVANIA 15801  
LOAN ACCT. NO.: 20-0051-0220103  
ORIGINAL LENDER: CITIFINANCIAL, INC.  
CURRENT LENDER/SERVICER: CITIFINANCIAL, INC.

**HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE PROGRAM**

**YOU MAY BE ELIGIBLE FOR FINANCIAL ASSISTANCE WHICH CAN SAVE YOUR HOME FROM FORECLOSURE AND HELP YOU MAKE FUTURE MORTGAGE PAYMENTS**

**IF YOU COMPLY WITH THE PROVISIONS OF THE HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE ACT OF 1983 (THE "ACT"), YOU MAY BE ELIGIBLE FOR EMERGENCY MORTGAGE ASSISTANCE:**

● **IF YOUR DEFAULT HAS BEEN CAUSED BY CIRCUMSTANCES BEYOND YOUR CONTROL,**

● **IF YOU HAVE A REASONABLE PROSPECT OF BEING ABLE TO PAY YOUR MORTGAGE PAYMENTS, AND**

● **IF YOU MEET OTHER ELIGIBILITY REQUIREMENTS ESTABLISHED BY THE PENNSYLVANIA HOUSING FINANCE AGENCY.**

**TEMPORARY STAY OF FORECLOSURE** - Under the Act, you are entitled to a temporary stay of foreclosure on your mortgage for thirty (30) days from the date of this Notice. During that time, you must arrange and attend a "face-to-face" meeting with one of the consumer credit counseling agencies listed at the end of this Notice. **THIS MEETING MUST OCCUR WITHIN THE**



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**NEXT THIRTY (30) DAYS. IF YOU DO NOT APPLY FOR EMERGENCY MORTGAGE ASSISTANCE, YOU MUST BRING YOUR MORTGAGE UP TO DATE. THE PART OF THIS NOTICE CALLED "HOW TO CURE YOUR MORTGAGE DEFAULT" EXPLAINS HOW TO BRING YOUR MORTGAGE UP TO DATE.**

**CONSUMER CREDIT COUNSELING AGENCIES** - If you meet with one of the consumer credit counseling agencies listed at the end of this notice, the lender may NOT take action against you for thirty (30) days after the date of this meeting. The names, addresses and telephone numbers of designated consumer credit counseling agencies for the county in which the property is located are set forth at the end of this Notice. It is only necessary to schedule one (1) face-to-face meeting. Advise your lender immediately of your intentions.

**APPLICATION FOR MORTGAGE ASSISTANCE** - Your mortgage is in default for the reasons set forth later in this Notice (see following pages for specific information about the nature of your default). If you have tried and are unable to resolve this problem with the lender, you have the right to apply for financial assistance from the Homeowner's Emergency Mortgage Assistance Program. To do so, you must fill out, sign and file a completed Homeowner's Emergency Assistance Program Application with one of the designated consumer credit counseling agencies listed at the end of this Notice. Only consumer credit counseling agencies have applications for the program and they will assist you in submitting a complete application to the Pennsylvania Housing Finance Agency. Your application **MUST** be filed or postmarked within thirty (30) days of your face-to-face meeting.

**YOU MUST FILE YOUR APPLICATION PROMPTLY. IF YOU FAIL TO DO SO OR IF YOU DO NOT FOLLOW THE OTHER TIME PERIODS SET FORTH IN THIS LETTER, FORECLOSURE MAY PROCEED AGAINST YOUR HOME IMMEDIATELY AND YOUR APPLICATION FOR MORTGAGE ASSISTANCE WILL BE DENIED.**

**AGENCY ACTION** - Available funds for emergency mortgage assistance are very limited. They will be disbursed by the Agency under the eligibility criteria established by the Act. The Pennsylvania Housing Finance Agency has sixty (60) days to make a decision after it receives your application. During that time, no foreclosure proceedings will be pursued against you if you

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have met the time requirements set forth above. You will be notified directly by the Pennsylvania Housing Finance Agency of its decision on your application.

**NOTE: IF YOU ARE CURRENTLY PROTECTED BY THE FILING OF A PETITION IN BANKRUPTCY, THE FOLLOWING PART OF THIS NOTICE IS FOR INFORMATION PURPOSES ONLY AND SHOULD NOT BE CONSIDERED AS AN ATTEMPT TO COLLECT THE DEBT.**

(If you have filed bankruptcy you can still apply for Emergency Mortgage Assistance.)

**HOW TO CURE YOUR MORTGAGE DEFAULT (Bring it up to date).**

**NATURE OF THE DEFAULT** - The MORTGAGE debt held by the above lender on your property located at 847 W. LONG AVENUE, CITY OF DUBOIS, CLEARFIELD COUNTY, PENNSYLVANIA 15801 IS SERIOUSLY IN DEFAULT because:

- A. YOU HAVE NOT MADE MONTHLY MORTGAGE PAYMENTS for the following dates and the following amounts are now past due:

REGULAR MONTHLY PAYMENTS OF \$207.53 FOR 3/15/04 THROUGH AND INCLUDING 8/15/04 (6 PAYMENTS) SUBTOTALING \$1,245.18;

Other charges (explain/itemize): TITLE/APPRAISAL FEES IN THE AMOUNT OF \$225.00; PARTIAL PAYMENT IN THE AMOUNT OF \$57.53 AND LATE CHARGES IN THE AMOUNT OF \$21.46

**TOTAL AMOUNT PAST DUE:** \$1,549.17

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

**HOW TO CURE THE DEFAULT** - You may cure the default within THIRTY (30) DAYS of the date of this notice **BY PAYING THE TOTAL AMOUNT PAST DUE TO THE LENDER, WHICH IS**

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\$ 1,549.17 \_\_\_\_\_, PLUS ANY MORTGAGE PAYMENTS AND LATE CHARGES WHICH BECOME DUE DURING THE THIRTY (30) DAY PERIOD. Payments must be made either by cash, cashier's check, certified check or money order made payable and sent to:

MS. JENNY JAILLET, FORECLOSURE ANALYST  
CITIFINANCIAL, INC.  
7467 NEW RIDGE ROAD, SUITE 200  
HANOVER, MD 21076

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

**IF YOU DO NOT CURE THE DEFAULT** - If you do not cure the default within THIRTY (30) DAYS of the date of this Notice, the lender intends to exercise its rights to accelerate the mortgage debt. This means that the entire outstanding balance of this debt will be considered due immediately and you may lose the chance to pay the mortgage in monthly installments. If full payment of the total amount past due is not made within THIRTY (30) DAYS, the lender also intends to instruct its attorneys to start legal action to foreclose upon your mortgaged property.

**IF THE MORTGAGE IS FORECLOSED UPON** - The mortgaged property will be sold by the Sheriff to pay off the mortgage debt. If the lender refers your case to its attorneys, but you cure the delinquency before the lender begins legal proceedings against you, you will still be required to pay the reasonable attorney's fees that were actually incurred, up to \$50.00. However, if legal proceedings are started against you, you will have to pay all reasonable attorney's fees actually incurred by the lender even if they exceed \$50.00.

Any attorney's fees will be added to the amount you owe the lender, which may also include other reasonable costs. If you cure the default within the THIRTY (30) DAY period, you will not be required to pay attorney's fees.

**OTHER LENDER REMEDIES** - This lender may also sue you personally for the unpaid principal balance and all other sums due under the mortgage.

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**RIGHT TO CURE THE DEFAULT PRIOR TO SHERIFF'S SALE** - If you have not cured the default within the THIRTY (30) DAY period and foreclosure proceedings have begun, you still have the right to cure the default and prevent the sale at any time up to one (1) hour before the Sheriff's Sale. You may do so by paying the total amount then past due, plus any late or other charges then due, reasonable attorney's fees and costs connected with the foreclosure sale and any other costs connected with the Sheriff's Sale as specified in writing by the lender and by performing any other requirements under the mortgage. **Curing your default in the manner set forth in this notice will restore your mortgage to the same position as if you had never defaulted.**

**EARLIEST POSSIBLE SHERIFF'S SALE DATE** - It is estimated that the earliest date that such a Sheriff's Sale of the mortgaged property could be held would be **approximately six (6) months from the date of this Notice.** A notice of the actual date of the Sheriff's Sale will be sent to you before the sale. Of course, the amount needed to cure the default will increase the longer you wait. You may find out at any time exactly what the required payment or action will be by contacting the lender.

**HOW TO CONTACT THE LENDER:**

**Name of Lender: Citifinancial Services, Inc.**  
**Address: 311 New Rodgers Road, Levittown, Pa. 19056**  
**Phone Number: (877) 675-3656**  
**Contact Person: Loss Mitigation**

**Attorney for Lender: Frank L. Majczan, Jr., Esquire**  
**Address: 901 W. Lehigh Street, Suite 200, Bethlehem, Pa. 18018**  
**Phone Number: (610) 882-2111**  
**Fax Number: (610) 882-2588**

**EFFECT OF SHERIFF'S SALE** - You should realize that a Sheriff's Sale will end your ownership of the mortgaged property and your right to occupy it. If you continue to live in the property after the Sheriff's Sale, a lawsuit to remove you and your furnishings and other belongings could be started by the lender at any time.

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**ASSUMPTION OF MORTGAGE** - You \_\_\_ may or X may not (CHECK ONE) sell or transfer your home to a buyer or transferee who will assume the mortgage debt, provided that all the outstanding payments, charges and attorney's fees and costs are paid prior to or at the sale and that the other requirements of the mortgage are satisfied.

**YOU MAY ALSO HAVE THE RIGHT:**

● TO SELL THE PROPERTY TO OBTAIN MONEY TO PAY OFF THE MORTGAGE DEBT OR TO BORROW MONEY FROM ANOTHER LENDING INSTITUTION TO PAY OFF THIS DEBT.

● TO HAVE THIS DEFAULT CURED BY ANY THIRD PARTY ACTING ON YOUR BEHALF.

● TO HAVE THE MORTGAGE RESTORED TO THE SAME POSITION AS IF NO DEFAULT HAD OCCURRED, IF YOU CURE THE DEFAULT. (HOWEVER, YOU DO NOT HAVE THIS RIGHT TO CURE YOUR DEFAULT MORE THAN THREE TIMES IN ANY CALENDAR YEAR.)

● TO ASSERT THE NONEXISTENCE OF A DEFAULT IN ANY FORECLOSURE PROCEEDING OR ANY OTHER LAWSUIT INSTITUTED UNDER THE MORTGAGE DOCUMENTS.

● TO ASSERT ANY OTHER DEFENSE YOU BELIEVE YOU MAY HAVE TO SUCH ACTION BY THE LENDER.

● TO SEEK PROTECTION UNDER THE FEDERAL BANKRUPTCY LAW.

CONSUMER CREDIT COUNSELING AGENCIES SERVING YOUR COUNTY

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CLEARFIELD COUNTY

CCCS of Northeastern PA  
208 W. Hamilton Avenue,  
Suite 1, Hamilton Square  
State College, PA 16801  
(814) 238-3668

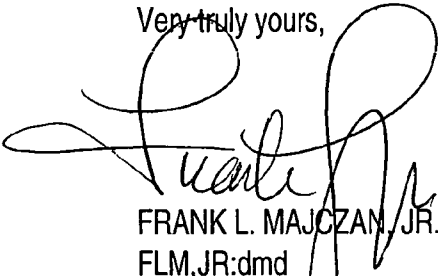
CCCS of Western PA  
219-A College Park Plaza  
Johnstown, Pa. 15904  
888-559-2227 Ext. 108

CCCS of Western Pa., Inc.  
217 E. Plank Road  
Altoona, Pa. 16602  
888-559-2227 Ext. 108

Indiana Co. Community Action Program  
827 Water Street, Box 187  
Indiana, Pa. 15701  
(724) 465-2657

Keystone Economic Development Corp.  
1954 Mary Grace Lane  
Johnstown, Pa. 15901  
(814) 535-6556

Very truly yours,



FRANK L. MAJCZAN, JR.

FLM, JR:dmd

**CERTIFIED MAIL/RETURN RECEIPT REQUESTED**  
**FIRST CLASS MAIL/CERTIFICATE OF MAILING**