

05-1339-CD
ABN Amro Mort. Vs D. Saltsman

ABN Amro Mort. Vs Douglas Saltsman et al
2005-1339-CD

Date: 07/13/2006

Clearfield County Court of Common Pleas

User: LMILLER

Time: 10:50 AM

ROA Report

Page 1 of 2

Case: 2005-01339-CD

Current Judge: Fredric Joseph Ammerman

ABN Amro Mortgage Group, Inc. vs. Douglas L. Saltsman, Elaine M. Saltsman

Mortgage Foreclosures

Date		Judge
08/30/2005	New Case Filed.	No Judge
	Filing: Civil Action-Law Complaint in Mortgage Foreclosure, situated in the Township of Girard. Paid by: Hallinan, Francis S. (attorney for ABN Amro Mortgage Group, Inc.) Receipt number: 1907448 Dated: 08/30/2005 Amount: \$85.00 (Check) 3CC Shff.	No Judge
09/12/2005	Filing: Reissue Writ/Complaint Paid by: Hallinan, Francis S. (attorney for ABN Amro Mortgage Group, Inc.) Receipt number: 1908236 Dated: 09/12/2005 Amount: \$7.00 (Check)	No Judge
	Praeipce to reinstate Civil action/Mortgage Foreclosure filed by s/ Francis S. Hallinan Esq. No CC., 2Complaints reinstated to shff.	No Judge
10/28/2005	Sheriff Return, September 23, 2005 at 1:25pm served the within Complaint in Mortgage Foreclosure on Douglas L. Saltsman. September 23, 2005 at 11:31 am-served the within Complaint in Mortgage Foreclosure on Eliane M. Saltsman. So Answers, Chester A. Hawkins, Sheriff by s/Marilyn Hamm Shff Hawkins costs pd by atty for plff \$72.96.	No Judge
	Sheriff Return, October 27, 2005 Returned the within Complaint in Mortgage Foreclosure "NOT SERVED" as to Douglas L. Saltsman. October 27, 2005 Returned the within Complaint in Mortgage Forecloure "NOT SERVED" as to Eliane M. Saltsman. So Answers, Chester A. Hawkins, Sheriff by s/Marilyn Hamm	No Judge
12/22/2005	Filing: Praeipce to Reinstate Civil Acton/Mortgage Foreclosure Paid by: Hallinan, Francis S. (attorney for ABN Amro Mortgage Group, Inc.) Receipt number: 1911771 Dated: 12/22/2005 Amount: \$7.00 (Check) 1 reinstated to atty. and 1 to sheriff.	No Judge
02/01/2006	Motion For Equitable Conversion to Real Property, filed by s/ Michele M. Bradford, Esquire. NO CC	No Judge
02/06/2006	Order, NOW, this 6th day of Feb., 2006, upon consideration of Plaintiff's Motion for Equitable Conversion to Real Property filed in the above matter, Ordered that a hearing has been scheduled for the 15th day of March, 2006, at 2:00 p.m. in Courtroom No. 1. By The Court, /s/ Fredric J. Ammerman, Pres. Judge. 3CC Atty. Bradford	No Judge
02/15/2006	Certification of Service, filed. That true and correct copies of the Order dated February 6, 2006, were served on Douglas L. Saltsman and Eliane M. Saltsman, filed by s/ Michele M. Bradford Esq. No CC.	Fredric Joseph Ammerman
03/15/2006	Sheriff Return, December 29, 2005 at 10:15 am served the within Complaint in Mortgage Foreclosure on Douglas L. Saltsman. So Answers, Chester A. Hawkins, Sheriff by s/Marilyn Hamm Shff Hawkins costs pd by Phelan \$43.52	Fredric Joseph Ammerman
	Order, NOW, this 15th day of March, 2006, Ordered that the property at 1079 Congress Hill Road is equitably converted to real estate by way of this motion, and is not subject to separation from land, and it is Ordered that the Clfd. Co. Recorder of Deeds is hereby directed to accept a certified copy of this order for recording. By The Court, /s/ Fredric J. Ammerman, Pres. Judge. 1CC Atty. Lhota	Fredric Joseph Ammerman

Date: 07/13/2006

Clearfield County Court of Common Pleas

User: LMILLER

Time: 10:50 AM

ROA Report

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Case: 2005-01339-CD

Current Judge: Fredric Joseph Ammerman

ABN Amro Mortgage Group, Inc. vs. Douglas L. Saltsman, Elaine M. Saltsman

Mortgage Foreclosures

Date		Judge
03/24/2006	Filing: Praeipce For Judgment For Failure to Answer And Assessment of Damages Paid by: Hallinan, Francis S. (attorney for ABN Amro Mortgage Group, Inc.) Receipt number: 1913010 Dated: 03/24/2006 Amount: \$20.00 (Check) Judgment in favor of the Plaintiff and against Douglas L. Saltsman and Elaine M. Saltsman, Defendants, in the amount of \$108,339.89. Filed by s/ Daniel G. Schmieg, Esquire. 1CC & Notice to Def., Statement to Atty	Fredric Joseph Ammerman
04/04/2006	Filing: Praeipce for Writ of Execution Paid by: Hallinan, Francis S. (attorney for ABN Amro Mortgage Group, Inc.) Receipt number: 1913190 Dated: 04/04/2006 Amount: \$20.00 (Check) 1 Cert. to Sheriff w/6 Writs	Fredric Joseph Ammerman
06/15/2006	Plaintiff's Motion to Reassess Damages, filed by s/ Michele M. Bradford Esq. No CC. Order, NOW, this 15th day of June, 2006, upon consideration of Plaintiff's Motion to Reassess Damages, a Rule is issued upon Def. to appear and show cause why the motion should not be granted. Argument is scheduled for the 18th day of July, 2006 at 10:30 a.m. in Courtroom no. 1. By The Court, /s/ Fredric J. Ammerman, Pres. Judge. 3CC Atty. Phelan	Fredric Joseph Ammerman
06/22/2006	Certificate of Service, filed. That a true and correct copy of our Motion to Reassess Damgaes noting a Rule Return date of July 18, 2006, has been served on Douglas L. Saltsman, and Elaine M. Saltsman, filed by s/ Michele M. Bradford Esq. NO CC.	Fredric Joseph Ammerman
07/03/2006	Affidavit Pursuant ot Rule 3129.1 and Return of Service Pursuant to Pa.R.C.P. 405 Notice of sale, filed by s/ Daniel G. Schmieg Esq. No CC.	Fredric Joseph Ammerman

PHELAN HALLINAN & SCHMIEG, LLP
LAWRENCE T. PHELAN, ESQ., Id. No. 32227
FRANCIS S. HALLINAN, ESQ., Id. No. 62695
ONE PENN CENTER PLAZA, SUITE 1400
PHILADELPHIA, PA 19103
(215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

Plaintiff

v.

COURT OF COMMON PLEAS
CIVIL DIVISION

TERM

NO. 05-1339-CD

CLEARFIELD COUNTY

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD, A/K/A
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

Defendants

CIVIL ACTION - LAW
COMPLAINT IN MORTGAGE FORECLOSURE

NOTICE

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

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. 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.

Lawyer Referral Service:
Pennsylvania Lawyer Referral Service
Pennsylvania Bar Association
100 South Street
PO Box 186
Harrisburg, PA 17108
800-692-7375

Notice to Defend:
David S. Meholic, Court Administrator
Clearfield County Courthouse
2nd and Market Streets
Clearfield, PA 16830
814-765-2641 x 5982

Dec 22, 2005 Document
Reinstated/Reissued to Sheriff/Attorney
for service.

Deputy Prothonotary

File #: 122182

12 September 2005 Document
Reinstated/Reissued to Sheriff/Attorney
for service.

Deputy Prothonotary

FILED Any pd.
7/31/05 185.00
AUG 30 2005 300 Any Shff
William A. Shaw
Prothonotary/Clerk of Courts

IF THIS IS THE FIRST NOTICE THAT YOU HAVE RECEIVED FROM THIS OFFICE, BE ADVISED THAT:

PURSUANT TO THE FAIR DEBT COLLECTION PRACTICES ACT, 15 U.S.C. § 1692 et seq. (1977), DEFENDANT(S) MAY DISPUTE THE VALIDITY OF THE DEBT OR ANY PORTION THEREOF. IF DEFENDANT(S) DO SO IN WRITING WITHIN THIRTY (30) DAYS OF RECEIPT OF THIS PLEADING, COUNSEL FOR PLAINTIFF WILL OBTAIN AND PROVIDE DEFENDANT(S) WITH WRITTEN VERIFICATION THEREOF; OTHERWISE, THE DEBT WILL BE ASSUMED TO BE VALID. LIKEWISE, IF REQUESTED WITHIN THIRTY (30) DAYS OF RECEIPT OF THIS PLEADING, COUNSEL FOR PLAINTIFF WILL SEND DEFENDANT(S) THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR, IF DIFFERENT FROM ABOVE.

THE LAW DOES NOT REQUIRE US TO WAIT UNTIL THE END OF THE THIRTY (30) DAY PERIOD FOLLOWING FIRST CONTACT WITH YOU BEFORE SUING YOU TO COLLECT THIS DEBT. EVEN THOUGH THE LAW PROVIDES THAT YOUR ANSWER TO THIS COMPLAINT IS TO BE FILED IN THIS ACTION WITHIN TWENTY (20) DAYS, YOU MAY OBTAIN AN EXTENSION OF THAT TIME. FURTHERMORE, NO REQUEST WILL BE MADE TO THE COURT FOR A JUDGMENT UNTIL THE EXPIRATION OF THIRTY (30) DAYS AFTER YOU HAVE RECEIVED THIS COMPLAINT. HOWEVER, IF YOU REQUEST PROOF OF THE DEBT OR THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR WITHIN THE THIRTY (30) DAY PERIOD THAT BEGINS UPON YOUR RECEIPT OF THIS COMPLAINT, THE LAW REQUIRES US TO CEASE OUR EFFORTS (THROUGH LITIGATION OR OTHERWISE) TO COLLECT THE DEBT UNTIL WE MAIL THE REQUESTED INFORMATION TO YOU. YOU SHOULD CONSULT AN ATTORNEY FOR ADVICE CONCERNING YOUR RIGHTS AND OBLIGATIONS IN THIS SUIT.

IF YOU HAVE FILED BANKRUPTCY AND RECEIVED A DISCHARGE, THIS IS NOT AN ATTEMPT TO COLLECT A DEBT. IT IS AN ACTION TO ENFORCE A LIEN ON REAL ESTATE.

1. Plaintiff is

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

2. The name(s) and last known address(es) of the Defendant(s) are:

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD, A/K/A
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

who is/are the mortgagor(s) and real owner(s) of the property hereinafter described.

3. On 09/30/2002 mortgagor(s) made, executed and delivered a mortgage upon the premises hereinafter described to PLAINTIFF which mortgage is recorded in the Office of the Recorder of CLEARFIELD County, in Mortgage Instrument No: 200216063.
4. The premises subject to said mortgage is described as attached.
5. The mortgage is in default because monthly payments of principal and interest upon said mortgage due 05/01/2005 and each month thereafter are due and unpaid, and by the terms of said mortgage, upon failure of mortgagor to make such payments after a date specified by written notice sent to Mortgagor, the entire principal balance and all interest due thereon are collectible forthwith.

6. The following amounts are due on the mortgage:

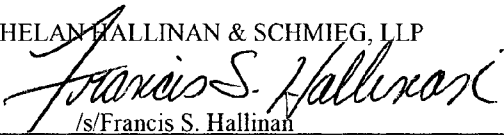
Principal Balance	\$100,072.83
Interest	2,690.82
04/01/2005 through 08/29/2005 (Per Diem \$17.82)	
Attorney's Fees	1,225.00
Cumulative Late Charges	130.32
09/30/2002 to 08/29/2005	
Cost of Suit and Title Search	<u>\$ 550.00</u>
Subtotal	\$ 104,668.97
Escrow	
Credit	0.00
Deficit	0.00
Subtotal	<u>\$ 0.00</u>
TOTAL	\$ 104,668.97

7. The attorney's fees set forth above are in conformity with the mortgage documents and Pennsylvania law, and will be collected in the event of a third party purchaser at Sheriff's Sale. If the Mortgage is reinstated prior to the Sale, reasonable attorney's fees will be charged.
8. Notice of Intention to Foreclose as set forth in Act 6 of 1974, Notice of Homeowner's Emergency Assistance Program pursuant to Act 91 of 1983, as amended in 1998, and/or Notice of Default as required by the mortgage document, as applicable, have been sent to the Defendant(s) on the date(s) set forth thereon, and the temporary stay as provided by said notice has terminated because Defendant(s) has/have failed to meet with the Plaintiff or an authorized consumer credit counseling agency, or has/have been denied assistance by the Pennsylvania Housing Finance Agency.
9. This action does not come under Act 6 of 1974 because the original mortgage amount exceeds \$50,000.

WHEREFORE, PLAINTIFF demands an in rem Judgment against the Defendant(s) in the sum of \$ 104,668.97, together with interest from 08/29/2005 at the rate of \$17.82 per diem to the date of Judgment, and other costs and charges collectible under the mortgage and for the foreclosure and sale of the mortgaged property.

PHELAN HALLINAN & SCHMIEG, LLP

By:


/s/Francis S. Hallinan

LAWRENCE T. PHELAN, ESQUIRE

FRANCIS S. HALLINAN, ESQUIRE

Attorneys for Plaintiff

KAREN L. STARCK
REGISTER AND RECORDER
CLEARFIELD COUNTY
Pennsylvania

INSTRUMENT NUMBER
200216063

RECORDED ON

OCT 03, 2002
1:11:56 PM

Total Pages: 16

RECORDING FEES - \$37.00
RECORDER
COUNTY IMPROVEMENT \$2.00
FUND
REORDER IMPROVEMENT \$3.00
FUND
STATE/ARIT TAX \$0.50
TOTAL \$42.50
CUSTOMER
STRATFORD SETTLEMENTS INC

When recorded mail to:
ABN AMRO MORTGAGE GROUP, INC.
P.O. BOX 5064
TROY, MICHIGAN 48084
ATTN: FINAL/ TRAILING DOCUMENTS

STRATFORD SETTLEMENTS, INC
506 SOUTH MAIN STREET
SUITE 2203
ZELIENOPLE, PA 16063

LOAN #: 623926419

[Space Above This Line For Recording Data]

MORTGAGE

DEFINITIONS

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

(A) "Security Instrument" means this document, which is dated **SEPTEMBER 30, 2002**, together with all Riders to this document.

(B) "Borrower" is **DOUGLAS L SALTSMAN, A MARRIED MAN AND ELAINE M SALTSMAN, A MARRIED WOMAN.**

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is **ABN AMRO MORTGAGE GROUP, INC.**

Lender is a **CORPORATION**
of **DELAWARE.**
BEAVER RD., TROY, MICHIGAN 48084.

organized and existing under the laws
Lender's address is **2600 W. BIG**

Lender is the mortgagee under this Security Instrument.

Initials: DL EMS

LOAN #: 623926419

(D) "Note" means the promissory note signed by Borrower and dated **SEPTEMBER 30, 2002**. The Note states that Borrower owes Lender ****ONE HUNDRED THREE THOUSAND ONE HUNDRED AND NO/100*****Dollars (U.S. \$103,100.00)** plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **OCTOBER 1, 2032**.

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

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

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

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

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

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

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

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

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

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

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

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

Initials: OWS PLS

LOAN #: 623926419

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

TRANSFER OF RIGHTS IN THE PROPERTY

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

CLEARFIELD

[Name of Recording Jurisdiction]:

[Type of Recording Jurisdiction] Of

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF.

which currently has the address of **POB 214 CONGRESS HILL ROAD, FRENCHVILLE,**

Pennsylvania **16836**

("Property Address"):

[Street] [City]

[Zip Code]

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

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

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

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

1. **Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid,

Initials: OLS EMS

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

Form 3039 1/01

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PAUDEDL

LOAN #: 623926419

Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

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

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

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

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

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event

Initials: OLS PM

LOAN #: 623926419

of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

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

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

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

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

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

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument,

Initials: DLS EMS

LOAN #: 623926419

Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

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

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

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

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

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole

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obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

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

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

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

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

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

9. **Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has

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

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

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

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

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

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These

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agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

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

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

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

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

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

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

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

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

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

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

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

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

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

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

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

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If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

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

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

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

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

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

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

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower

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must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

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

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

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances:

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

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

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

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

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

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

24. Waivers. Borrower, to the extent permitted by Applicable Law, waives and releases any error or defects in proceedings to enforce this Security Instrument, and hereby waives the benefit of any present or future laws

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providing for stay of execution, extension of time, exemption from attachment, levy and sale, and homestead exemption.


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

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

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

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

 (Seal)
DOUGLAS L. SALTSMAN

 (Seal)
ELAINE M. SALTSMAN

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Certificate of Residence

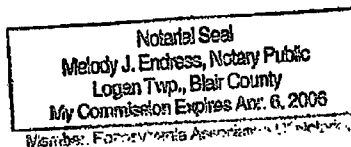
I, Beth A Burr
do hereby certify that the correct address of the within-named Mortgagee is 2600 W. BIG BEAVER
RD., TROY, MICHIGAN 48084

Witness my hand this 30 day of Sept, 2008
Beth A Burr
Agent of Mortgagee

Commonwealth of PENNSYLVANIA
County of: Clearfield

On this the 30th day of September before me, Melody J Endress
the undersigned officer, personally appeared
DOUGLAS L SALTSMAN AND ELAINE M SALTSMAN,
known to me (or satisfactorily proven) to be the person whose name
S are subscribed to the within instrument and acknowledged that
they have executed the same for the purposes therein contained.
In witness whereof I hereunto set my hand and official seal.

My commission expires: _____



Melody J Endress
Title of Officer

Initials: DL S EMS

LEGAL DESCRIPTION

ALL that certain parcel of land situate in the Township of Girard, County of Clearfield and State of Pennsylvania, bounded and described as follows:

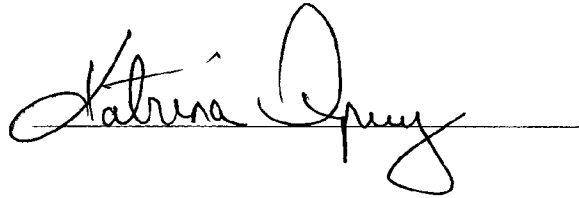
BEGINNING at a point at corner of land now of formerly of Albert Kampe and Township Road No.T-633; thence southwesterly in the northerly right of way of Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence northerly perpendicular to Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence westerly parallel to Township Road T-633 to the line of Albert Kampe Property two hundred eight and seventy-one one-hundredths (208.71) feet to a point in the line of Kampe property; thence southerly in line of Kampe property two hundred eight and seventy-one one-hundredths (208.71) feet to the place of beginning. Containing one (1) acre.

BEING the same premises conveyed to Joseph Colavecchi from the Tax Claim Bureau of Clearfield County, Pennsylvania by deed dated January 14, 1985, said deed being recorded at Clearfield in Volume 991, page 232.

PREMISES BEING: 1079 CONGRESS HILL ROAD, A/K/A P.O. BOX 214, CONGRESS HILL ROAD.

VERIFICATION

Katrina Dupuy hereby states that he/she is LOAN ADMINISTRATION OFFICER of ABN AMRO MORTGAGE GROUP, INC. mortgage servicing agent for Plaintiff in this matter, that he/she is authorized to take this Verification, and that the statements made in the foregoing Civil Action in Mortgage Foreclosure are true and correct to the best of his/her knowledge, information and belief. The undersigned understands that this statement is made subject to the penalties of 18 Pa. C.S. Sec. 4904 relating to unsworn falsification to authorities.

A handwritten signature in black ink, appearing to read "Katrina Dupuy", is written over a horizontal line.

DATE:

8/25/05

PHELAN HALLINAN & SCHMIEG, LLP
LAWRENCE T. PHELAN, ESQ., Id. No. 32227
FRANCIS S. HALLINAN, ESQ., Id. No. 62695
ONE PENN CENTER PLAZA, SUITE 1400
PHILADELPHIA, PA 19103
(215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO MORTGAGE GROUP, INC.

Plaintiff

vs.

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN

Defendants

: COURT OF COMMON PLEAS

: CIVIL DIVISION

: CLEARFIELD County

: No. 05-1339-CD

PRAECIPE TO REINSTATE CIVIL ACTION/MORTGAGE FORECLOSURE

TO THE PROTHONOTARY:

Kindly reinstate the Civil Action in Mortgage Foreclosure with reference to the above captioned matter.

PHELAN HALLINAN & SCHMIEG, LLP

By:

Francis S. Hallinan
FRANCIS S. HALLINAN, ESQUIRE
LAWRENCE T. PHELAN, ESQUIRE
DANIEL G. SCHMIEG, ESQUIRE
Attorneys for Plaintiff

Date: September 8, 2005

/lcf, Svc Dept.
File# 122182

FILED NOCC
m/4:00 PM
SEP 12 2005
William A. Shaw
Prothonotary/Clerk of Courts
2 Compl. Reinstated
to # Shaw

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 100776
NO: 05-1339-CD
SERVICE # 1 OF 3
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: ABN AMRO MORTGAGE GROUP, INC.
vs.
DEFENDANT: DOUGLAS L. SALTSMAN & ELAINE SALTSMAN

SHERIFF RETURN

NOW, September 23, 2005 AT 1:25 PM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON DOUGLAS L. SALTSMAN DEFENDANT AT CLEARFIELD COUNTY JAIL, 115 21 ST ST., CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO DOUGLAS L. SALTSMAN, DEFENDANT A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: HUNTER / NEVLING

FILED
012:44/61
OCT 28 2005

William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 100776
NO: 05-1339-CD
SERVICE # 2 OF 3
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: ABN AMRO MORTGAGE GROUP, INC.
vs.
DEFENDANT: DOUGLAS L. SALTSMAN & ELAINE SALTSMAN

SHERIFF RETURN

NOW, September 23, 2005 AT 11:31 AM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON ELAINE M. SALTSMAN DEFENDANT AT 105 SHORTENCARRIER LANE, FRENCHVILLE, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO LOIS PLUBELL, MOTHER A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: HUNTER / NEVLING

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 100776
NO: 05-1339-CD
SERVICE # 3 OF 3
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: ABN AMRO MORTGAGE GROUP, INC.
vs.
DEFENDANT: DOUGLAS L. SALTSMAN & ELAINE SALTSMAN

SHERIFF RETURN

NOW, September 23, 2005 AT 11:31 AM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON ELAINE M. SALTSMAN DEFENDANT AT 105 SHORTENCARRIER LANE, FRENCHVILLE, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO LOIS PLUBELL, MOTHER A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: HUNTER / NEVLING

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 100776
NO: 05-1339-CD
SERVICES 3
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: ABN AMRO MORTGAGE GROUP, INC.
vs.
DEFENDANT: DOUGLAS L. SALTSMAN & ELAINE SALTSMAN

SHERIFF RETURN

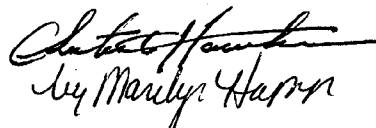
RETURN COSTS

Description	Paid By	CHECK #	AMOUNT
SURCHARGE	PHELAN	448908	20.00
SURCHARGE	PHELAN	448996	10.00
SHERIFF HAWKINS	PHELAN	448996	42.96

Sworn to Before Me This

_____ Day of _____ 2005

So Answers,



Chester A. Hawkins
Sheriff

In The Court of Common Pleas of Clearfield County, Pennsylvania

Service # 1 of 2 Services

Sheriff Docket # **100920**

ABN AMRO MORTGAGE GROUP INC.

Case #

05-1339-CD

vs.

DOUGLAS L. SALTSMAN and ELAINE M. SALTSMAN

SHERIFF RETURNS

NOW October 27, 2005 RETURNED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE "NOT SERVED"
AS TO DOUGLAS L. SALTSMAN, DEFENDANT. NOT NEEDED DEFT. WAS ALREADY SERVED 9/23/05

SERVED BY: /

FILED
012:44301
OCT 28 2005

William A. Shaw
Prothonotary/Clerk of Courts

In The Court of Common Pleas of Clearfield County, Pennsylvania

Service # 2 of 2 Services

Sheriff Docket # **100920**

ABN AMRO MORTGAGE GROUP INC.

Case #

vs.

DOUGLAS L. SALTSMAN and ELAINE M. SALTSMAN

SHERIFF RETURNS

NOW October 27, 2005 RETURNED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE "NOT SERVED"
AS TO ELAINE M. SALTSMAN, DEFENDANT. NOT NEEDED DEFT. WAS ALREADY SERVED 9/23/05

SERVED BY: /

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 100920
NO: 05-1339-CD
SERVICES 2
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: ABN AMRO MORTGAGE GROUP INC.
vs.
DEFENDANT: DOUGLAS L. SALTSMAN and ELAINE M. SALTSMAN

SHERIFF RETURN

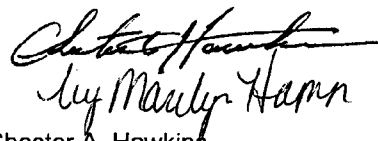
RETURN COSTS

Description	Paid By	CHECK #	AMOUNT
SHERIFF HAWKINS	NO COSTS		

Sworn to Before Me This

_____ Day of _____ 2005

So Answers,



Chester A. Hawkins
Sheriff

PHELAN HALLINAN & SCHMIEG, LLP
LAWRENCE T. PHELAN, ESQ., Id. No. 32227
FRANCIS S. HALLINAN, ESQ., Id. No. 62695
ONE PENN CENTER PLAZA, SUITE 1400
PHILADELPHIA, PA 19103
(215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

Plaintiff

v.

COURT OF COMMON PLEAS

CIVIL DIVISION

TERM

NO. 05-1339-CD

CLEARFIELD COUNTY

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD, A/K/A
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

Defendants

FILED
3:27
AUG 30 2005

William A. Shaw
Prothonotary/Clerk of Courts

CIVIL ACTION - LAW
COMPLAINT IN MORTGAGE FORECLOSURE

NOTICE

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

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. 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.

Lawyer Referral Service:
Pennsylvania Lawyer Referral Service
Pennsylvania Bar Association
100 South Street
PO Box 186
Harrisburg, PA 17108
800-692-7375

Notice to Defend:
David S. Meholic, Court Administrator
Clearfield County Courthouse
2nd and Market Streets
Clearfield, PA 16830
814-765-2641 x 5982

FEDERMAN AND PHELAN
ATTORNEY FILE COPY
PLEASE RETURN

9-12-05 Document
Reinstated/Reissued to Sheriff/Attorney
for service.
William A. Shaw
Deputy Prothonotary

PHELAN HALLINAN & SCHMIEG, LLP
LAWRENCE T. PHELAN, ESQ., Id. No. 32227
FRANCIS S. HALLINAN, ESQ., Id. No. 62695
ONE PENN CENTER PLAZA, SUITE 1400
PHILADELPHIA, PA 19103
(215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

Plaintiff

v.

COURT OF COMMON PLEAS

CIVIL DIVISION

TERM

NO.

CLEARFIELD COUNTY

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD, A/K/A
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

Defendants

CIVIL ACTION - LAW
COMPLAINT IN MORTGAGE FORECLOSURE

NOTICE

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

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

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Clearfield, PA 16830
814-765-2641 x 5982

IF THIS IS THE FIRST NOTICE THAT YOU HAVE RECEIVED FROM THIS OFFICE, BE ADVISED THAT:

PURSUANT TO THE FAIR DEBT COLLECTION PRACTICES ACT, 15 U.S.C. § 1692 et seq. (1977), DEFENDANT(S) MAY DISPUTE THE VALIDITY OF THE DEBT OR ANY PORTION THEREOF. IF DEFENDANT(S) DO SO IN WRITING WITHIN THIRTY (30) DAYS OF RECEIPT OF THIS PLEADING, COUNSEL FOR PLAINTIFF WILL OBTAIN AND PROVIDE DEFENDANT(S) WITH WRITTEN VERIFICATION THEREOF; OTHERWISE, THE DEBT WILL BE ASSUMED TO BE VALID. LIKEWISE, IF REQUESTED WITHIN THIRTY (30) DAYS OF RECEIPT OF THIS PLEADING, COUNSEL FOR PLAINTIFF WILL SEND DEFENDANT(S) THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR, IF DIFFERENT FROM ABOVE.

THE LAW DOES NOT REQUIRE US TO WAIT UNTIL THE END OF THE THIRTY (30) DAY PERIOD FOLLOWING FIRST CONTACT WITH YOU BEFORE SUING YOU TO COLLECT THIS DEBT. EVEN THOUGH THE LAW PROVIDES THAT YOUR ANSWER TO THIS COMPLAINT IS TO BE FILED IN THIS ACTION WITHIN TWENTY (20) DAYS, YOU MAY OBTAIN AN EXTENSION OF THAT TIME. FURTHERMORE, NO REQUEST WILL BE MADE TO THE COURT FOR A JUDGMENT UNTIL THE EXPIRATION OF THIRTY (30) DAYS AFTER YOU HAVE RECEIVED THIS COMPLAINT. HOWEVER, IF YOU REQUEST PROOF OF THE DEBT OR THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR WITHIN THE THIRTY (30) DAY PERIOD THAT BEGINS UPON YOUR RECEIPT OF THIS COMPLAINT, THE LAW REQUIRES US TO CEASE OUR EFFORTS (THROUGH LITIGATION OR OTHERWISE) TO COLLECT THE DEBT UNTIL WE MAIL THE REQUESTED INFORMATION TO YOU. YOU SHOULD CONSULT AN ATTORNEY FOR ADVICE CONCERNING YOUR RIGHTS AND OBLIGATIONS IN THIS SUIT.

IF YOU HAVE FILED BANKRUPTCY AND RECEIVED A DISCHARGE, THIS IS NOT AN ATTEMPT TO COLLECT A DEBT. IT IS AN ACTION TO ENFORCE A LIEN ON REAL ESTATE.

1. Plaintiff is

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

2. The name(s) and last known address(es) of the Defendant(s) are:

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD, A/K/A
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

who is/are the mortgagor(s) and real owner(s) of the property hereinafter described.

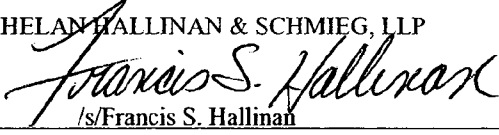
3. On 09/30/2002 mortgagor(s) made, executed and delivered a mortgage upon the premises hereinafter described to PLAINTIFF which mortgage is recorded in the Office of the Recorder of CLEARFIELD County, in Mortgage Instrument No: 200216063.
4. The premises subject to said mortgage is described as attached.
5. The mortgage is in default because monthly payments of principal and interest upon said mortgage due 05/01/2005 and each month thereafter are due and unpaid, and by the terms of said mortgage, upon failure of mortgagor to make such payments after a date specified by written notice sent to Mortgagor, the entire principal balance and all interest due thereon are collectible forthwith.

6. The following amounts are due on the mortgage:

Principal Balance	\$100,072.83
Interest	2,690.82
04/01/2005 through 08/29/2005 (Per Diem \$17.82)	
Attorney's Fees	1,225.00
Cumulative Late Charges	130.32
09/30/2002 to 08/29/2005	
Cost of Suit and Title Search	<u>\$ 550.00</u>
Subtotal	\$ 104,668.97
Escrow	
Credit	0.00
Deficit	0.00
Subtotal	<u>\$ 0.00</u>
TOTAL	\$ 104,668.97

7. The attorney's fees set forth above are in conformity with the mortgage documents and Pennsylvania law, and will be collected in the event of a third party purchaser at Sheriff's Sale. If the Mortgage is reinstated prior to the Sale, reasonable attorney's fees will be charged.
8. Notice of Intention to Foreclose as set forth in Act 6 of 1974, Notice of Homeowner's Emergency Assistance Program pursuant to Act 91 of 1983, as amended in 1998, and/or Notice of Default as required by the mortgage document, as applicable, have been sent to the Defendant(s) on the date(s) set forth thereon, and the temporary stay as provided by said notice has terminated because Defendant(s) has/have failed to meet with the Plaintiff or an authorized consumer credit counseling agency, or has/have been denied assistance by the Pennsylvania Housing Finance Agency.
9. This action does not come under Act 6 of 1974 because the original mortgage amount exceeds \$50,000.

WHEREFORE, PLAINTIFF demands an in rem Judgment against the Defendant(s) in the sum of \$ 104,668.97, together with interest from 08/29/2005 at the rate of \$17.82 per diem to the date of Judgment, and other costs and charges collectible under the mortgage and for the foreclosure and sale of the mortgaged property.

PHELAN HALLINAN & SCHMIEG, LLP

By: /s/Francis S. Hallinan
LAWRENCE T. PHELAN, ESQUIRE
FRANCIS S. HALLINAN, ESQUIRE
Attorneys for Plaintiff

KAREN L. STARCK
REGISTER AND RECORDER
CLEARFIELD COUNTY
Pennsylvania

INSTRUMENT NUMBER
200216063

RECORDED ON
Oct. 03, 2002
1:11:56 PM

Total Pages: 16

RECORDING FEES -	\$37.00
RECORDER	
COUNTY IMPROVEMENT	\$2.00
FUND	
RECORDER IMPROVEMENT	\$3.00
FUND	
STATE & CITY TAX	\$0.50
TOTAL	\$42.50
CUSTOMER	
STRATFORD SETTLEMENTS INC	

When recorded mail to:
ABN AMRO MORTGAGE GROUP, INC.
P.O. BOX 5064
TROY, MICHIGAN 48084
ATTN: FINAL/TRAILING DOCUMENTS

STRATFORD SETTLEMENTS, INC
506 SOUTH MAIN STREET
SUITE 2203
ZELIENOPLE, PA 16063

LOAN #: 623926419

[Space Above This Line For Recording Data]

MORTGAGE

DEFINITIONS

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

(A) "Security Instrument" means this document, which is dated SEPTEMBER 30, 2002, together with all Riders to this document.

(B) "Borrower" is DOUGLAS L SALTSMAN, A MARRIED MAN AND ELAINE M SALTSMAN, A MARRIED WOMAN.

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is ABN AMRO MORTGAGE GROUP, INC.

Lender is a CORPORATION
of DELAWARE.
BEAVER RD., TROY, MICHIGAN 48084.

organized and existing under the laws
Lender's address is 2600 W. BIG

Lender is the mortgagee under this Security Instrument.

Initials: DLS EMS

LOAN #: 623926419

(D) "Note" means the promissory note signed by Borrower and dated **SEPTEMBER 30, 2002**.
The Note states that Borrower owes Lender ****ONE HUNDRED THREE THOUSAND ONE HUNDRED AND NO/100*****Dollars (U.S. \$103,100.00)**
plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **OCTOBER 1, 2032**.

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

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

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

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

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

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

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

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

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

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

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

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

Initials: DLW EMS

LOAN #: 623926419

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

TRANSFER OF RIGHTS IN THE PROPERTY

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

CLEARFIELD

[Name of Recording Jurisdiction]:

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF.

which currently has the address of POB 214 CONGRESS HILL ROAD, FRENCHVILLE,

Pennsylvania 16836

("Property Address"):

[Street] [City]

[Zip Code]

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

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

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

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid,

Initials: OW EMS

LOAN #: 623926419

Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

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

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

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

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

3. **Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event

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of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

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

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

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

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

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

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument,

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Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

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

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

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

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

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole

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obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

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

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

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

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

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

9. **Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has

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

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

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

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

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

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These

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agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

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

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

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

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

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

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

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

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

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

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

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

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

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

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

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

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If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

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

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

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

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

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

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

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower

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must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity, or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

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

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

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances:

Initials: Q23 BM

LOAN #: 623926419

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

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

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

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

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

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

24. Waivers. Borrower, to the extent permitted by Applicable Law, waives and releases any error or defects in proceedings to enforce this Security Instrument, and hereby waives the benefit of any present or future laws

Initials: 046 EMS

LOAN #: 623926419

providing for stay of execution, extension of time, exemption from attachment, levy and sale, and homestead exemption.


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

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

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

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


DOUGLAS L. SALTSMAN (Seal)


ELAINE M. SALTSMAN (Seal)

LOAN #: 623926419

Certificate of Residence

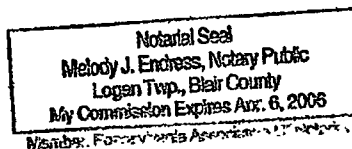
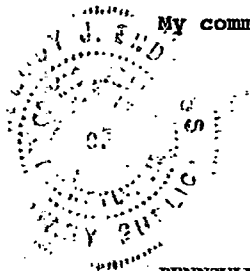
I, Beth A But
do hereby certify that the correct address of the within-named Mortgagee is 2600 W. BIG BEAVER
RD., TROY, MICHIGAN 48084

Witness my hand this 30 day of Sept. 2008
Beth A But
Agent of Mortgagee

Commonwealth of PENNSYLVANIA
County of: Clearfield

On this the 30th day of September before me, Melody J Endress
the undersigned officer, personally appeared
DOUGLAS L SALTSMAN AND ELAINE M SALTSMAN,
known to me (or satisfactorily proven) to be the person whose name
3 are subscribed to the within instrument and acknowledged that
they have executed the same for the purposes therein contained.
In witness whereof I hereunto set my hand and official seal.

My commission expires: _____



Melody J Endress
Title of Officer

Initials: DLB EMS

LEGAL DESCRIPTION

ALL that certain parcel of land situate in the Township of Girard, County of Clearfield and State of Pennsylvania, bounded and described as follows:

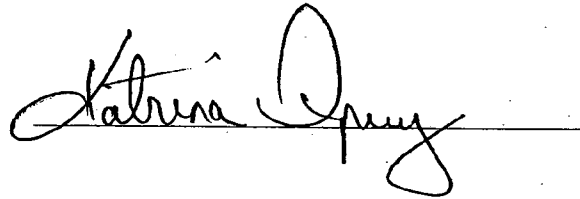
BEGINNING at a point at corner of land now of formerly of Albert Kampe and Township Road No.T-633; thence southwesterly in the northerly right of way of Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence northerly perpendicular to Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence westerly parallel to Township Road T-633 to the line of Albert Kampe Property two hundred eight and seventy-one one-hundredths (208.71) feet to a point in the line of Kampe property; thence southerly in line of Kampe property two hundred eight and seventy-one one-hundredths (208.71) feet to the place of beginning. Containing one (1) acre.

BEING the same premises conveyed to Joseph Colavecchi from the Tax Claim Bureau of Clearfield County, Pennsylvania by deed dated January 14, 1985, said deed being recorded at Clearfield in Volume 991, page 232.

PREMISES BEING: 1079 CONGRESS HILL ROAD, A/K/A P.O. BOX 214, CONGRESS HILL ROAD.

VERIFICATION

Katrina Dupuy hereby states that he/she is LOAN ADMINISTRATION OFFICER of ABN AMRO MORTGAGE GROUP, INC. mortgage servicing agent for Plaintiff in this matter, that he/she is authorized to take this Verification, and that the statements made in the foregoing Civil Action in Mortgage Foreclosure are true and correct to the best of his/her knowledge, information and belief. The undersigned understands that this statement is made subject to the penalties of 18 Pa. C.S. Sec. 4904 relating to unsworn falsification to authorities.

A handwritten signature in cursive script, reading "Katrina Dupuy", is written over a horizontal line.

DATE: 8/25/05

PHELAN HALLINAN & SCHMIEG, LLP
LAWRENCE T. PHELAN, ESQ., Id. No. 32227
FRANCIS S. HALLINAN, ESQ., Id. No. 62695
ONE PENN CENTER PLAZA, SUITE 1400
PHILADELPHIA, PA 19103
(215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

COURT OF COMMON PLEAS

CIVIL DIVISION

Plaintiff

TERM

v.

NO. 05-1339-CD

CLEARFIELD COUNTY

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD, A/K/A
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

FILED
3:27
AUG 30 2005

William A. Shaw
Prothonotary/Clerk of Courts

Defendants

CIVIL ACTION - LAW
COMPLAINT IN MORTGAGE FORECLOSURE

NOTICE

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

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. 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.

Lawyer Referral Service:
Pennsylvania Lawyer Referral Service
Pennsylvania Bar Association
100 South Street
PO Box 186
Harrisburg, PA 17108
800-692-7375

Notice to Defend:
David S. Meholic, Court Administrator
Clearfield County Courthouse
2nd and Market Streets
Clearfield, PA 16830
814-765-2641 x 5982

FEDERMAN AND PHELAN
ATTORNEY FILE COPY
PLEASE RETURN

9-12-05 Document
Reinstated/Reissued to Sheriff/Attorney
for service
William A. Shaw
Prothonotary

PHELAN HALLINAN & SCHMIEG, LLP
LAWRENCE T. PHELAN, ESQ., Id. No. 32227
FRANCIS S. HALLINAN, ESQ., Id. No. 62695
ONE PENN CENTER PLAZA, SUITE 1400
PHILADELPHIA, PA 19103
(215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

Plaintiff

v.

COURT OF COMMON PLEAS

CIVIL DIVISION

TERM

NO.

CLEARFIELD COUNTY

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD, A/K/A
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

Defendants

CIVIL ACTION - LAW
COMPLAINT IN MORTGAGE FORECLOSURE

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YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

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Clearfield, PA 16830
814-765-2641 x 5982

IF THIS IS THE FIRST NOTICE THAT YOU HAVE RECEIVED FROM THIS OFFICE, BE ADVISED THAT:

PURSUANT TO THE FAIR DEBT COLLECTION PRACTICES ACT, 15 U.S.C. § 1692 et seq. (1977), DEFENDANT(S) MAY DISPUTE THE VALIDITY OF THE DEBT OR ANY PORTION THEREOF. IF DEFENDANT(S) DO SO IN WRITING WITHIN THIRTY (30) DAYS OF RECEIPT OF THIS PLEADING, COUNSEL FOR PLAINTIFF WILL OBTAIN AND PROVIDE DEFENDANT(S) WITH WRITTEN VERIFICATION THEREOF; OTHERWISE, THE DEBT WILL BE ASSUMED TO BE VALID. LIKEWISE, IF REQUESTED WITHIN THIRTY (30) DAYS OF RECEIPT OF THIS PLEADING, COUNSEL FOR PLAINTIFF WILL SEND DEFENDANT(S) THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR, IF DIFFERENT FROM ABOVE.

THE LAW DOES NOT REQUIRE US TO WAIT UNTIL THE END OF THE THIRTY (30) DAY PERIOD FOLLOWING FIRST CONTACT WITH YOU BEFORE SUING YOU TO COLLECT THIS DEBT. EVEN THOUGH THE LAW PROVIDES THAT YOUR ANSWER TO THIS COMPLAINT IS TO BE FILED IN THIS ACTION WITHIN TWENTY (20) DAYS, YOU MAY OBTAIN AN EXTENSION OF THAT TIME. FURTHERMORE, NO REQUEST WILL BE MADE TO THE COURT FOR A JUDGMENT UNTIL THE EXPIRATION OF THIRTY (30) DAYS AFTER YOU HAVE RECEIVED THIS COMPLAINT. HOWEVER, IF YOU REQUEST PROOF OF THE DEBT OR THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR WITHIN THE THIRTY (30) DAY PERIOD THAT BEGINS UPON YOUR RECEIPT OF THIS COMPLAINT, THE LAW REQUIRES US TO CEASE OUR EFFORTS (THROUGH LITIGATION OR OTHERWISE) TO COLLECT THE DEBT UNTIL WE MAIL THE REQUESTED INFORMATION TO YOU. YOU SHOULD CONSULT AN ATTORNEY FOR ADVICE CONCERNING YOUR RIGHTS AND OBLIGATIONS IN THIS SUIT.

IF YOU HAVE FILED BANKRUPTCY AND RECEIVED A DISCHARGE, THIS IS NOT AN ATTEMPT TO COLLECT A DEBT. IT IS AN ACTION TO ENFORCE A LIEN ON REAL ESTATE.

1. Plaintiff is

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

2. The name(s) and last known address(es) of the Defendant(s) are:

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD, A/K/A
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

who is/are the mortgagor(s) and real owner(s) of the property hereinafter described.

3. On 09/30/2002 mortgagor(s) made, executed and delivered a mortgage upon the premises hereinafter described to PLAINTIFF which mortgage is recorded in the Office of the Recorder of CLEARFIELD County, in Mortgage Instrument No: 200216063.
4. The premises subject to said mortgage is described as attached.
5. The mortgage is in default because monthly payments of principal and interest upon said mortgage due 05/01/2005 and each month thereafter are due and unpaid, and by the terms of said mortgage, upon failure of mortgagor to make such payments after a date specified by written notice sent to Mortgagor, the entire principal balance and all interest due thereon are collectible forthwith.

6. The following amounts are due on the mortgage:

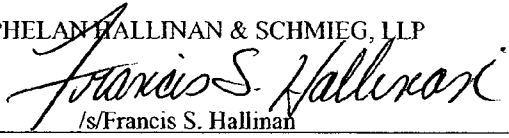
Principal Balance	\$100,072.83
Interest	2,690.82
04/01/2005 through 08/29/2005 (Per Diem \$17.82)	
Attorney's Fees	1,225.00
Cumulative Late Charges	130.32
09/30/2002 to 08/29/2005	
Cost of Suit and Title Search	<u>\$ 550.00</u>
Subtotal	\$ 104,668.97
Escrow	
Credit	0.00
Deficit	0.00
Subtotal	<u>\$ 0.00</u>
TOTAL	\$ 104,668.97

7. The attorney's fees set forth above are in conformity with the mortgage documents and Pennsylvania law, and will be collected in the event of a third party purchaser at Sheriff's Sale. If the Mortgage is reinstated prior to the Sale, reasonable attorney's fees will be charged.
8. Notice of Intention to Foreclose as set forth in Act 6 of 1974, Notice of Homeowner's Emergency Assistance Program pursuant to Act 91 of 1983, as amended in 1998, and/or Notice of Default as required by the mortgage document, as applicable, have been sent to the Defendant(s) on the date(s) set forth thereon, and the temporary stay as provided by said notice has terminated because Defendant(s) has/have failed to meet with the Plaintiff or an authorized consumer credit counseling agency, or has/have been denied assistance by the Pennsylvania Housing Finance Agency.
9. This action does not come under Act 6 of 1974 because the original mortgage amount exceeds \$50,000.

WHEREFORE, PLAINTIFF demands an in rem Judgment against the Defendant(s) in the sum of \$ 104,668.97, together with interest from 08/29/2005 at the rate of \$17.82 per diem to the date of Judgment, and other costs and charges collectible under the mortgage and for the foreclosure and sale of the mortgaged property.

PHELAN HALLINAN & SCHMIEG, LLP

By:


/s/Francis S. Hallinan

LAWRENCE T. PHELAN, ESQUIRE

FRANCIS S. HALLINAN, ESQUIRE

Attorneys for Plaintiff

KAREN L. STARCK
REGISTER AND RECORDER
CLEARFIELD COUNTY
Pennsylvania

INSTRUMENT NUMBER
200216063

RECORDED ON
Oct 03, 2002
1:11:56 PM

Total Pages: 16

RECORDING FEES -	\$37.00
REORDER	
COUNTY IMPROVEMENT	\$2.00
FUND	
REORDER IMPROVEMENT	\$3.00
FUND	
STATE/UNIT TAX	\$0.50
TOTAL	\$42.50
CUSTOMER	
STRATFORD SETTLEMENTS INC	

When recorded mail to:
ABN AMRO MORTGAGE GROUP, INC.
P.O. BOX 5064
TROY, MICHIGAN 48084
ATTN: FINAL/TRAILING DOCUMENTS

STRATFORD SETTLEMENTS, INC
506 SOUTH MAIN STREET
SUITE 2203
ZELIENOPLE, PA 16063

LOAN #: 623926419

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MORTGAGE

DEFINITIONS

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

(A) "Security Instrument" means this document, which is dated **SEPTEMBER 30, 2002**, together with all Riders to this document.

(B) "Borrower" is **DOUGLAS L SALTSMAN, A MARRIED MAN AND ELAINE M SALTSMAN, A MARRIED WOMAN.**

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is **ABN AMRO MORTGAGE GROUP, INC.**

Lender is a **CORPORATION**
of **DELAWARE.**
BEAVER RD., TROY, MICHIGAN 48084.

organized and existing under the laws
Lender's address is **2600 W. BIG**

Lender is the mortgagee under this Security Instrument.

Initials: DLI EMS

LOAN #: 623926419

(D) "Note" means the promissory note signed by Borrower and dated **SEPTEMBER 30, 2002**.
The Note states that Borrower owes Lender ****ONE HUNDRED THREE THOUSAND ONE HUNDRED AND NO/100*****Dollars (U.S. \$103,100.00)**
plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **OCTOBER 1, 2032**.

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

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

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

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

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

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

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

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

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

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

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

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

Initials: OWS DMS

LOAN #: 623926419

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

TRANSFER OF RIGHTS IN THE PROPERTY

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

[Type of Recording Jurisdiction] of

CLEARFIELD

[Name of Recording Jurisdiction]:

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF.

which currently has the address of POB 214 CONGRESS HILL ROAD, FRENCHVILLE,

Pennsylvania 16836

("Property Address"):

[Street] [City]

[Zip Code]

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

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

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

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid,

Initials: OW EMS

LOAN #: 623926419

Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

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

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

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

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

3. **Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event

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of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

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

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

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

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

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

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument,

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Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

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

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

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

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

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole

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obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

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

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

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

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

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

9. **Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has

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

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

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

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

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

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These

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agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

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

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

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

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

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

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

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

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

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

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

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

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

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

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

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

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If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

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

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

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

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

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

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

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower

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must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

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

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

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances:

Initials: Q25 PM

LOAN #: 623926419

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

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

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

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

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

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

24. Waivers. Borrower, to the extent permitted by Applicable Law, waives and releases any error or defects in proceedings to enforce this Security Instrument, and hereby waives the benefit of any present or future laws

Initials: 046 EMS

LOAN #: 623926419

providing for stay of execution, extension of time, exemption from attachment, levy and sale, and homestead exemption.


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

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

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

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


DOUGLAS L. SALTSMAN (Seal)


ELAINE M. SALTSMAN (Seal)

LOAN #: 623926419

Certificate of Residence

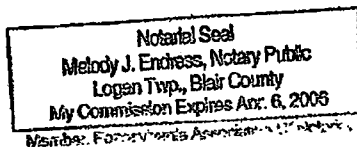
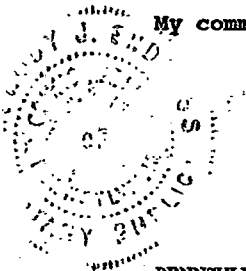
I, Beth A But
do hereby certify that the correct address of the within-named Mortgagee is 2600 W. BIG BEAVER
RD., TROY, MICHIGAN 48084

Witness my hand this 30 day of Sept, 2008
Beth A But
Agent of Mortgagee

Commonwealth of PENNSYLVANIA
County of: Clearfield

On this the 30th day of September before me, Melody J Endress
the undersigned officer, personally appeared
DOUGLAS L SALTSMAN AND ELAINE M SALTSMAN,
known to me (or satisfactorily proven) to be the person whose name
S are subscribed to the within instrument and acknowledged that
they have executed the same for the purposes therein contained.
In witness whereof I hereunto set my hand and official seal.

My commission expires: _____



Melody J Endress
Title of Officer

Initials: DLS EMS

LEGAL DESCRIPTION

ALL that certain parcel of land situate in the Township of Girard, County of Clearfield and State of Pennsylvania, bounded and described as follows:

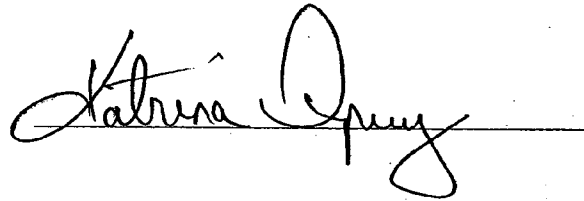
BEGINNING at a point at corner of land now of formerly of Albert Kampe and Township Road No.T-633; thence southwesterly in the northerly right of way of Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence northerly perpendicular to Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence westerly parallel to Township Road T-633 to the line of Albert Kampe Property two hundred eight and seventy-one one-hundredths (208.71) feet to a point in the line of Kampe property; thence southerly in line of Kampe property two hundred eight and seventy-one one-hundredths (208.71) feet to the place of beginning. Containing one (1) acre.

BEING the same premises conveyed to Joseph Colavecchi from the Tax Claim Bureau of Clearfield County, Pennsylvania by deed dated January 14, 1985, said deed being recorded at Clearfield in Volume 991, page 232.

PREMISES BEING: 1079 CONGRESS HILL ROAD, A/K/A P.O. BOX 214, CONGRESS HILL ROAD.

VERIFICATION

Katrina Dupuy hereby states that he/she is LOAN ADMINISTRATION OFFICER of ABN AMRO MORTGAGE GROUP, INC. mortgage servicing agent for Plaintiff in this matter, that he/she is authorized to take this Verification, and that the statements made in the foregoing Civil Action in Mortgage Foreclosure are true and correct to the best of his/her knowledge, information and belief. The undersigned understands that this statement is made subject to the penalties of 18 Pa. C.S. Sec. 4904 relating to unsworn falsification to authorities.

A handwritten signature in cursive script, reading "Katrina Dupuy", written over a horizontal line.

DATE:

8/25/05

PHELAN HALLINAN & SCHMIEG, LLP
LAWRENCE T. PHELAN, ESQ., Id. No. 32227
FRANCIS S. HALLINAN, ESQ., Id. No. 62695
ONE PENN CENTER PLAZA, SUITE 1400
PHILADELPHIA, PA 19103
(215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO MORTGAGE GROUP, INC.

Plaintiff

vs.

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN

Defendants

: COURT OF COMMON PLEAS

: CIVIL DIVISION

: CLEARFIELD County

: No. 05-1339-CD

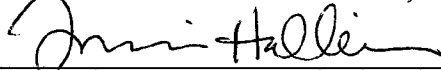
PRAECIPE TO REINSTATE CIVIL ACTION/MORTGAGE FORECLOSURE

TO THE PROTHONOTARY:

Kindly reinstate the Civil Action in Mortgage Foreclosure with reference to the above captioned matter.

PHELAN HALLINAN & SCHMIEG, LLP

By:


FRANCIS S. HALLINAN, ESQUIRE
LAWRENCE T. PHELAN, ESQUIRE
DANIEL G. SCHMIEG, ESQUIRE
Attorneys for Plaintiff

Date: December 21, 2005

/lcf, Svc Dept.
File# 122182

FILED

DEC 22 2005

William A. Shaw
Prothonotary/Clerk of Courts

1 REINSTATE TO
ATTY & SHAN

FILED

DEC 22 2005

Prothonotary/Clerk of Courts

RECEIVED

FILED
DEC 22 2005

William A. Shaw
Prothonotary/Clerk of Courts

FILED
DEC 22 2005

Pro

PHELAN HALLINAN & SCHMIEG, LLP

by: Michele M. Bradford, Esquire

Atty. I.D. No. 69849

One Penn Center, Suite 1400

1617 John F. Kennedy Boulevard

Philadelphia, PA 19103-1814

(215) 563-7000

ABN Amro Mortgage Group, Inc.

7159 Corklan Drive

Jacksonville, FL 32258-4455

Plaintiff

ATTORNEY FOR PLAINTIFF

: Court of Common Pleas

: Civil Division

: Clearfield County

vs.

: No. 05-1339-CD

Douglas L. Saltsman

Elaine M. Saltsman

1079 Congress Hill Road,

a/k/a P.O. Box 214 Congress Hill Road

Frenchville, PA 16836

Defendants

62 FILED
MAY 05 2006
FEB 01 2006

William A. Shaw
Prothonotary/Clerk of Courts

MOTION FOR EQUITABLE CONVERSION TO REAL PROPERTY

AND NOW, COMES PLAINTIFF, ABN Amro Mortgage Group, Inc., by its attorneys, Phelan Hallinan & Schmieg, LLP, and presents this Motion for Equitable Conversion to Real Property, and in support thereof, avers the following:

1. On or about September 30, 2002, Defendants Douglas L. Saltsman and Elaine M. Saltsman made, executed and delivered a mortgage to Plaintiff in the principal sum of \$103,100.00 for the property at 1079 Congress Hill Road, a/k/a P.O. Box 214 Congress Hill Road, Frenchville, PA 16836, which mortgage was recorded on October 3, 2002 in the Office of the Recorder of Deeds of Clearfield County at Instrument number 200216063. A true and correct copy of the mortgage is attached hereto, made part hereof, and marked as Exhibit "A".
2. Defendants defaulted on the mortgage payments, and remain due and owing to Plaintiff for the May 1, 2005 payment and each payment thereafter.

3. On or about August 30, 2005, Plaintiff filed a complaint in mortgage foreclosure. A true and correct copy of the complaint is attached hereto, made part hereof, and marked as Exhibit "B".

4. Defendants Douglas L. Saltzman and Elaine M. Saltzman were served with the complaint on September 23, 2005. True and correct copies of the Affidavits of Service are attached hereto, made part hereof, and marked as Exhibit "C".

5. The property had been assessed in part for "land value", and in part for "building value", under control number 114030775, map number 1140P0500000065. Based on the Clearfield County assessment ratio of 5.24, the fair market value of the property is \$99,298.00. A true and correct copy of the tax assessment record is attached hereto, made part hereof, and marked as Exhibit "D".

6. On June 24, 2002, the property was appraised at \$110,000.00 for the land and house together. The appraiser noted that the house is a manufactured home. A true and correct copy of the appraisal is attached hereto, made part hereof, and marked as Exhibit "E".

7. It was clearly the intention of the parties that the \$103,100.00 loan be secured by a mortgage on both the land and the house.

8. Plaintiff obtained photographs of the house which reflect a front porch, landscaping, permanent utility hookups, and a full basement which show the home's permanent affixation to the land. Attached hereto, made part hereof, and marked as Exhibit "F" are true and correct copies of the photographs of the subject property.

9. In addition, Plaintiff inquired of the Pennsylvania Department of Transportation ("Penndot") and was informed that there is no mobile home registered in the Defendants' names. The only vehicle registered was a GMC truck. This is further evidence that the home is not mobile and that the Defendants intends the home to be permanently affixed to the land. A true and correct copy of Penndot's letter is attached hereto, made part hereof, and marked as Exhibit "G".

10. There is no statutory basis in the Commonwealth of Pennsylvania for court declaration that a mobile home has been converted to realty and affixed as part of the land.

11. Pennsylvania is rife with common law that personal property or chattel be considered a fixture and as such, part of the real estate, when it is deemed to have been permanently affixed to the land.

12. Because the property is clearly attached via foundation to the land, it was clearly the intent of the parties that this home be made permanent at its site and that the mortgage cover such home as security interest for the loan.

13. Principles of equity dictate that the intent of the parties should govern.

14. Plaintiff is requesting the entry of a court order declaring the house as realty, so that the buyer of the property at Sheriff's Sale will acquire clear title to the house and land. If the requested relief is not granted, Plaintiff may not get the full benefit of the collateral for the loan, as the parties intended.

WHEREFORE, Plaintiff ABN Amro Mortgage Group, Inc. respectfully requests that this Honorable Court enter an Order on this motion, that the property at 1079 Congress Hill Road, a/k/a P.O. Box 214 Congress Hill Road, Frenchville, PA 16836 with control number 114030775, map number 1140P0500000065, be equitably converted to real estate by way of this motion, and not subject to separation from land.

Date: 1/31/06

PHELAN HALLINAN & SCHMIEG, LLP


By: 
Michele M. Bradford, Esquire
Attorney for Plaintiff

EXHIBIT A

KAREN L. STARCK
REGISTER AND RECORDER
CLEARFIELD COUNTY
Pennsylvania

INSTRUMENT NUMBER
200216063
RECORDED ON
OCT 03, 2002
1:11:56 PM
Total Pages: 16

RECORDING FEES - \$37.00
RECORDER
COUNTY IMPROVEMENT \$2.00
FUND
RECORDER IMPROVEMENT \$3.00
FUND
STATE & RT TAX \$0.50
TOTAL \$42.50
CUSTOMER
STRATFORD SETTLEMENTS INC

When recorded mail to:
ABN AMRO MORTGAGE GROUP, INC.
P.O. BOX 5064
TROY, MICHIGAN 48084
ATTN: ~~FINAL~~ TRAILING DOCUMENTS

STRATFORD SETTLEMENTS, INC
506 SOUTH MAIN STREET
SUITE 2203
ZELIENOPLE, PA 16063

LOAN #: 623926419

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MORTGAGE

DEFINITIONS

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

(A) "Security Instrument" means this document, which is dated SEPTEMBER 30, 2002, together with all Riders to this document.

(B) "Borrower" is DOUGLAS L SALTSMAN, A MARRIED MAN AND ELAINE M SALTSMAN, A MARRIED WOMAN.

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is ABN AMRO MORTGAGE GROUP, INC.

Lender is a CORPORATION
of DELAWARE.
BEAVER RD., TROY, MICHIGAN 48084.

organized and existing under the laws
Lender's address is 2600 W. BIG

Lender is the mortgagee under this Security Instrument.

Initials: DLS EAS

LOAN #: 623926419

(D) "Note" means the promissory note signed by Borrower and dated SEPTEMBER 30, 2002. The Note states that Borrower owes Lender **ONE HUNDRED THREE THOUSAND ONE HUNDRED AND NO/100*****Dollars (U.S. \$103,100.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than OCTOBER 1, 2032.

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

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

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

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

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

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

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

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

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

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

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

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

Initials: OWS EMS

LOAN #: 623926419

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

TRANSFER OF RIGHTS IN THE PROPERTY

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

CLEARFIELD

[Name of Recording Jurisdiction]:

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF.

which currently has the address of POB 214 CONGRESS HILL ROAD, FRENCHVILLE,

Pennsylvania 16836

("Property Address"):

[Street] [City]

[Zip Code]

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

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

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

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid,

Initials: OLS EMS

LOAN #: 623926419

Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

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

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

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

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

3. **Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event

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of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

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

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

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

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

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

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument,

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Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

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

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

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

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

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole

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obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

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

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

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

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

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

9. **Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has

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

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

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

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

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

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These

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agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

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

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

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

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

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

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

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

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

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

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

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

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

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

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

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

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If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

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

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

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

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

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

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

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower

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must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

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

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

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances:

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

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

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

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

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

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

24. **Waivers.** Borrower, to the extent permitted by Applicable Law, waives and releases any error or defects in proceedings to enforce this Security Instrument, and hereby waives the benefit of any present or future laws

Initials: 046 ENS

LOAN #: 623926419

providing for stay of execution, extension of time, exemption from attachment, levy and sale, and homestead exemption.

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


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

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

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



DOUGLAS L. SALTSMAN (Seal)



ELAINE M. SALTSMAN (Seal)

LOAN #: 623926419

Certificate of Residence

I, Beth A But
do hereby certify that the correct address of the within-named Mortgagee is 2600 W. BIG BEAVER
RD., TROY, MICHIGAN 48084

Witness my hand this 30 day of Sept, 2008

Beth A But

Agent of Mortgagee

Commonwealth of PENNSYLVANIA

County of: Clearfield

On this the 30th day of September before me, Melody J Endress
the undersigned officer, personally appeared

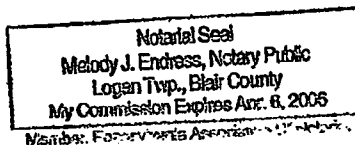
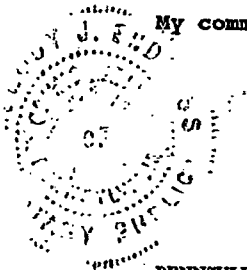
DOUGLAS L SALTSMAN AND ELAINE M SALTSMAN,

known to me (or satisfactorily proven) to be the person whose name

is are subscribed to the within instrument and acknowledged that
they have executed the same for the purposes therein contained.

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

My commission expires: _____



Melody J Endress
Title of Officer

Initials: DL S EMS

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

Form 3039 1/01

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PAUDEDL

EXHIBIT B

PHELAN HALLINAN & SCHMIEG, LLP
LAWRENCE T. PHELAN, ESQ., Id. No. 32227
FRANCIS S. HALLINAN, ESQ., Id. No. 62695
ONE PENN CENTER PLAZA, SUITE 1400
PHILADELPHIA, PA 19103
(215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

Plaintiff

v.

COURT OF COMMON PLEAS

CIVIL DIVISION

TERM

NO. 05-1339-CD

CLEARFIELD COUNTY

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD, A/K/A
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

Defendants



William A. Shaw
Prothonotary/Clerk of Courts

CIVIL ACTION - LAW
COMPLAINT IN MORTGAGE FORECLOSURE

NOTICE

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

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. 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.

Lawyer Referral Service:
Pennsylvania Lawyer Referral Service
Pennsylvania Bar Association
100 South Street
PO Box 186
Harrisburg, PA 17108
800-692-7375

Notice to Defend:
David S. Meholick, Court Administrator
Clearfield County Courthouse
2nd and Market Streets
Clearfield, PA 16830
814-765-2641 x 5982

FEDERMAN AND PHELAN
ATTORNEY FILE COPY
PLEASE RETURN

PHELAN HALLINAN & SCHMIEG, LLP
LAWRENCE T. PHELAN, ESQ., Id. No. 32227
FRANCIS S. HALLINAN, ESQ., Id. No. 62695
ONE PENN CENTER PLAZA, SUITE 1400
PHILADELPHIA, PA 19103
(215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

COURT OF COMMON PLEAS

CIVIL DIVISION

Plaintiff

TERM

v.

NO.

CLEARFIELD COUNTY

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD, A/K/A
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

Defendants

CIVIL ACTION - LAW
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YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

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2nd and Market Streets
Clearfield, PA 16830
814-765-2641 x 5982

IF THIS IS THE FIRST NOTICE THAT YOU HAVE RECEIVED FROM THIS OFFICE, BE ADVISED THAT:

PURSUANT TO THE FAIR DEBT COLLECTION PRACTICES ACT, 15 U.S.C. § 1692 et seq. (1977), DEFENDANT(S) MAY DISPUTE THE VALIDITY OF THE DEBT OR ANY PORTION THEREOF. IF DEFENDANT(S) DO SO IN WRITING WITHIN THIRTY (30) DAYS OF RECEIPT OF THIS PLEADING, COUNSEL FOR PLAINTIFF WILL OBTAIN AND PROVIDE DEFENDANT(S) WITH WRITTEN VERIFICATION THEREOF; OTHERWISE, THE DEBT WILL BE ASSUMED TO BE VALID. LIKEWISE, IF REQUESTED WITHIN THIRTY (30) DAYS OF RECEIPT OF THIS PLEADING, COUNSEL FOR PLAINTIFF WILL SEND DEFENDANT(S) THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR, IF DIFFERENT FROM ABOVE.

THE LAW DOES NOT REQUIRE US TO WAIT UNTIL THE END OF THE THIRTY (30) DAY PERIOD FOLLOWING FIRST CONTACT WITH YOU BEFORE SUING YOU TO COLLECT THIS DEBT. EVEN THOUGH THE LAW PROVIDES THAT YOUR ANSWER TO THIS COMPLAINT IS TO BE FILED IN THIS ACTION WITHIN TWENTY (20) DAYS, YOU MAY OBTAIN AN EXTENSION OF THAT TIME. FURTHERMORE, NO REQUEST WILL BE MADE TO THE COURT FOR A JUDGMENT UNTIL THE EXPIRATION OF THIRTY (30) DAYS AFTER YOU HAVE RECEIVED THIS COMPLAINT. HOWEVER, IF YOU REQUEST PROOF OF THE DEBT OR THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR WITHIN THE THIRTY (30) DAY PERIOD THAT BEGINS UPON YOUR RECEIPT OF THIS COMPLAINT, THE LAW REQUIRES US TO CEASE OUR EFFORTS (THROUGH LITIGATION OR OTHERWISE) TO COLLECT THE DEBT UNTIL WE MAIL THE REQUESTED INFORMATION TO YOU. YOU SHOULD CONSULT AN ATTORNEY FOR ADVICE CONCERNING YOUR RIGHTS AND OBLIGATIONS IN THIS SUIT.

IF YOU HAVE FILED BANKRUPTCY AND RECEIVED A DISCHARGE, THIS IS NOT AN ATTEMPT TO COLLECT A DEBT. IT IS AN ACTION TO ENFORCE A LIEN ON REAL ESTATE.

1. Plaintiff is

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

2. The name(s) and last known address(es) of the Defendant(s) are:

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD, A/K/A
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

who is/are the mortgagor(s) and real owner(s) of the property hereinafter described.

3. On 09/30/2002 mortgagor(s) made, executed and delivered a mortgage upon the premises hereinafter described to PLAINTIFF which mortgage is recorded in the Office of the Recorder of CLEARFIELD County, in Mortgage Instrument No: 200216063.
4. The premises subject to said mortgage is described as attached.
5. The mortgage is in default because monthly payments of principal and interest upon said mortgage due 05/01/2005 and each month thereafter are due and unpaid, and by the terms of said mortgage, upon failure of mortgagor to make such payments after a date specified by written notice sent to Mortgagor, the entire principal balance and all interest due thereon are collectible forthwith.

6. The following amounts are due on the mortgage:

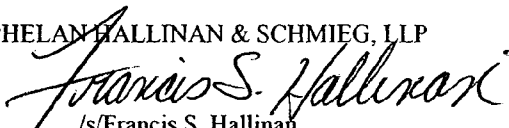
Principal Balance	\$100,072.83
Interest	2,690.82
04/01/2005 through 08/29/2005 (Per Diem \$17.82)	
Attorney's Fees	1,225.00
Cumulative Late Charges	130.32
09/30/2002 to 08/29/2005	
Cost of Suit and Title Search	\$ 550.00
Subtotal	\$ 104,668.97
Escrow	
Credit	0.00
Deficit	0.00
Subtotal	\$ 0.00
TOTAL	\$ 104,668.97

7. The attorney's fees set forth above are in conformity with the mortgage documents and Pennsylvania law, and will be collected in the event of a third party purchaser at Sheriff's Sale. If the Mortgage is reinstated prior to the Sale, reasonable attorney's fees will be charged.
8. Notice of Intention to Foreclose as set forth in Act 6 of 1974, Notice of Homeowner's Emergency Assistance Program pursuant to Act 91 of 1983, as amended in 1998, and/or Notice of Default as required by the mortgage document, as applicable, have been sent to the Defendant(s) on the date(s) set forth thereon, and the temporary stay as provided by said notice has terminated because Defendant(s) has/have failed to meet with the Plaintiff or an authorized consumer credit counseling agency, or has/have been denied assistance by the Pennsylvania Housing Finance Agency.
9. This action does not come under Act 6 of 1974 because the original mortgage amount exceeds \$50,000.

WHEREFORE, PLAINTIFF demands an in rem Judgment against the Defendant(s) in the sum of \$ 104,668.97, together with interest from 08/29/2005 at the rate of \$17.82 per diem to the date of Judgment, and other costs and charges collectible under the mortgage and for the foreclosure and sale of the mortgaged property.

PHELAN HALLINAN & SCHMIEG, LLP

By:


/s/Francis S. Hallinan

LAWRENCE T. PHELAN, ESQUIRE

FRANCIS S. HALLINAN, ESQUIRE

Attorneys for Plaintiff

KAREN L. STARCK
REGISTER AND RECORDER
CLEARFIELD COUNTY
Pennsylvania

INSTRUMENT NUMBER
200216063

RECORDED ON

OCT 03, 2002
1:11:56 PM

Total Pages: 16

RECORDING FEES -	\$37.00
RECORDER	
COUNTY IMPROVEMENT	\$2.00
FUND	
RECORDER IMPROVEMENT	\$3.00
FUND	
STATE & CITY TAX	\$0.50
TOTAL	\$42.50
CUSTOMER	
STRATFORD SETTLEMENTS INC	

When recorded mail to:
ABN AMRO MORTGAGE GROUP, INC.
P.O. BOX 5064
TROY, MICHIGAN 48084
ATTN: FINAL/TRAILING DOCUMENTS

STRATFORD SETTLEMENTS, INC
506 SOUTH MAIN STREET
SUITE 2203
ZELIENOPLE, PA 16063

LOAN #: 623926419

[Space Above This Line For Recording Data]

MORTGAGE

DEFINITIONS

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

(A) "Security Instrument" means this document, which is dated SEPTEMBER 30, 2002, together with all Riders to this document.

(B) "Borrower" is DOUGLAS L SALTSMAN, A MARRIED MAN AND ELAINE M SALTSMAN, A MARRIED WOMAN.

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is ABN AMRO MORTGAGE GROUP, INC.

Lender is a CORPORATION
of DELAWARE.

BEAVER RD., TROY, MICHIGAN 48084.

organized and existing under the laws
Lender's address is 2600 W. BIG

Lender is the mortgagee under this Security Instrument.

Initials: DLS EMS

PENNSYLVANIA—Single Family—Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
Form 3039 1/01

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PAUDEED

PAUDEEDL 0109

LOAN #: 623926419

(D) "Note" means the promissory note signed by Borrower and dated **SEPTEMBER 30, 2002**.
The Note states that Borrower owes Lender ****ONE HUNDRED THREE THOUSAND ONE HUNDRED AND NO/100*****Dollars (U.S. \$103,100.00)**
plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **OCTOBER 1, 2032**.

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

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

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

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

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

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

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

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

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

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

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

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

Initials: OWS FMS

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

Form 3039 1/01

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PAUDEDL

LOAN #: 623926419

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

TRANSFER OF RIGHTS IN THE PROPERTY

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

CLEARFIELD

[Name of Recording Jurisdiction]:

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF.

which currently has the address of POB 214 CONGRESS HILL ROAD, FRENCHVILLE,

Pennsylvania 16836

("Property Address"):

[Street] [City]

[Zip Code]

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

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

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

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

1. **Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid,

Initials: OLS EWS

LOAN #: 623926419

Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

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

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

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

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

3. **Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event

Initials: OKS PM

LOAN #: 623926419

of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

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

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

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

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

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

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument,

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Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

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

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

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

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

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole

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obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

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

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

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

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

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

9. **Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has

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

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

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

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

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

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These

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agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

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

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

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

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

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

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

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

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

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

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

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

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

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

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

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

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If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

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

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

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

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

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

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

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower

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must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

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

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

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances:

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

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

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

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

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

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

24. Waivers. Borrower, to the extent permitted by Applicable Law, waives and releases any error or defects in proceedings to enforce this Security Instrument, and hereby waives the benefit of any present or future laws

Initials: 045 EMS

LOAN #: 623926419

providing for stay of execution, extension of time, exemption from attachment, levy and sale, and homestead exemption.


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

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

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

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

 (Seal)
DOUGLAS L. SALTSMAN

 (Seal)
ELAINE M. SALTSMAN

LOAN #: 623926419

Certificate of Residence

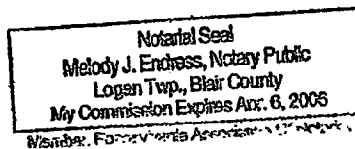
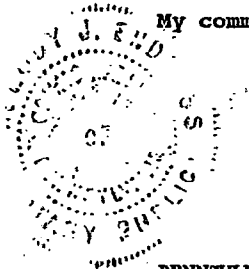
I, Beth A But
do hereby certify that the correct address of the within-named Mortgagee is 2600 W. BIG BEAVER
RD., TROY, MICHIGAN 48084

Witness my hand this 30 day of Sept, 2008
Beth A But
Agent of Mortgagee

Commonwealth of PENNSYLVANIA
County of: Clearfield

On this the 30th day of September before me, Melody J Endress
, the undersigned officer, personally appeared
DOUGLAS L SALTSMAN AND ELAINE M SALTSMAN,
known to me (or satisfactorily proven) to be the person whose name
S are subscribed to the within instrument and acknowledged that
they have executed the same for the purposes therein contained.
In witness whereof I hereunto set my hand and official seal.

My commission expires: _____



Melody J Endress
Title of Officer

Initials: DL S EMS

LEGAL DESCRIPTION

ALL that certain parcel of land situate in the Township of Girard, County of Clearfield and State of Pennsylvania, bounded and described as follows:

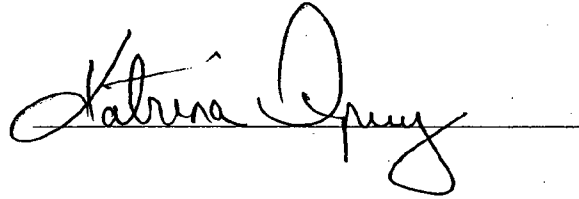
BEGINNING at a point at corner of land now of formerly of Albert Kampe and Township Road No.T-633; thence southwesterly in the northerly right of way of Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence northerly perpendicular to Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence westerly parallel to Township Road T-633 to the line of Albert Kampe Property two hundred eight and seventy-one one-hundredths (208.71) feet to a point in the line of Kampe property; thence southerly in line of Kampe property two hundred eight and seventy-one one-hundredths (208.71) feet to the place of beginning. Containing one (1) acre.

BEING the same premises conveyed to Joseph Colavecchi from the Tax Claim Bureau of Clearfield County, Pennsylvania by deed dated January 14, 1985, said deed being recorded at Clearfield in Volume 991, page 232.

PREMISES BEING: 1079 CONGRESS HILL ROAD, A/K/A P.O. BOX 214, CONGRESS HILL ROAD.

VERIFICATION

Katrina Dupuy hereby states that he/she is LOAN ADMINISTRATION OFFICER of ABN AMRO MORTGAGE GROUP, INC. mortgage servicing agent for Plaintiff in this matter, that he/she is authorized to take this Verification, and that the statements made in the foregoing Civil Action in Mortgage Foreclosure are true and correct to the best of his/her knowledge, information and belief. The undersigned understands that this statement is made subject to the penalties of 18 Pa. C.S. Sec. 4904 relating to unsworn falsification to authorities.

A handwritten signature in cursive script, reading "Katrina Dupuy", is written over a horizontal line.

DATE: 8/25/05

EXHIBIT C

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 100776
NO: 05-1339-CD
SERVICE # 2 OF 3
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: ABN AMRO MORTGAGE GROUP, INC.
vs.
DEFENDANT: DOUGLAS L. SALTSMAN & ELAINE SALTSMAN

SHERIFF RETURN

NOW, September 23, 2005 AT 11:31 AM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON ELAINE M. SALTSMAN DEFENDANT AT 105 SHORTENCARRIER LANE, FRENCHVILLE, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO LOIS PLUBELL, MOTHER A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: HUNTER / NEVLING

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 100776
NO: 05-1339-CD
SERVICE # 1 OF 3
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: ABN AMRO MORTGAGE GROUP, INC.
vs.
DEFENDANT: DOUGLAS L. SALTSMAN & ELAINE SALTSMAN

COPY

SHERIFF RETURN

NOW, September 23, 2005 AT 1:25 PM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON DOUGLAS L. SALTSMAN DEFENDANT AT CLEARFIELD COUNTY JAIL, 115 21 ST ST., CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO DOUGLAS L. SALTSMAN, DEFENDANT A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: HUNTER / NEVLING

EXHIBIT D

01/11/06 5:59:51 AM

RESIDENTIAL PROPERTY RECORD CARD

CLEARFIELD COUNTY, PA

EFFECTIVE DATE OF VALUE: 4/01/2000

1079 CONGRESS HILL RD Control #: 114030775 Map #: 1140P0500000065 ZONING: CLASS: R STATE CLASS: CARD #: 1 OF 1

CURRENT OWNER/ADDRESS
SALTSMAN, DOUGLAS L. & ELAINE
1079 CONGRESS HILL RD PO BOX 214
FRENCHVILLE PA 16836

DEED BOOK: 1818
DEED PAGE: 0001
DEED DATE: 0

INFLUENCE FACTORS NBHD ID: 1.00 LIVING UNITS: 1 ROUTING #: 1
% LAND VALUE 5,100
0 0
0 0
0 0
0 0

ASSESSMENT INFORMATION -
LAND 5,100
BUILDING 44,200
TOTAL 49,300
PRIOR 5,100
CURRENT 70,700
75,800
18,950

TOTAL ACRES: 1.000 TOTAL LAND VALUE: 5,100

DATA COLLECTION INFORMATION -
20051213 TS
19990816 JTL
20021029 DH

SALES DATA:

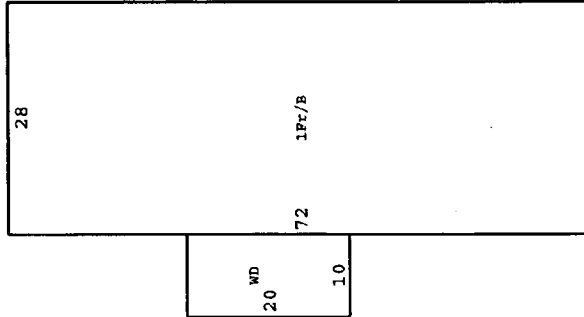
Date	Type	Price	Valid Date	#	Amount	Purpose	Lower Level	First Floor	Second Floor	Third Floor	Area	Value
19970101	LAND ONLY	1,100	A	20020520	517	93,000	NEW DW W/FOUNDAA	Wood Deck			200	1100
0		0		0	0	0	B				0	000
0		0		0	0	0	C				0	000
							D				0	000
							E				0	000
							F				0	000
							G				0	000
							H				0	000

DWELLING DATA:

STYLE: CONVENTIONAL Color: NATURAL
Walls: FRAME/EQUAL Story Ht. 1.0
Total Rooms: 6 Bedrooms: 3
Basement: FULL
Attic: NONE
Full Baths: 2 Add'l Fixtures: 0
Half Baths: 0 Total Fixtures: 8
Heating: 0 CENTRAL/AC
Heating System: WARM AIR
Type: OIL
Fin. Bsmt. Living Area: 0 X 0
Basement Rec Room Area: 0 X 0
WB / Metal Fireplaces: 0 / 1
Basement Garage (# Cars): 0
Ground Flr Area: 2016
Total Living Area: C
Quality Grade: 2016
Year Built: 2002 Condition: GOOD
CDU: AV

ADDITION DATA:

First Floor	Second Floor	Third Floor	Area	Value
Wood Deck			200	1100
			0	000
			0	000
			0	000
			0	000
			0	000
			0	000



OUTBUILDING DATA

Type	Qty	Yr	Size1	Size2	Grd	Cond	Value
AP2	1	1999	20	30	C	A	\$3,550
AP2	1	2001	8	30	C	A	\$2,350
	0	0	0	0	0	0	\$0
	0	0	0	0	0	0	\$0
	0	0	0	0	0	0	\$0
	0	0	0	0	0	0	\$0
	0	0	0	0	0	0	\$0
	0	0	0	0	0	0	\$0
Misc OBV Desc: STORAGE OVER AP2 300@							7400
Total OBV Value =							

NOTES:

H, 2 BLDGS. & 1 A

VALUE FLAG: 5

EXHIBIT E

D. B. Mackey Real Estate

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No. **202054**

Property Description

Property Address **P.O. Box 214 Congress Hill Rd.** City **Frenchville** State **PA** Zip Code **16856**

Legal Description **Deed Attached** County **Clearfield**

Assessor's Parcel No. **114-P05-65** Tax Year **2002** R.E. Taxes \$ **1,090.00** Special Assessments \$ **n/a**

Borrower **Douglas J. & Elaine M. Seltman** Current Owner **Same** Occupant ☒ Owner ☐ Tenant ☐ Vacant

Property rights appraised ☒ Fee Simple ☐ Leasehold Project Type ☐ PUD ☐ Condominium (HUDVA only) HOAS **n/a** /Mo.

Neighborhood or Project Name **Girard Township** Map Reference **114-P05-65** Census Tract **3307**

Sale Price \$ _____ Date of Sale _____ Description and \$ amount of loan charges/concessions to be paid by seller _____

Lender/Client **Atlantic Bay Mortgage Group, Mary D. Address 5919 Cleander Dr., Suite 115, Wilmington, N.C. 28403**

Appraiser **David B. Mackey Jr.** Address **620 South Cambria Street Bellwood, PA 16617**

Location ☐ Urban ☐ Suburban ☒ Rural Predominant occupancy ☐ Single family housing (AGE 3000) ☐ Present land use % ☐ Land use change

Built up ☐ Over 75% ☐ 25-75% ☒ Under 25% ☐ Owner ☒ 30 Low 1 ☐ One family ☐ 2-4 family ☐ Multi-family ☐ To: Single Family

Growth rate ☐ Rapid ☒ Stable ☐ Slow ☐ Tenant ☐ 100 High 80 ☐ Commercial 10 ☐ Vacant 65

Property values ☐ Increasing ☒ Stable ☐ Declining ☐ Vacant (0-5%) ☐ Predominant ☐ Commercial 10 ☐ Vacant 65

Demand/supply ☐ Shortage ☒ In balance ☐ Over supply ☐ Vacant (5-10%) ☐ Predominant ☐ Commercial 10 ☐ Vacant 65

Marketing time ☐ Under 3 mos. ☒ 3-6 mos. ☐ Over 6 mos. ☐ Vacant (over 5%) ☐ Predominant ☐ Commercial 10 ☐ Vacant 65

Notes: race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood boundaries and characteristics: **The subject property is located 12 miles Northeast of Clearfield, PA in a rural area of Girard Township near the Village of Frenchville, PA.**

Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.): **The neighborhood is mostly single family residential with seasonal homes and manufactured homes in the area. Local employment, shopping, and amenities are within a 20-30 minute commute to Clearfield or Philipsburg, PA. Interstate 80 interchange is within a 15-20 minute commute.**

Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time - such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.): **Market data indicates that the property values are stable with supply and demand in balance. The local economy has suffered some layoffs and small plant closings but the market has remained fairly stable. Interest rates have been at a low which has helped keep an active market. Marketing time is 120-180 days.**

Project information for PUDs (if applicable) - Is the developer/builder in control of the Home Owner's Association (HOA)? ☐ Yes ☒ No

Approximate total number of units in the subject project _____ Approximate total number of units for sale in the subject project _____

Describe common elements and recreational facilities: _____

Dimensions 208.7' x 208.7'

Site area **1 Acre +/-** Corner Lot ☐ Yes ☒ No

Specific zoning classification and description _____

Zoning compliance ☐ Legal ☐ Legal nonconforming (Grandfathered use) ☐ Illegal ☒ No Zoning

Highest & best use as improved: ☒ Present use ☐ Other use (explain) _____

Utilities ☒ Public ☐ Other

Electricity ☒ Street ☐ Gravel/Chipped ☒ Public ☐ Private

Gas ☐ Cutback/gutter ☐ None ☐ Street ☒ Private

Water ☐ On Site ☐ Sidewalk ☐ Street lights ☐ Alley ☐ None

Sanitary sewer ☐ On Site ☐ Storm sewer ☐ Alley ☐ None

Topography **Level**

Size **1 Acre**

Shape **Square**

Drainage **Appears Adequate**

View **Average**

Landscaping **Average**

Driveway Surface **Gravel**

Apparent assessments **None noted**

FEMA Special Flood Hazard Area ☐ Yes ☒ No

FEMA Zone **C** Map Date **06/17/86**

FEMA Map No. **422361**

Comments (apparent adverse assessments, encroachments, special assessments, side areas, illegal or legal nonconforming zoning use, etc.): **None noted.**

See deed and conveyances for right of ways, easements, and restrictions: if any. Mineral rights excluded.

GENERAL DESCRIPTION		EXTERIOR DESCRIPTION		FOUNDATION		BASEMENT		INSULATION	
No. of Units	One	Foundation	Slab	Slab	1,919	Roof	Asph. Sh.	None	
No. of Stories	One	Exterior Walls	Vinyl	Crawl Space	Full	% Finished	0	Ceiling	
Type (Det./Apt.)	Det.	Roof Surface	Asph. Sh.	Basement	Full	Ceiling	Concrete	Walls	
Design (Style)	Ranch	Gutters & Downspouts	Alum.	Bump Pump	None	Walls	Concrete	Floor	
Existing/Proposed	Yes/Yes	Window Type	D.H.	Dampness	None	Floor	Concrete	None	
Age (Yrs.)	New	Storm/Screen	Yes	Settlement	None	Outside Entry	Yes	Unknown	
Effective Age (Yrs.)	New	Manufactured House	Yes	Infiltration	Not Insp.				

ROOMS	Foyer	Living	Dining	Kitchen	Den	Family Rm	Rec. Rm	Bedrooms	# Baths	Laundry	Other	Area Sq. Ft.
Basement												1,919
Level 1		1	Area	1	1	1		3	2.00	Area		1,919
Level 2												

Finished area above grade contains: **7** Rooms; **3** Bedrooms; **2.00** Bath(s); **1,919** Square Feet of Gross Living Area

INTERIOR		HEATING		KITCHEN EQUIP.		ATTIC		AMENITIES		CAR STORAGE	
Materials/Condition	WW/Vinyl/New	Type	FHA	Refrigerator	<input checked="" type="checkbox"/> None	<input checked="" type="checkbox"/> None	Fireplace(s) #	<input checked="" type="checkbox"/> None	Garage	\$ of cars	
Floors	Wall bd/Vinyl/New	Fuel	Oil	Range/Oven	<input checked="" type="checkbox"/> None	<input checked="" type="checkbox"/> None	Patio	<input type="checkbox"/> Attached			
Walls	Vinyl/New	Condition	New	Disposal	<input type="checkbox"/> Drop Stair	<input type="checkbox"/> Scuttle	Deck	<input checked="" type="checkbox"/> Detached			
Trim/Finish	Vinyl/New	COOLING	No	Dishwasher	<input checked="" type="checkbox"/> Floor	<input type="checkbox"/> Fences	Porch	<input type="checkbox"/> Built-In			
Bath Floor	Vinyl/New	Central	No	Fan/Hood	<input checked="" type="checkbox"/> Heated	<input type="checkbox"/> Pool		<input type="checkbox"/> Carpet			
Bath Walls/ceiling	Vinyl/New	Other	Wd/New	Washer/Dryer	<input checked="" type="checkbox"/> Finished			<input type="checkbox"/> Driveway			
Doors	Wd/New	Condition									

Additional features (special energy efficient items, etc.): _____

Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.: **2002 Fleetwood Entertainer Series 1,919 s.f. manufactured home with L.R., three bedrooms, 2 baths, sitting room or den, and utility room. Full poured concrete foundation with walkout doors.**

Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property: **No adverse environmental conditions noted to be present.**

D. B. Mackey Real Estate
UNIFORM RESIDENTIAL APPRAISAL REPORT

Valuation Section File No. 202054

ESTIMATED SITE VALUE = \$ 15,000

ESTIMATED REPRODUCTION COST-NEW-OF IMPROVEMENTS:

Dwelling 1,919 Sq. Ft. @ \$ 40.48 = \$ 77,643

Basmt 1,919 Sq. Ft. @ \$ 8.09 = \$ 15,525

Garage/Carport Sq. Ft. @ \$ =

Total Estimated Cost New = \$ 93,168

Less: Depreciation 0 = \$ 0

Depreciated Value of Improvements = \$ 93,168

"As Is" Value of Site Improvements = \$ 7,500

INDICATED VALUE BY COST APPROACH = \$ 115,688 Est. Rem Econ Life 30 yrs

Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property): Cost figures per actual dealer cost and contractor estimates on home and basement.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
P.O. Box 214 Congress Hill Rd.	850 Hill St.	RR#1, Box 459	R.D. #1, Box 198E	
Address	Frenchville, PA	Clearfield, PA	Houtzdale, PA	West Decatur, PA
Proximity to Subject	12 M.	17 M.	11 M.	
Sales Price	\$ 122,000	\$ 114,000	\$ 86,000	
Price/Gross Liv. Area	\$ 0.00	\$ 80.48	\$ 70.37	\$ 47.78
Data and/or Verification Source	Public Records	Public Records/MLS	Public Records/MLS	Public Records/MLS
VALUE ADJUSTMENTS	DESCRIPTION	+/- Adjustment	DESCRIPTION	+/- Adjustment
Salts or Financing	Conv.		Conv.	
Concessions	None		None	
Date of Sale/Time	10/2001		05/2002	
Location	Rural		Rural	
Leasehold/Fee Simple	Fee Simple		Fee Simple	
Site	1 Acre +/-	8 A.	10 A.	1.8 A.
View	Average	-8,000	Average	-8,000
Design and Appeal	Ranch/Manf.		Ranch/Manf.	
Quality of Construction	Average		Average	
Age	New	5	3	6
Condition	New	Average	Average	Average
Above Grade	Total	7	3	2.00
Room Count	7	3	2.00	7
Gross Living Area	1,919 Sq. Ft.	2,018 Sq. Ft.	1,620 Sq. Ft.	1,800 Sq. Ft.
Basement & Finished Rooms Below Grade	Full	Full	Full	Full
Functional Utility	Average	Average	Average	Average
Heating/Cooling	FHA/No	FHA/Yes	FHA/No	FHA/No
Energy Efficient Items	Average	Average	Average	Average
Garage/Carport	Internal	None	One Car Det.	Internal
Porch, Patio, Deck, Fireplaces, etc.	Porch	Porch	Porch	Porch
Fence, Pool, etc.	Sm. Barn	No	None	None
Net Adj. (Total)		+ (X) - \$ -2,000	(X) + - \$ 2,000	(X) + - \$ 9,500
Adjusted Sales Price of Comparable		\$ 120,000	\$ 116,000	\$ 95,500

Comments on Sales Comparison (including the subject property's comparability to the neighborhood, etc.): Due to the rural area comparables utilized, exceeded the preferred three mile radius but were all manufactured homes sales with full basements. Sales were of similar style, design, and appeal and are in the Clearfield market area. Comparables are considered the best available. The subject is compatible with the neighborhood and area properties.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Date Source, for prior sales within year of appraisal	No Prior Sale Public Records	No Prior Sale Public Records	No Prior Sale Public Records	No Prior Sale Public Records

Analysis of any current agreement of sale, option, or listing of the subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal. The subject property and comparables listed have not sold or been listed for sale within the past 12 months other than indicated.

INDICATED VALUE BY SALES COMPARISON APPROACH = \$ 110,000

INDICATED VALUE BY INCOME APPROACH (If Applicable) Estimated Market Rent \$ /Mo x Gross Rent Multiplier = \$ /Yr

This appraisal is made ☐ "as is" ☒ subject to the repairs, alterations, inspections or conditions listed below ☒ subject to completion per plans and specifications.

Conditions of Appraisal: The appraisal is subject to the condition that the home will be constructed and completed in a professional manner per contractor specifications. See addendum.

Final Reconciliation: The Sales Comparison Analysis is the best indicator of value utilizing the adjusted sales figures on the grid with support provided by the Cost Approach. The Income Approach was not utilized as it is mainly used in the appraisal of income producing property.

The purpose of this appraisal is to estimate the market value of the real property that is subject to this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 437/Fannie Mae Form 1004 (Revised 6/93).

(WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF 08/24/2002 (WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 110,000

APPRAISER: *David B. Mackey Jr.* SUPERVISORY APPRAISER (ONLY IF REQUIRED):

Signature: *David B. Mackey Jr.* Signature: _____

Name: David B. Mackey Jr. Name: _____

Date Report Signed: 08/27/2002 Date Report Signed: _____

State Certification # _____ State Certification # _____

Or State License # RI-001693-L State PA Or State License # _____ State _____

SUBJECT PHOTO ADDENDUM

File No. 202054

Borrower Douglas L. & Elaine M. Seltman

Property Address Congress Hill Rd.

City Frenchville

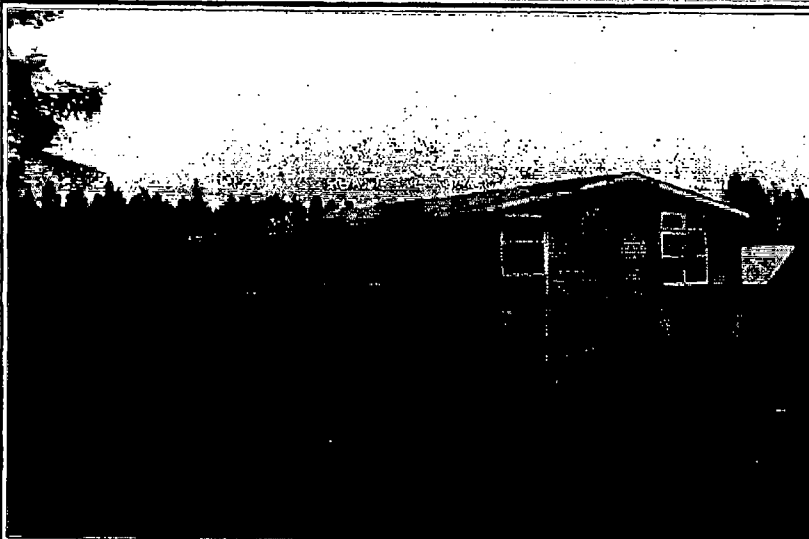
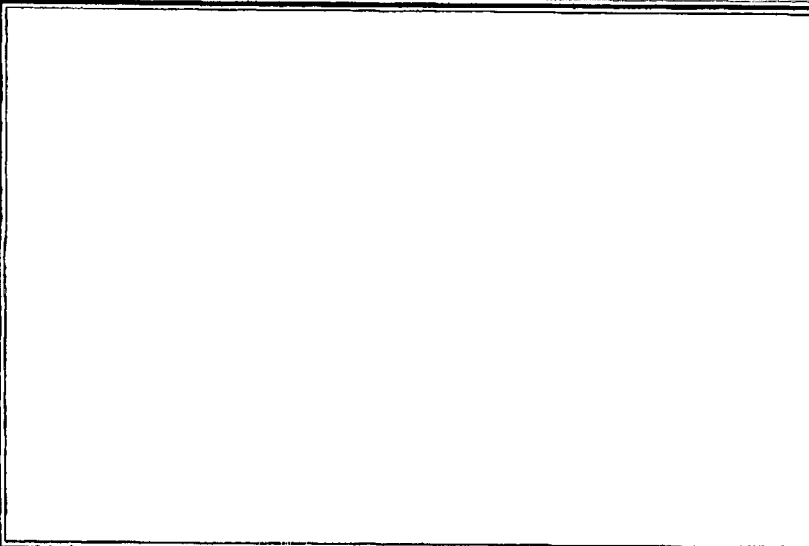
County Clearfield

State PA

Zip Code 16858

Lender/Cliant Atlantic Bay Mortgage Group, Man/ D.

Address 5819 Oleander Dr., Suite 115, Wilmington, N.C. 28403

FRONT OF
SUBJECT PROPERTYAddress
Congress Hill Rd.
Frenchville, PAREAR OF
SUBJECT PROPERTY

STREET SCENE

SUBJECT PHOTO ADDENDUM

File No. 202054

Borrower Douglas L. & Elaine M. Sattelmair
Property Address P.O. Box 214 Congress Hill Rd.
City Frenchville County Clearfield State PA Zip Code 16856
Lender/Client Atlantic Bay Mortgage Group, Manf. D. Address 5918 Oleander Dr., Suite 115, Wilmington, N.C. 28403

FRONT OF
SUBJECT PROPERTY

Address
P.O. Box 214 Congress Hill Rd
Frenchville, PA
Appraisal Date 06/
Appraisal Value 110,000

Site 1 Acre +/-
View Average
Design/Appeal Ranch/Manf.
Const. Quality Average
Age New
Sq Ft 1,919
Total Rms 7
Bedrooms 3.00
Baths 2.00
Basement Full
Garage Internal
Fireplace Yes

REAR OF
SUBJECT PROPERTY

STREET SCENE

COMPARABLES 1-2-3 PHOTO ADDENDUM

File No. 202054

Broker Douglas L. & Elaine M. Seitzman

Property Address P.O. Box 214 Conness Hill Rd.

City Frenchville

County Clearfield

State PA

Zip Code 16856

Lender/Client Atlantic Bay Mortgage Group, Manf D.

Address 5819 Oleander Dr., Suite 115, Wilmington, N.C. 28403



COMPARABLE SALE #1

Address
650 Hill St.
Clearfield, PA
Sale Date 10/2001
Sale Price 122,000

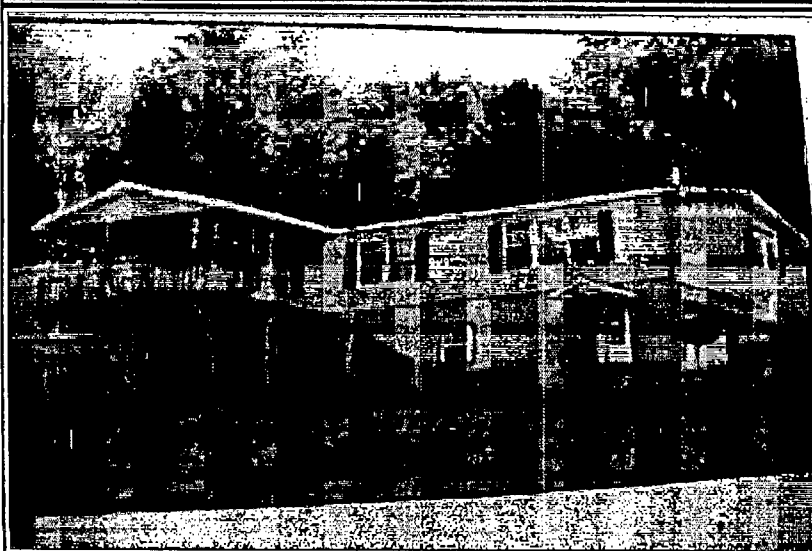
Site 9 A.
View Average
Design/Arch Ranch/Manf.
Const/Qty Average
Age 5
Sq Ft 2,018
Total Rms 7
Bedrooms 3
Baths 2.00
Basement Full
Garage None
Fireplace No



COMPARABLE SALE #2

Address
RR#1, Box 458
Houtzdale, PA
Sale Date 05/2002
Sale Price 114,000

Site 10 A.
View Average
Design/Arch Ranch/Manf.
Const/Qty Average
Age 3
Sq Ft 1,620
Total Rms 6
Bedrooms 3
Baths 2.00
Basement Full
Garage One Car Det.
Fireplace No



COMPARABLE SALE #3

Address
R.D. #1, Box 198E
West Decatur, PA
Sale Date 02/2002
Sale Price 88,000

Site 1.9 A.
View Average
Design/Arch Ranch/manf.
Const/Qty Average
Age 8
Sq Ft 1,800
Total Rms 7
Bedrooms 3
Baths 2.50
Basement Full
Garage Internal
Fireplace No

EXTRA SUBJECT PHOTO ADDENDUM

File No. 202054

Borrower Douglas L. & Elaine M. Salzman

Property Address P.O. Box 214 Condress Hill Rd.

City Frenchville

County Clearfield

State PA

Zip Code 16858

Lender/Client Atlantic Bay Mortgage Group, Marf D.

Address 5919 Cleander Dr., Suite 115, Wilmington, N.C. 28403



Barn/Shed

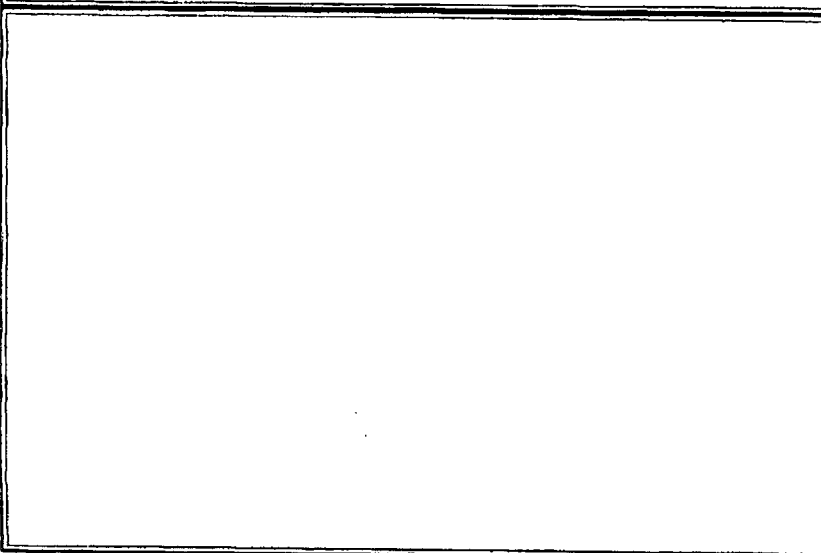
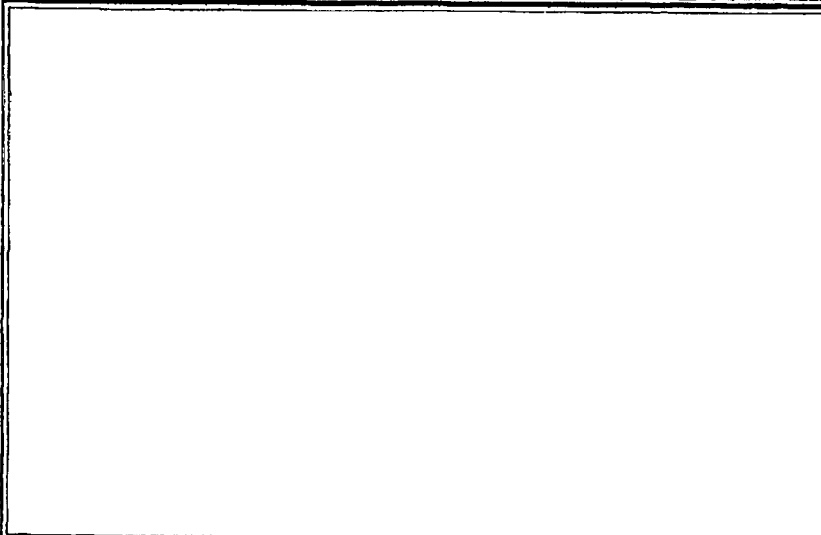
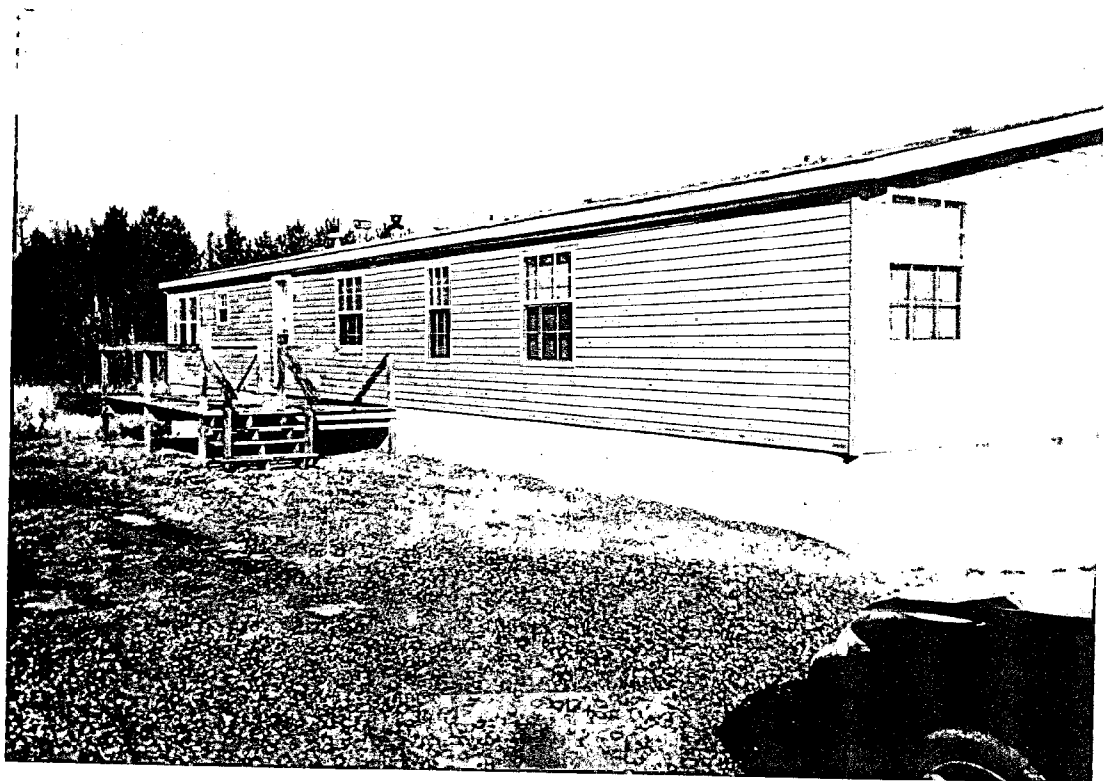
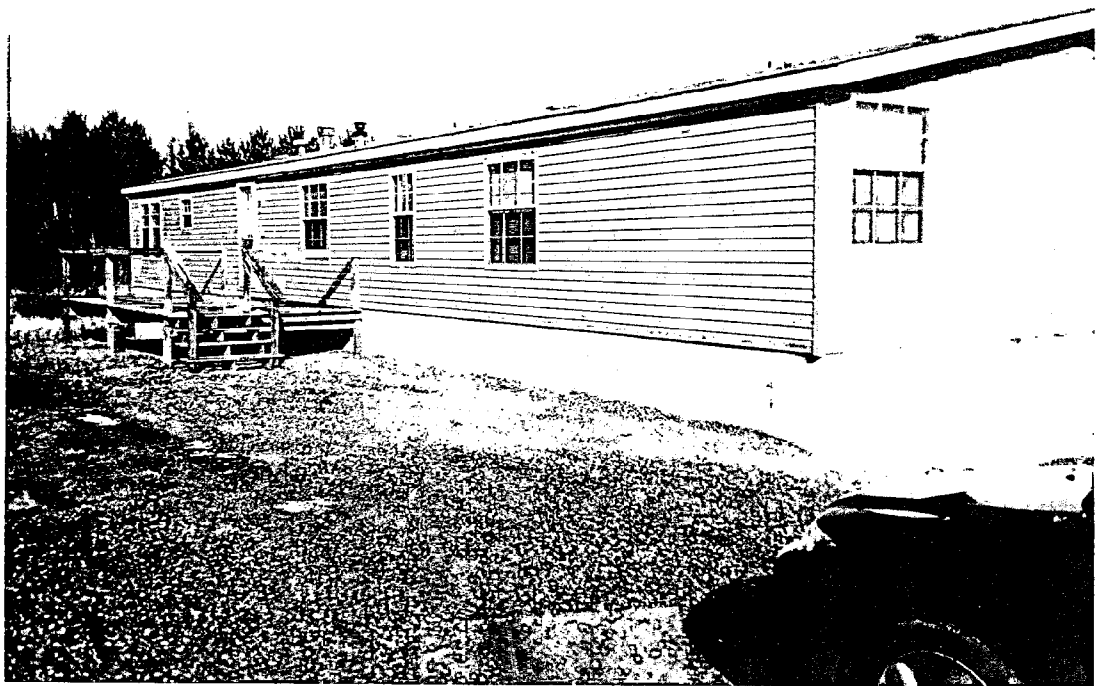
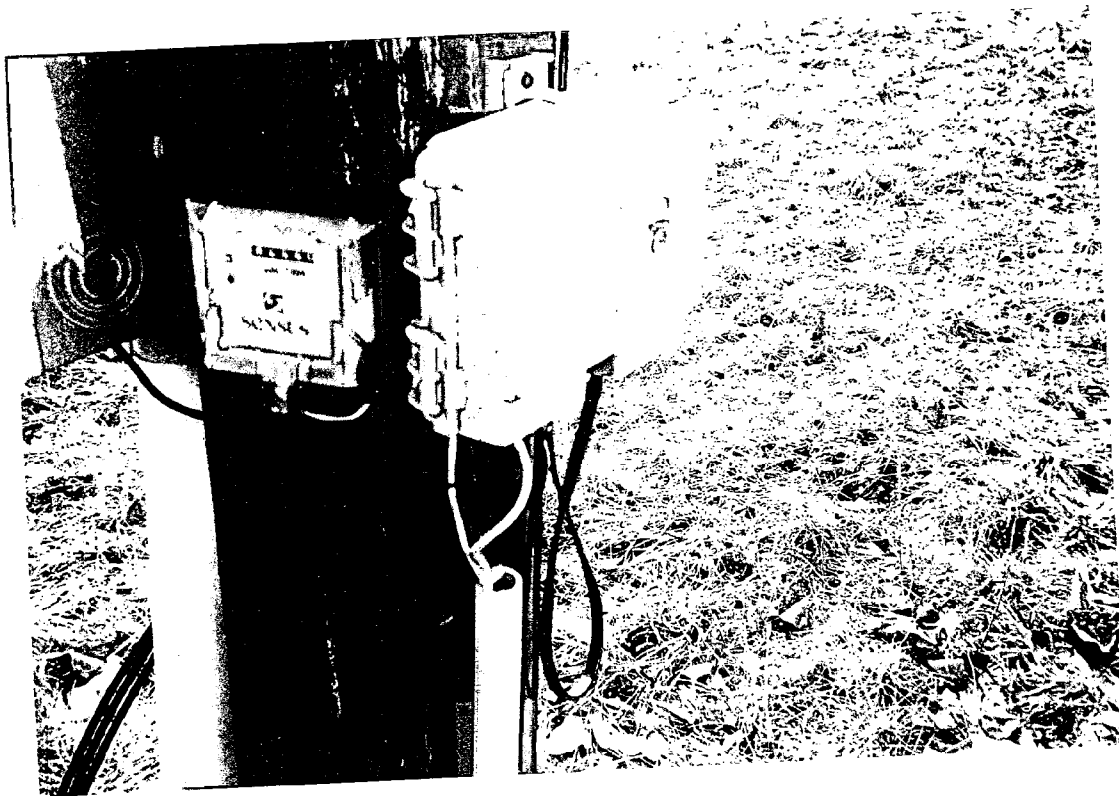
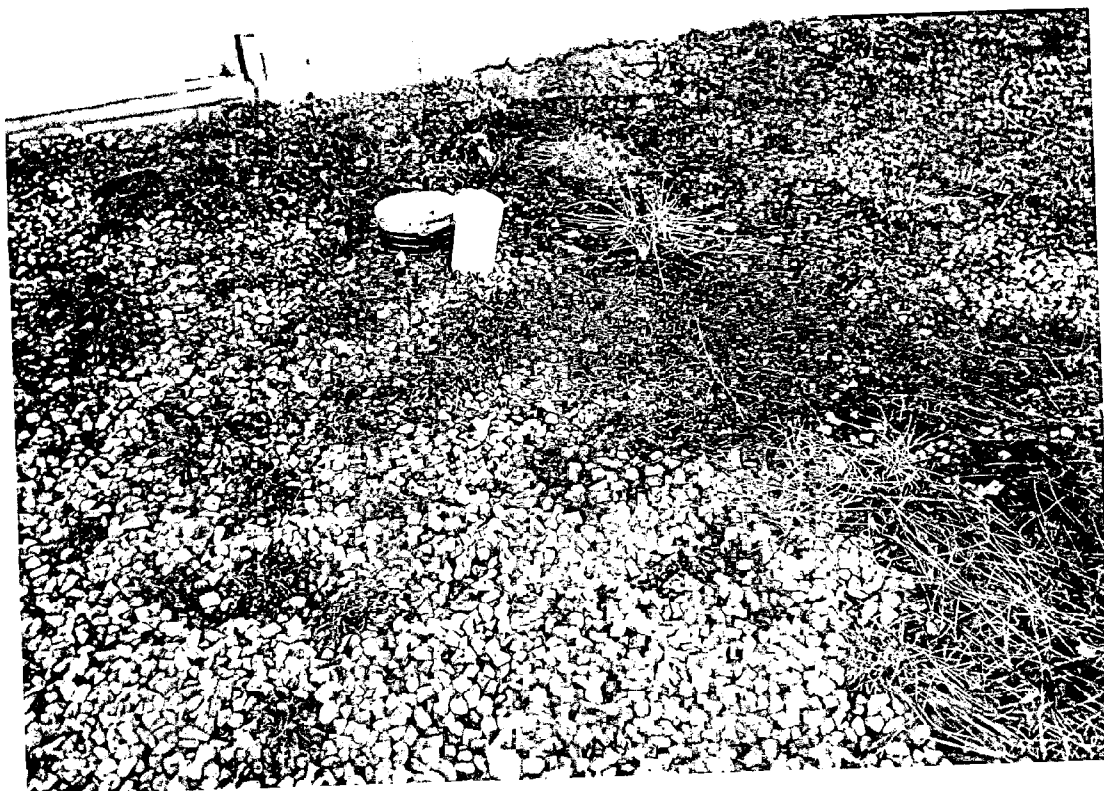


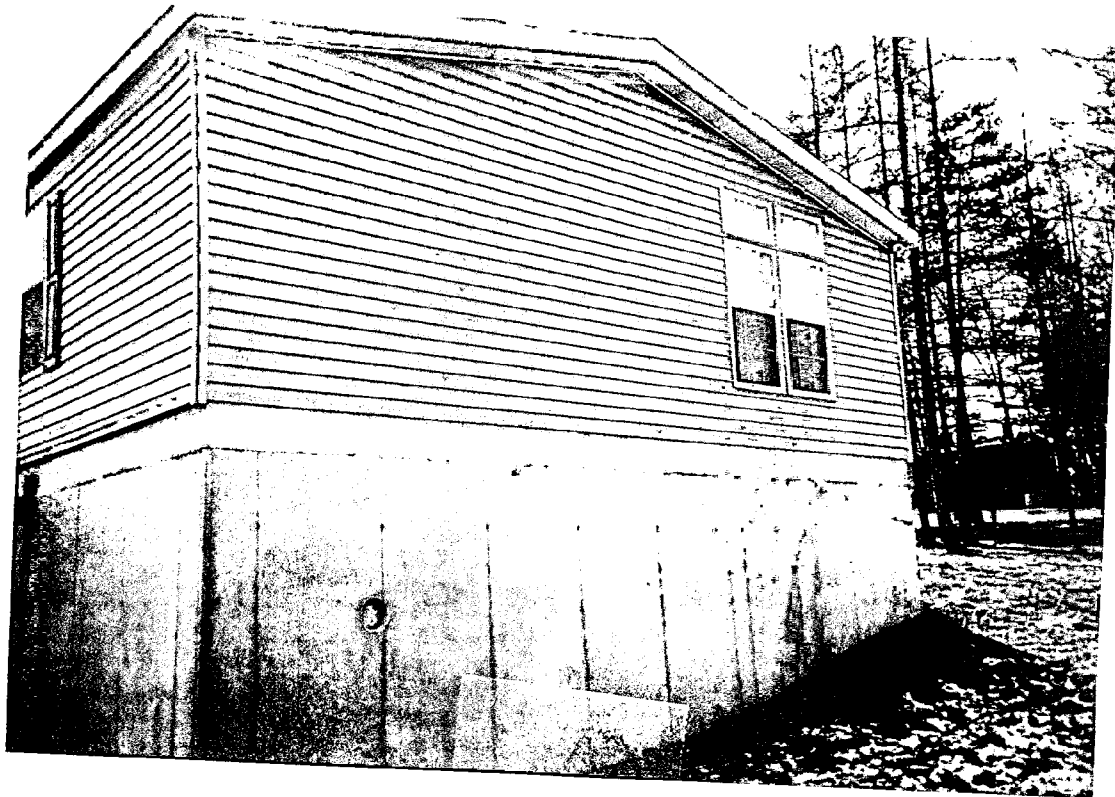
EXHIBIT F



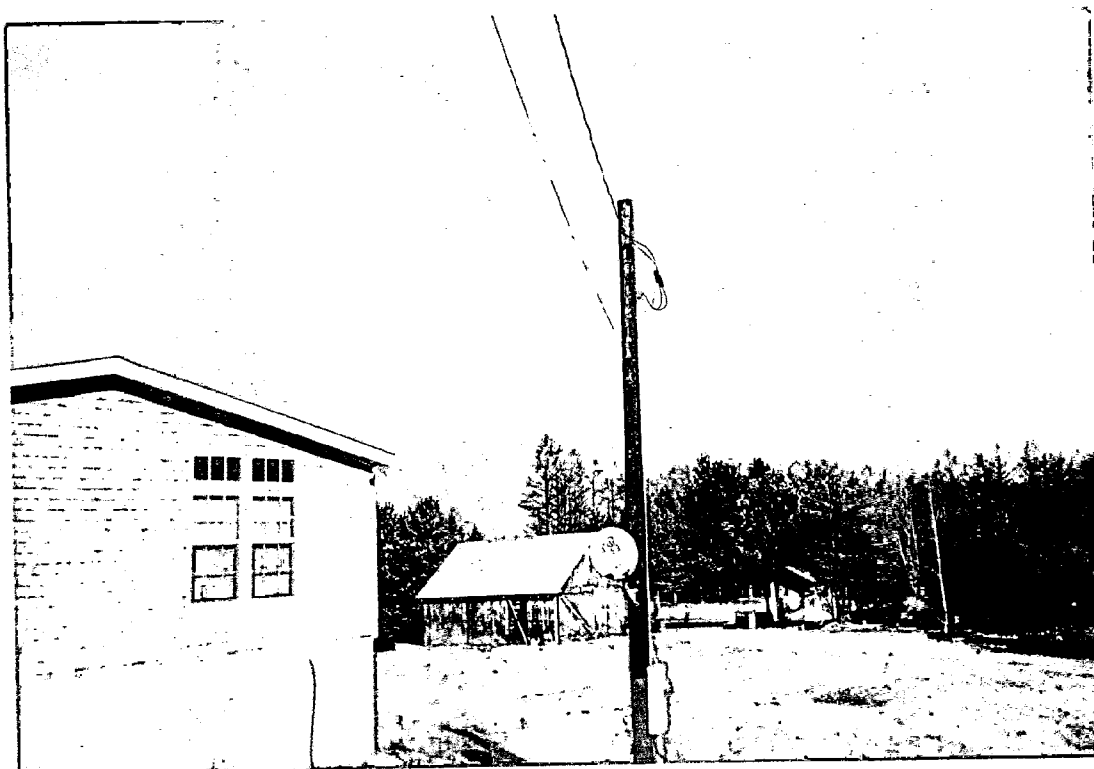












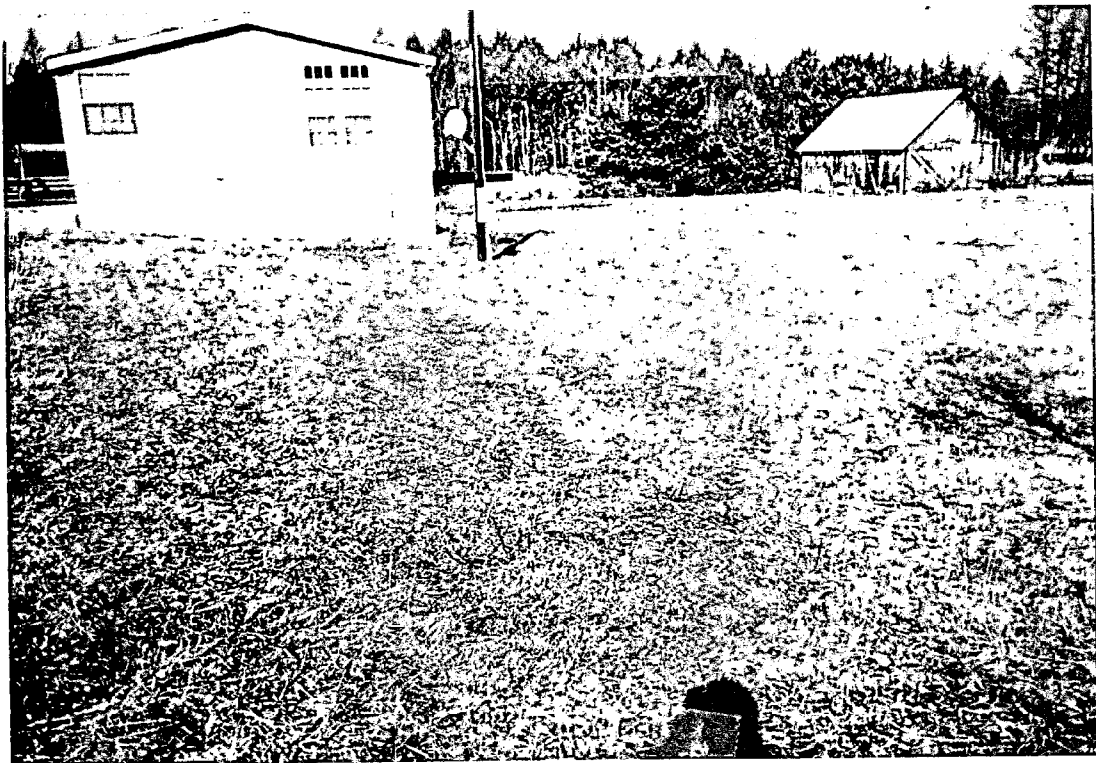


EXHIBIT G

PENNSYLVANIA DEPARTMENT OF TRANSPORTATION
VEHICLE RECORD ABSTRACT
1/18/06
PAGE 1

060181075000024 003

OWNER : DOUGLAS L SALTSMAN
1079 CONGRESS HILL RD
FRENCHVILLE PA 16836

LESSEE : NONE

TITLE NUMBER : 55057030
TAG NUMBER : YLH4574
VIN : 1GTDC14Z8PZ530486

MAKE : GMC
MODEL :
RENEWAL WID : 050390320000184 001
PREVIOUS TAG : YBX8599
LIENS : NO
STOPS : NO

TITLE DATE : 08/14/00
REGISTRATION EXPIRY DATE: 02/06
BODY TYPE : TK
ODOMETER READING : 138,335*
*ACTUAL MILEAGE
DUPLICATE TITLE COUNT : 0
VEHICLE YEAR : 1993
STOLEN DATE :

TITLE BRAND INFORMATION

NO TITLE BRANDS EXIST FOR THIS TITLE

ADDRESS CORRESPONDENCE TO:
DEPARTMENT OF TRANSPORTATION
VEHICLE RECORD SERVICES
PO BOX 68691
HARRISBURG, PA 17106-8691

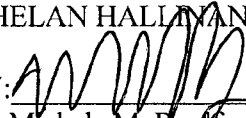
INFORMATION: (8:00 AM TO 6:00 PM)
IN STATE 1-800-932-4600
OUT-OF-STATE 717-412-5300
TDD IN STATE 1-800-228-0676
TDD OUT-OF-STATE 717-412-5380
WWW.DOT.STATE.PA.US

VERIFICATION

Michele M. Bradford, Esquire hereby states that she is the attorney for the Plaintiff in this action, that she is authorized to make this Verification, and that the statements made in the foregoing Plaintiff's Motion for Equitable Conversion to Real Property, and Brief in support thereof are true and correct to the best of her knowledge, information and belief. The undersigned understands that this statement herein is made subject to the penalties of 18 Pa. C.S. 4904 relating to unsworn falsification to authorities.

DATE: 1/31/06

PHELAN HALLINAN & SCHMIEG, LLP

BY: 
Michele M. Bradford, Esquire
Attorney for Plaintiff

PHELAN HALLINAN & SCHMIEG, LLP

by: Michele M. Bradford, Esquire

Atty. I.D. No. 69849

One Penn Center, Suite 1400

1617 John F. Kennedy Boulevard

Philadelphia, PA 19103-1814

(215) 563-7000

ABN Amro Mortgage Group, Inc.

7159 Corklan Drive

Jacksonville, FL 32258-4455

Plaintiff

ATTORNEY FOR PLAINTIFF

: Court of Common Pleas

: Civil Division

: Clearfield County

vs.

: No. 05-1339-CD

Douglas L. Saltsman

Elaine M. Saltsman

1079 Congress Hill Road,

a/k/a P.O. Box 214 Congress Hill Road

Frenchville, PA 16836

Defendants

CERTIFICATION OF SERVICE

TO THE PROTHONOTARY:

I hereby certify that true and correct copies of the foregoing Motion for Equitable Conversion to Real Property and Brief in support thereof, were served by regular mail on Defendants on the date listed below.

Douglas L. Saltsman

Elaine M. Saltsman

1079 Congress Hill Road,

a/k/a P.O. Box 214 Congress Hill Road

Frenchville, PA 16836

Elaine M. Saltsman

105 Shortencarrier Lane

Frenchville, PA 16836

Douglas L. Saltsman

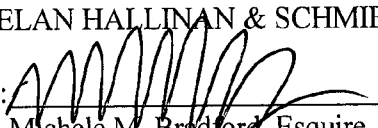
Clearfield County Jail

115 21st Street

Clearfield, PA 16830-3216

PHELAN HALLINAN & SCHMIEG, LLP

DATE: 1/31/06

BY: 

Michele M. Bradford, Esquire

Attorney for Plaintiff

CA

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

ABN AMRO MORTGAGE GROUP, INC. :

vs. :

No. 05-1339-CD

DOUGLAS L. SALTSMAN :

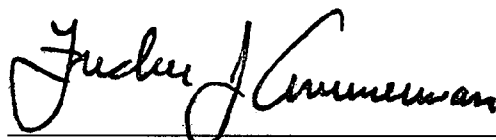
ELAINE M. SALTSMAN :

ORDER

AND NOW, this 6th day of February, 2006, upon consideration of Plaintiff's Motion for Equitable Conversion to Real Property filed in the above matter, it is the Order of the Court that a hearing has been scheduled for the 15th day of March, 2006, at 2:00 P.M, in Courtroom No. 1, Clearfield County Courthouse, Clearfield, PA. One-half (1/2) hour has been allotted for this matter.

It is the responsibility of Plaintiff's Counsel to serve certified copies of said Petition and scheduling Order on the Defendant.

BY THE COURT:



FREDRIC J. AMMERMAN
President Judge

FILED
013:0530
FEB 06 2006

3cc
Atty Bradford
CR

William A. Shaw
Prothonotary/Clerk of Courts

PHELAN HALLINAN & SCHMIEG, LLP

by: Michele M. Bradford, Esquire

Atty. I.D. No. 69849

One Penn Center, Suite 1400

1617 John F. Kennedy Boulevard

Philadelphia, PA 19103-1814

(215) 563-7000

ABN Amro Mortgage Group, Inc.

7159 Corklan Drive

Jacksonville, FL 32258-4455

Plaintiff

ATTORNEY FOR PLAINTIFF

: Court of Common Pleas

: Civil Division

: Clearfield County

vs.

: No. 05-1339-CD

Douglas L. Saltsman

Elaine M. Saltsman

1079 Congress Hill Road,

a/k/a P.O. Box 214 Congress Hill Road

Frenchville, PA 16836

Defendants

FILED *no cc*
m/12:30 PM
FEB 15 2006
(15)

William A. Shaw
Prothonotary/Clerk of Courts

CERTIFICATION OF SERVICE

TO THE PROTHONOTARY:

I hereby certify that true and correct copies of the Order dated February 6, 2006, were served by regular mail on Defendants on the date listed below.

Douglas L. Saltsman

Elaine M. Saltsman

1079 Congress Hill Road,

a/k/a P.O. Box 214 Congress Hill Road

Frenchville, PA 16836

Elaine M. Saltsman

105 Shortencarrier Lane

Frenchville, PA 16836

Douglas L. Saltsman

Clearfield County Jail

115 21st Street

Clearfield, PA 16830-3216

DATE: _____

2/13/06

PHELAN HALLINAN & SCHMIEG, LLP

BY _____

Michele M. Bradford, Esquire
Attorney for Plaintiff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 101106
NO: 05-1339-CD
SERVICE # 1 OF 1
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: ABN AMRO MORTGAGE GROUP INC.
vs.
DEFENDANT: DOUGLAS L. SALTSMAN & ELAINE M. SALTSMAN

SHERIFF RETURN

NOW, December 29, 2005 AT 10:15 AM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON DOUGLAS L. SALTSMAN DEFENDANT AT 963 FRENCHVILLE ROAD, FRENCHVILLE, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO DOUGLAS L. SALTSMAN, DEFENDANT A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: HUNTER / NEVLING

PURPOSE	VENDOR	CHECK #	AMOUNT
SURCHARGE	PHELAN	470943	10.00
SHERIFF HAWKINS	PHELAN	470988	33.52

FILED

9/3:17 am
MAR 15 2006

Sworn to Before Me This

_____ Day of _____ 2006

So Answers,

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

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA

ABN Amro Mortgage Group, Inc.
7159 Corklan Drive
Jacksonville, FL 32258-4455
Plaintiff

: Court of Common Pleas
: Civil Division
: No. 05-1339-CD

vs.

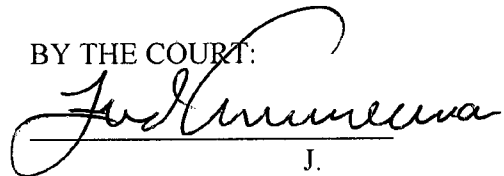
Douglas L. Saltsman
Elaine M. Saltsman
1079 Congress Hill Road,
a/k/a P.O. Box 214 Congress Hill Road
Frenchville, PA 16836
Defendants

ORDER

AND NOW, this 15th day of March, 2006, upon consideration of Plaintiff's Motion for Equitable Conversion and any response thereto, it is hereby ORDERED and DECREED that the property at 1079 Congress Hill Road, a/k/a P.O. Box 214 Congress Hill Road, Frenchville, PA 16836 with a control number 114030775, map number 1140P0500000065, is equitably converted to real estate by way of this motion, and not subject to separation from land, and it is

ORDERED and DECREED that the Clearfield County Recorder of Deeds is hereby directed to accept a certified copy of this order for recording.

BY THE COURT:


J.

FILED
0/2/06
MAR 15 2006
icc AH
Lnota
60

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

No.: 05-1339-CD

vs.

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD a/k/a
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

**PRAECIPE FOR JUDGMENT FOR FAILURE TO
ANSWER AND ASSESSMENT OF DAMAGES**

TO THE PROTHONOTARY:

Kindly enter judgment in favor of the Plaintiff and against DOUGLAS L. SALTSMAN and ELAINE M. SALTSMAN, Defendant(s) for failure to file an Answer to Plaintiff's Complaint within 20 days from service thereof and for foreclosure and sale of the mortgaged premises, and assess Plaintiff's damages as follows:

As set forth in Complaint	\$104,668.97
Interest (8/30/05 to 3/23/06)	<u>3,670.92</u>
TOTAL	\$108,339.89

I hereby certify that (1) the addresses of the Plaintiff and Defendant(s) are as shown above, and (2) that notice has been given in accordance with Rule 237.1, copy attached.


DANIEL G. SCHMIEG, ESQUIRE
Attorney for Plaintiff

Damages are hereby assessed as indicated.

DATE: March 24, 2006


PRO PROTHY

PMB

FILED *Atty pd. 20.00*
m/12:22 PM
MAR 24 2006 *ICC's Notice to Def.*
William A. Shaw
Prothonotary/Clerk of Courts *Statement to Atty*
(GR)

PHELAN HALLINAN & SCHMIEG
By: DANIEL G. SCHMIEG, ESQUIRE

IDENTIFICATION NO. 62205
ONE PENN CENTER AT SUBURBAN STATION
1617 JOHN F. KENNEDY BLVD., SUITE 1400
PHILADELPHIA, PA 19103-1814
(215) 563-7000

ATTORNEY FOR PLAINTIFF

COURT OF COMMON PLEAS
CIVIL DIVISION

ABN AMRO MORTGAGE GROUP, INC.

CLEARFIELD COUNTY

vs.

No.: 05-1339-CD

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN

VERIFICATION OF NON-MILITARY SERVICE

DANIEL G. SCHMIEG, ESQUIRE, hereby verifies that he is attorney for the Plaintiff in the above-captioned matter, and that on information and belief, he has knowledge of the following facts, to wit:

(a) that the defendant(s) is/are not in the Military or Naval Service of the United States or its Allies, or otherwise within the provisions of the Soldiers' and Sailors' Civil Relief Act of Congress of 1940, as amended.

(b) that defendant, DOUGLAS L. SALTSMAN, is over 18 years of age, and resides at 963 FRENCHVILLE ROAD, FRENCHVILLE, PA 16836 .

(c) that defendant, ELAINE M. SALTSMAN, is over 18 years of age, and resides at 105 SHORTENCARRIER LANE, FRENCHVILLE, PA 16836.

This statement is made subject to the penalties of 18 Pa. C.S. Section 4904 relating to unsworn falsification to authorities.


DANIEL G. SCHMIEG, ESQUIRE

PHELAN HALLINAN AND SCHMIEG
By: Lawrence T. Phelan, Esq., Id. No. 32227
Francis S. Hallinan, Esq., Id. No. 62695
Daniel G. Schmieg, Esq., Id. No. 62205
One Penn Center Plaza, Suite 1400
Philadelphia, PA 19103
(215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO MORTGAGE GROUP, INC.
Plaintiff

: COURT OF COMMON PLEAS

: CIVIL DIVISION

Vs.

: CLEARFIELD COUNTY

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
Defendants

: NO. 05-1339-CD

TO: ELAINE M. SALTSMAN
105 SHORTENCARRIER LANE
FRENCHVILLE, PA 16836

DATE OF NOTICE: JANUARY 18, 2006

THIS FIRM IS A DEBT COLLECTOR ATTEMPTING TO COLLECT A DEBT. THIS NOTICE IS SENT TO YOU IN AN ATTEMPT TO COLLECT THE INDEBTEDNESS REFERRED TO HEREIN, AND ANY INFORMATION OBTAINED FROM YOU WILL BE USED FOR THAT PURPOSE. IF YOU HAVE PREVIOUSLY RECEIVED A DISCHARGE IN BANKRUPTCY, THIS CORRESPONDENCE IS NOT AND SHOULD NOT BE CONSTRUED TO BE AN ATTEMPT TO COLLECT A DEBT, BUT ONLY AS ENFORCEMENT OF LIEN AGAINST PROPERTY.

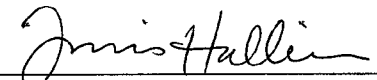
IMPORTANT NOTICE

YOU ARE IN DEFAULT BECAUSE YOU HAVE FAILED TO ENTER A WRITTEN APPEARANCE PERSONALLY OR BY ATTORNEY AND FILE IN WRITING WITH THE COURT YOUR DEFENSES OR OBJECTIONS TO THE CLAIMS SET FORTH AGAINST YOU. UNLESS YOU ACT WITHIN TEN DAYS FROM THE DATE OF THIS NOTICE, A JUDGMENT MAY BE ENTERED AGAINST YOU WITHOUT A HEARING AND YOU MAY LOSE YOUR PROPERTY OR OTHER IMPORTANT RIGHTS.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. 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.

:


FRANCIS S. HALLINAN, ESQUIRE
Attorneys for Plaintiff

PHELAN HALLINAN AND SCHMIEG
By: Lawrence T. Phelan, Esq., Id. No. 32227
Francis S. Hallinan, Esq., Id. No. 62695
Daniel G. Schmieg, Esq., Id. No. 62205
One Penn Center Plaza, Suite 1400
Philadelphia, PA 19103
(215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO MORTGAGE GROUP, INC.

: COURT OF COMMON PLEAS

Plaintiff

: CIVIL DIVISION

Vs.

: CLEARFIELD COUNTY

DOUGLAS L. SALTSMAN

ELAINE M. SALTSMAN

: NO. 05-1339-CD

Defendants

TO: DOUGLAS L. SALTSMAN
963 FRENCHVILLE ROAD
FRENCHVILLE, PA 16836

DATE OF NOTICE: JANUARY 18, 2006

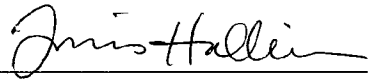
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IMPORTANT NOTICE

YOU ARE IN DEFAULT BECAUSE YOU HAVE FAILED TO ENTER A WRITTEN APPEARANCE PERSONALLY OR BY ATTORNEY AND FILE IN WRITING WITH THE COURT YOUR DEFENSES OR OBJECTIONS TO THE CLAIMS SET FORTH AGAINST YOU. UNLESS YOU ACT WITHIN TEN DAYS FROM THE DATE OF THIS NOTICE, A JUDGMENT MAY BE ENTERED AGAINST YOU WITHOUT A HEARING AND YOU MAY LOSE YOUR PROPERTY OR OTHER IMPORTANT RIGHTS.

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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.


FRANCIS S. HALLINAN, ESQUIRE
Attorneys for Plaintiff

CIVIL ACTION - LAW

Plaintiff

No.: 05-1339-CD

Defendant(s)

By: [Signature] ~~DEPUTY~~

Daniel G. Schmieg
DANIEL G. SCHMIEG, ESQUIRE
Attorney or Party Filing
One Penn Center at Suburban Station
1617 John F. Kennedy Blvd., Suite 1400
Philadelphia, PA 19103-1814
(215) 563-7000

****THIS FIRM IS A DEBT COLLECTOR ATTEMPTING TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE. IF YOU HAVE PREVIOUSLY RECEIVED A DISCHARGE IN BANKRUPTCY, THIS IS NOT AND SHOULD NOT BE CONSTRUED TO BE AN ATTEMPT TO COLLECT A DEBT, BUT ONLY ENFORCEMENT OF A LIEN AGAINST PROPERTY ****

COPY

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

ABN Amro Mortgage Group, Inc.
Plaintiff(s)

No.: 2005-01339-CD

Real Debt: \$108,339.89

Atty's Comm: \$

Vs.

Costs: \$

Int. From: \$

Douglas L. Saltsman
Elaine M. Saltsman
Defendant(s)


Entry: \$20.00

Instrument: Default Judgment

Date of Entry: March 24, 2006

Expires: March 24, 2011

Certified from the record this 24th day of March, 2006.



William A. Shaw, Prothonotary

SIGN BELOW FOR SATISFACTION

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

Plaintiff/Attorney

PRAECIPE FOR WRIT OF EXECUTION--(MORTGAGE FORECLOSURE)
Pa.R.C.P. 3180-3183

ABN AMRO MORTGAGE GROUP, INC.

vs.

**DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN**

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

No. 05-1339-CD

**PRAECIPE FOR WRIT OF EXECUTION
(MORTGAGE FORECLOSURE)**

To the Director of the Office of the Prothonotary:

Issue writ of execution in the above matter:

Amount Due

\$108,339.89

Interest from 3/23/06 to
Date of Sale (\$17.81 per diem)

_____ and Costs.

Prothonotary costs \$119.00

Daniel G. Schmieg
Daniel G. Schmieg, Esquire

Attorney for Plaintiff

One Penn Center at Suburban Station
1617 John F. Kennedy Blvd., Suite 1400
Philadelphia, PA 19103-1814

Note: Please attach description of Property.

PMB

FILED

APR 04 2006

m/ 1: 101 w/

William A. Shaw

Prothonotary/Clerk of Courts

1 CERT TO SHERIFF

w/ 6 w/

No. 05-1339-CD

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

ABN AMRO MORTGAGE GROUP, INC.

vs.

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN

PRAECIPE FOR WRIT OF EXECUTION
(Mortgage Foreclosure)

Daniel G. Schrey
Attorney for Plaintiff(s)

Address: 963 FRENCHVILLE ROAD, FRENCHVILLE, PA 16836
105 SHORTENCARRIER LANE, FRENCHVILLE, PA 16836
Where papers may be served.

DESCRIPTION

ALL that certain parcel of land situate in the Township of Girard, County of Clearfield and State of Pennsylvania, bounded and described as follows:

BEGINNING at a point at corner of land now of formerly of Albert Kampe and Township Road No.T-633; thence southwesterly in the northerly right of way of Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence northerly perpendicular to Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence westerly parallel to Township Road T-633 to the line of Albert Kampe Property two hundred eight and seventy-one one-hundredths (208.71) feet to a point in the line of Kampe property; thence southerly in line of Kampe property two hundred eight and seventy-one one-hundredths (208.71) feet to the place of beginning. Containing one (1) acre.

BEING the same premises conveyed to Joseph Colavecchi from the Tax Claim Bureau of Clearfield County, Pennsylvania by deed dated January 14, 1985, said deed being recorded at Clearfield in Volume 991, page 232.

Being Parcel # P05-000-00065

RECORD OWNER

TITLE TO SAID PREMISES IS VESTED IN Douglas L. Saltsman and Elaine M. Saltsman, husband and wife, by Deed from Joan Helen Colavecchi, a married woman, dated 7-15-02, recorded 7-19-02 in Deed Inst#: 200211547.

PREMISES BEING: 1079 CONGRESS HILL ROAD a/k/a P.O. BOX 214, CONGRESS HILL ROAD, FRENCHVILLE, PA 16836

WRIT OF EXECUTION -- (MORTGAGE FORECLOSURE)
Pa.R.C.P. 3180 to 3183 and Rule 3257

ABN AMRO MORTGAGE GROUP, INC.

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY,
PENNSYLVANIA

vs.

NO.: 05-1339-CD

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN

WRIT OF EXECUTION
(MORTGAGE FORECLOSURE)

Commonwealth of Pennsylvania:

County of Clearfield:

TO THE SHERIFF OF CLEARFIELD COUNTY, PENNSYLVANIA:

To satisfy the judgment, interest and costs in the above matter you are directed to levy upon and sell the following described property (specifically described property below):

Premises: 1079 CONGRESS HILL ROAD a/k/a P.O. BOX 214 CONGRESS HILL ROAD,
FRENCHVILLE, PA 16836

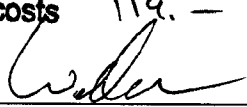
(See legal description attached.)

Amount Due \$108,339.89

Interest from 3/23/06 to \$
Date of Sale (\$17.81 per diem)

Total \$ Plus costs as endorsed.

Prothonotary costs 119. —


Prothonotary, Common Pleas Court of
Clearfield County, Pennsylvania

Dated April 4, 2006
(SEAL)

By:

~~Deputy~~

PMB

No. 05-1339-CD

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

ABN AMRO MORTGAGE GROUP, INC.

VS.

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN

**WRIT OF EXECUTION
(MORTGAGE FORECLOSURE)**

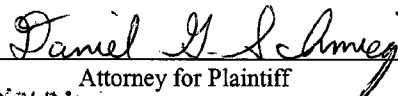
Real Debt \$108,339.89

Int. from 3/23/06 _____
to Date of Sale (\$17.81 per diem)

Costs _____

Prothy. Pd. _____

Sheriff _____



Attorney for Plaintiff

Address: 963 FRENCHVILLE ROAD, FRENCHVILLE, PA 16836
105 SHORTENCARRIER LANE, FRENCHVILLE, PA 16836
Where papers may be served.

Daniel G. Schmieg, Esquire
One Penn Center at Suburban Station
1617 John F. Kennedy Blvd., Suite 1400
Philadelphia, PA 19103-1814
(215) 563-7000

DESCRIPTION

ALL that certain parcel of land situate in the Township of Girard, County of Clearfield and State of Pennsylvania, bounded and described as follows:

BEGINNING at a point at corner of land now of formerly of Albert Kampe and Township Road No.T-633; thence southwesterly in the northerly right of way of Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence northerly perpendicular to Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence westerly parallel to Township Road T-633 to the line of Albert Kampe Property two hundred eight and seventy-one one-hundredths (208.71) feet to a point in the line of Kampe property; thence southerly in line of Kampe property two hundred eight and seventy-one one-hundredths (208.71) feet to the place of beginning. Containing one (1) acre.

BEING the same premises conveyed to Joseph Colavecchi from the Tax Claim Bureau of Clearfield County, Pennsylvania by deed dated January 14, 1985, said deed being recorded at Clearfield in Volume 991, page 232.

Being Parcel # P05-000-00065

RECORD OWNER

TITLE TO SAID PREMISES IS VESTED IN Douglas L. Saltsman and Elaine M. Saltsman, husband and wife, by Deed from Joan Helen Colavecchi, a married woman, dated 7-15-02, recorded 7-19-02 in Deed Inst#: 200211547.

PREMISES BEING: 1079 CONGRESS HILL ROAD a/k/a P.O. BOX 214, CONGRESS HILL ROAD,
FRENCHVILLE, PA 16836

CLEARFIELD COUNTY

ABN AMRO MORTGAGE GROUP, INC.

No.: 05-1339-CD

vs.

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN

**AFFIDAVIT PURSUANT TO RULE 3129
(Affidavit No. 1)**

ABN AMRO MORTGAGE GROUP, INC., Plaintiff in the above action, by its attorney, Daniel G. Schmieg, Esquire, sets forth as of the date the Praecipe for the Writ of Execution was filed the following information concerning the real property located at 1079 CONGRESS HILL ROAD a/k/a P.O. BOX 214 CONGRESS HILL ROAD, FRENCHVILLE, PA 16836:

1. Name and address of Owner(s) or reputed Owner(s):

Name

Last Known Address (if address cannot be
reasonably ascertained, please indicate)

DOUGLAS L. SALTSMAN

963 FRENCHVILLE ROAD
FRENCHVILLE, PA 16836

ELAINE M. SALTSMAN

105 SHORTENCARRIER LANE
FRENCHVILLE, PA 16836

2. Name and address of Defendant(s) in the judgment:

SAME AS ABOVE

I verify that the statements made in this affidavit are true and correct to the best of my personal knowledge or information and belief. I understand that false statements herein are made subject to the penalties of 18 Pa. C.S. Sec. 4904 relating to unsworn falsification to authorities.


DANIEL G. SCHMIEG, ESQUIRE
Attorney for Plaintiff

April 3, 2006

CLEARFIELD COUNTY

ABN AMRO MORTGAGE GROUP, INC.

No.: 05-1339-CD

vs.

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN

AFFIDAVIT PURSUANT TO RULE 3129
(Affidavit No. 2)

ABN AMRO MORTGAGE GROUP, INC., Plaintiff in the above action, by its attorney, Daniel G. Schmieg, Esquire, sets forth as of the date the Praecipe for the Writ of Execution was filed the following information concerning the real property located at 1079 CONGRESS HILL ROAD a/k/a P.O. BOX 214 CONGRESS HILL ROAD, FRENCHVILLE, PA 16836:

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

Name

Last Known Address (if address cannot be reasonably
ascertained, please indicate)

None.

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

Name

Last Known Address (if address cannot be reasonable
ascertained, please indicate)

BENEFICIAL CONSUMER DISCOUNT COMPANY
D/B/A BENEFICIAL MORTGAGE CO. OF PA

90 BEAVER DRIVE, SUITE 114C
DUBOIS, PA 15801

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

Name

Last Known Address (if address cannot be
reasonable ascertained, please indicate)

**MELODY J. ENDRESS
OF MELODY MOBILE HOMES**

**1711 PLEasant VALLEY BOULEVARD
ALTOONA, PA 16601**

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

Name

Last Known Address (if address cannot be
reasonably ascertained, please indicate)

Clearfield County Domestic Relations

**Clearfield County Courthouse
230 East Market Street
Clearfield, PA 16830**

7. Name and address of every other person of whom the plaintiff has knowledge who has any
interest in the property which may be affected by the sale:

Name

Last Known Address (if address cannot be
reasonably ascertained, please indicate)

**Commonwealth of Pennsylvania
Department of Welfare**

**PO Box 2675
Harrisburg, PA 17105**

**Tenant/Occupant
BOX 214 CONGRESS HILL ROAD**

**1079 CONGRESS HILL ROAD a/k/a P.O.
FRENCHVILLE, PA 16836**

I verify that the statements made in this affidavit are true and correct to the best of my
personal knowledge or information and belief. I understand that false statements herein are made
subject to the penalties of 18 Pa. C.S. Sec. 4904 relating to unsworn falsification to authorities.


DANIEL G. SCHMIEG, ESQUIRE
Attorney for Plaintiff

April 3, 2006

PHELAN HALLINAN & SCHMIEG, LLP
by: Michele M. Bradford, Esquire
Atty. I.D. No. 69849
One Penn Center, Suite 1400
1617 John F. Kennedy Boulevard
Philadelphia, PA 19103-1814
(215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO Mortgage Group, Inc.

: Court of Common Pleas

Plaintiff

: Civil Division

vs.

: Clearfield County

Douglas L. Saltsman
Elaine M. Saltsman

: No. 05-1339-CD

Defendants

FILED
4/10:38 am
JUN 15 2006
NCC.
\$

PLAINTIFF'S MOTION TO REASSESS DAMAGES

William A. Shaw
Prothonotary

Plaintiff, by its Attorney, Michele M. Bradford, Esquire, moves the Court to direct the Prothonotary to amend the judgment in this matter, and in support thereof avers the following:

1. Plaintiff commenced this foreclosure action by filing a Complaint on August 30, 2005, a true and correct copy of which is attached hereto, made part hereof, and marked as Exhibit "A".
2. Judgment was entered on March 24, 2006 in the amount of \$108,339.89. A true and correct copy of the praecipe for judgment is attached hereto, made part hereof, and marked as Exhibit "B".
3. A Sheriff's Sale of the mortgaged property at 1079 Congress Hill Road, a/k/a P.O. Box 214 Congress Hill Road, Frenchville, PA 16836 (hereinafter the "Property") was postponed or stayed for the following reasons:
 - a) The Defendants filed a Chapter 07 Bankruptcy at docket number 05-72130 on September 19, 2005. Plaintiff obtained relief from automatic stay by order of court dated December 7, 2005. A true and correct copy of the Bankruptcy Court Order is attached hereto, made part hereof, and marked as Exhibit "C".
4. The Property is listed for Sheriff's Sale on July 7, 2006. However, in the event this motion has not been heard by this Honorable Court by that date, Plaintiff may continue the sale in accordance with Pennsylvania Rule of Civil Procedure 3129.3.

5. Additional sums have been incurred or expended on Defendants' behalf since the Complaint was filed and Defendants have been given credit for any payments that have been made since the judgment.

The amount of damages should now read as follows:

Principal Balance	\$100,072.83
Interest Through 7/7/06	8,255.65
Per Diem \$17.82	
Late Charges	130.32
Legal fees	3,025.00
Cost of Suit and Title	1,608.60
Sheriff's Sale Costs	2,386.48
Property Inspections	1,073.50
Appraisal/BPO	0.00
MIP/PMI	627.20
NSF	0.00
Suspense/Misc. Credits	0.00
Escrow Deficit	<u>1,422.02</u>
TOTAL	\$118,601.60

6. The judgment formerly entered is insufficient to satisfy the amounts due on the Mortgage.

7. Under the terms of the Mortgage and Pennsylvania law, Plaintiff is entitled to inclusion of the figures set forth above in the amount of judgment against the Defendants.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court amend the judgment as requested.

Date: 6/14/06

By: 

Phelan Hallinan & Schmieg, LLP

Michele M. Bradford, Esquire
Attorney for Plaintiff

Exhibit “A”

PHELAN HALLINAN & SCHMIEG, LLP
LAWRENCE T. PHELAN, ESQ., Id. No. 32227
FRANCIS S. HALLINAN, ESQ., Id. No. 62695
ONE PENN CENTER PLAZA, SUITE 1400
PHILADELPHIA, PA 19103
(215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

Plaintiff

v.

COURT OF COMMON PLEAS

CIVIL DIVISION

TERM

NO. 05-1339-CD

CLEARFIELD COUNTY

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD, A/K/A
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

FILED
3:27
AUG 30 2005

William A. Shaw
Prothonotary/Clerk of Courts

Defendants

CIVIL ACTION - LAW
COMPLAINT IN MORTGAGE FORECLOSURE

NOTICE

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

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. 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.

Lawyer Referral Service:
Pennsylvania Lawyer Referral Service
Pennsylvania Bar Association
100 South Street
PO Box 186
Harrisburg, PA 17108
800-692-7375

Notice to Defend:
David S. Meholick, Court Administrator
Clearfield County Courthouse
2nd and Market Streets
Clearfield, PA 16830
814-765-2641 x 5982

FEDERMAN AND PHELAN
ATTORNEY FILE COPY
PLEASE RETURN

PHELAN HALLINAN & SCHMIEG, LLP
LAWRENCE T. PHELAN, ESQ., Id. No. 32227
FRANCIS S. HALLINAN, ESQ., Id. No. 62695
ONE PENN CENTER PLAZA, SUITE 1400
PHILADELPHIA, PA 19103
(215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

Plaintiff

v.

COURT OF COMMON PLEAS

CIVIL DIVISION

TERM

NO.

CLEARFIELD COUNTY

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD, A/K/A
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

Defendants

CIVIL ACTION - LAW
COMPLAINT IN MORTGAGE FORECLOSURE

NOTICE

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

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. 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.

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100 South Street
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800-692-7375

Notice to Defend:
David S. Meholick, Court Administrator
Clearfield County Courthouse
2nd and Market Streets
Clearfield, PA 16830
814-765-2641 x 5982

IF THIS IS THE FIRST NOTICE THAT YOU HAVE RECEIVED FROM THIS OFFICE, BE ADVISED THAT:

PURSUANT TO THE FAIR DEBT COLLECTION PRACTICES ACT, 15 U.S.C. § 1692 et seq. (1977), DEFENDANT(S) MAY DISPUTE THE VALIDITY OF THE DEBT OR ANY PORTION THEREOF. IF DEFENDANT(S) DO SO IN WRITING WITHIN THIRTY (30) DAYS OF RECEIPT OF THIS PLEADING, COUNSEL FOR PLAINTIFF WILL OBTAIN AND PROVIDE DEFENDANT(S) WITH WRITTEN VERIFICATION THEREOF; OTHERWISE, THE DEBT WILL BE ASSUMED TO BE VALID. LIKEWISE, IF REQUESTED WITHIN THIRTY (30) DAYS OF RECEIPT OF THIS PLEADING, COUNSEL FOR PLAINTIFF WILL SEND DEFENDANT(S) THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR, IF DIFFERENT FROM ABOVE.

THE LAW DOES NOT REQUIRE US TO WAIT UNTIL THE END OF THE THIRTY (30) DAY PERIOD FOLLOWING FIRST CONTACT WITH YOU BEFORE SUING YOU TO COLLECT THIS DEBT. EVEN THOUGH THE LAW PROVIDES THAT YOUR ANSWER TO THIS COMPLAINT IS TO BE FILED IN THIS ACTION WITHIN TWENTY (20) DAYS, YOU MAY OBTAIN AN EXTENSION OF THAT TIME. FURTHERMORE, NO REQUEST WILL BE MADE TO THE COURT FOR A JUDGMENT UNTIL THE EXPIRATION OF THIRTY (30) DAYS AFTER YOU HAVE RECEIVED THIS COMPLAINT. HOWEVER, IF YOU REQUEST PROOF OF THE DEBT OR THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR WITHIN THE THIRTY (30) DAY PERIOD THAT BEGINS UPON YOUR RECEIPT OF THIS COMPLAINT, THE LAW REQUIRES US TO CEASE OUR EFFORTS (THROUGH LITIGATION OR OTHERWISE) TO COLLECT THE DEBT UNTIL WE MAIL THE REQUESTED INFORMATION TO YOU. YOU SHOULD CONSULT AN ATTORNEY FOR ADVICE CONCERNING YOUR RIGHTS AND OBLIGATIONS IN THIS SUIT.

IF YOU HAVE FILED BANKRUPTCY AND RECEIVED A DISCHARGE, THIS IS NOT AN ATTEMPT TO COLLECT A DEBT. IT IS AN ACTION TO ENFORCE A LIEN ON REAL ESTATE.

1. Plaintiff is

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

2. The name(s) and last known address(es) of the Defendant(s) are:

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD, A/K/A
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

who is/are the mortgagor(s) and real owner(s) of the property hereinafter described.

3. On 09/30/2002 mortgagor(s) made, executed and delivered a mortgage upon the premises hereinafter described to PLAINTIFF which mortgage is recorded in the Office of the Recorder of CLEARFIELD County, in Mortgage Instrument No: 200216063.
4. The premises subject to said mortgage is described as attached.
5. The mortgage is in default because monthly payments of principal and interest upon said mortgage due 05/01/2005 and each month thereafter are due and unpaid, and by the terms of said mortgage, upon failure of mortgagor to make such payments after a date specified by written notice sent to Mortgagor, the entire principal balance and all interest due thereon are collectible forthwith.

6. The following amounts are due on the mortgage:

Principal Balance	\$100,072.83
Interest	2,690.82
04/01/2005 through 08/29/2005 (Per Diem \$17.82)	
Attorney's Fees	1,225.00
Cumulative Late Charges	130.32
09/30/2002 to 08/29/2005	
Cost of Suit and Title Search	\$ 550.00
Subtotal	\$ 104,668.97
Escrow	
Credit	0.00
Deficit	0.00
Subtotal	\$ 0.00
TOTAL	\$ 104,668.97

7. The attorney's fees set forth above are in conformity with the mortgage documents and Pennsylvania law, and will be collected in the event of a third party purchaser at Sheriff's Sale. If the Mortgage is reinstated prior to the Sale, reasonable attorney's fees will be charged.
8. Notice of Intention to Foreclose as set forth in Act 6 of 1974, Notice of Homeowner's Emergency Assistance Program pursuant to Act 91 of 1983, as amended in 1998, and/or Notice of Default as required by the mortgage document, as applicable, have been sent to the Defendant(s) on the date(s) set forth thereon, and the temporary stay as provided by said notice has terminated because Defendant(s) has/have failed to meet with the Plaintiff or an authorized consumer credit counseling agency, or has/have been denied assistance by the Pennsylvania Housing Finance Agency.
9. This action does not come under Act 6 of 1974 because the original mortgage amount exceeds \$50,000.

WHEREFORE, PLAINTIFF demands an in rem Judgment against the Defendant(s) in the sum of \$ 104,668.97, together with interest from 08/29/2005 at the rate of \$17.82 per diem to the date of Judgment, and other costs and charges collectible under the mortgage and for the foreclosure and sale of the mortgaged property.

PHELAN HALLINAN & SCHMIEG, LLP

By:


/s/Francis S. Hallinan

LAWRENCE T. PHELAN, ESQUIRE

FRANCIS S. HALLINAN, ESQUIRE

Attorneys for Plaintiff

LEGAL DESCRIPTION

ALL that certain parcel of land situate in the Township of Girard, County of Clearfield and State of Pennsylvania, bounded and described as follows:

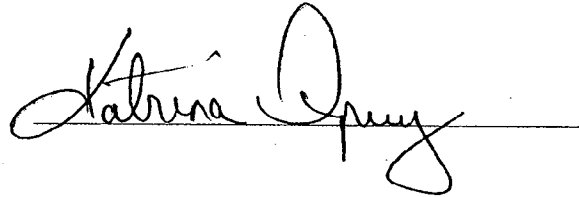
BEGINNING at a point at corner of land now of formerly of Albert Kampe and Township Road No.T-633; thence southwesterly in the northerly right of way of Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence northerly perpendicular to Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence westerly parallel to Township Road T-633 to the line of Albert Kampe Property two hundred eight and seventy-one one-hundredths (208.71) feet to a point in the line of Kampe property; thence southerly in line of Kampe property two hundred eight and seventy-one one-hundredths (208.71) feet to the place of beginning. Containing one (1) acre.

BEING the same premises conveyed to Joseph Colavecchi from the Tax Claim Bureau of Clearfield County, Pennsylvania by deed dated January 14, 1985, said deed being recorded at Clearfield in Volume 991, page 232.

PREMISES BEING: 1079 CONGRESS HILL ROAD, A/K/A P.O. BOX 214, CONGRESS HILL ROAD.

VERIFICATION

Katrina Dupuy hereby states that he/she is LOAN ADMINISTRATION OFFICER of ABN AMRO MORTGAGE GROUP, INC. mortgage servicing agent for Plaintiff in this matter, that he/she is authorized to take this Verification, and that the statements made in the foregoing Civil Action in Mortgage Foreclosure are true and correct to the best of his/her knowledge, information and belief. The undersigned understands that this statement is made subject to the penalties of 18 Pa. C.S. Sec. 4904 relating to unsworn falsification to authorities.

A handwritten signature in cursive script, reading "Katrina Dupuy", is written over a horizontal line.

DATE:

8-25-05

Exhibit “B”

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

ABN AMRO MORTGAGE GROUP, INC.
7159 CORKLAN DRIVE
JACKSONVILLE, FL 32258-4455

No.: 05-1339-CD

vs.

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN
1079 CONGRESS HILL ROAD a/k/a
P.O. BOX 214 CONGRESS HILL ROAD
FRENCHVILLE, PA 16836

ATTORNEY FILE COPY
PLEASE RETURN

FILED
MAR 24 2006
William A. Shaw
Prothonotary/Clerk of Courts

**PRAECIPE FOR JUDGMENT FOR FAILURE TO
ANSWER AND ASSESSMENT OF DAMAGES**

TO THE PROTHONOTARY:

Kindly enter judgment in favor of the Plaintiff and against DOUGLAS L. SALTSMAN and ELAINE M. SALTSMAN, Defendant(s) for failure to file an Answer to Plaintiff's Complaint within 20 days from service thereof and for foreclosure and sale of the mortgaged premises, and assess Plaintiff's damages as follows:

As set forth in Complaint	\$104,668.97
Interest (8/30/05 to 3/23/06)	<u>3,670.92</u>
TOTAL	\$108,339.89

I hereby certify that (1) the addresses of the Plaintiff and Defendant(s) are as shown above, and (2) that notice has been given in accordance with Rule 237.1, copy attached.

Daniel G. Schmieg
DANIEL G. SCHMIEG, ESQUIRE
Attorney for Plaintiff

Damages are hereby assessed as indicated.

DATE: March 24, 2006

COPY
PROTHONOTARY

PMB

ATTORNEY FILE COPY
PLEASE RETURN

Exhibit “C”

UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

IN RE:

Douglas L. Saltsman

Debtor

ABN AMRO Mortgage Group, Inc.

Movant

v.

Douglas L. Saltsman

and

James R. Walsh, Esquire (Trustee)

Respondents

Blk. No. 05-72130 BM

Chapter No. 7

Document No. 8

Hearing Date:

Hearing Time:

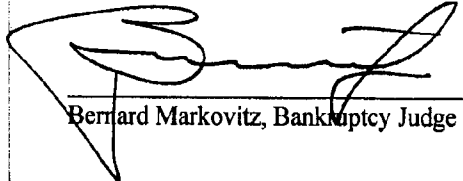
Objection Date:

DEFAULT O/E - BM

ORDER MODIFYING SECTION 362 AUTOMATIC STAY

AND NOW, this 12-7-05 day of , 2005, at Pittsburgh, Pennsylvania, upon Motion of ABN AMRO Mortgage Group, Inc. (Petitioner), it is:

ORDERED AND DECREED THAT: The Automatic Stay of all proceedings, as provided under Section 362 of the Bankruptcy Code 11 U.S.C. 362 is modified with respect to premises, 1079 Congress Hill Road a/k/a P.O. Box 214, Congress Hill Road, Frenchville, PA 16836, as more fully set forth in the legal description attached to said mortgage, as to allow the Movant to foreclose on its mortgage and allow the purchaser of said premises at Sheriff's Sale (or purchaser's assignee) to take any legal or consensual action for enforcement of its right to possession of, or title to, said premises.


Bernard Markovitz, Bankruptcy Judge

FILED

DEC 7 2005

CLERK U.S. BANKRUPTCY COURT
WEST. DIST. OF PENNSYLVANIA

VERIFICATION

Michele M. Bradford, Esquire, hereby states that she is the attorney for Plaintiff in this action, that she is authorized to make this verification, and that the statements made in the foregoing Motion to Reassess Damages are true and correct to the best of her knowledge, information and belief. The undersigned understands that this statement herein is made subject to the penalties of 18 Pa. C.S. §4904 relating to unsworn falsification to authorities.

DATE: 6/14/00

By: 

Phelan Hallinan & Schmieg, LLP

Michele M. Bradford, Esquire
Attorney for Plaintiff

PHELAN HALLINAN & SCHMIEG, LLP

by: Michele M. Bradford, Esquire

Atty. I.D. No. 69849

One Penn Center, Suite 1400

1617 John F. Kennedy Boulevard

Philadelphia, PA 19103-1814

(215) 563-7000

ABN AMRO Mortgage Group, Inc.

ATTORNEY FOR PLAINTIFF

: Court of Common Pleas

Plaintiff

: Civil Division

vs.

: Clearfield County

Douglas L. Saltsman

Elaine M. Saltsman

: No. 05-1339-CD

Defendants

CERTIFICATION OF SERVICE

I hereby certify that true and correct copies of Plaintiff's Motion to Reassess Damages and Brief in Support thereof were sent to the following individuals on the date indicated below.

Douglas L. Saltsman

Elaine M. Saltsman

1079 Congress Hill Road,

a/k/a P.O. Box 214 Congress Hill Road

Frenchville, PA 16836

Douglas L. Saltsman

Elaine M. Saltsman

105 Shortencarrier Lane

Frenchville, PA 16836

Douglas L. Saltsman

973 Frenchville Road

Frenchville, PA 16836

DATE: 10/14/00

Phelan Hallinan & Schmieg, LLP

By: 

Michele M. Bradford, Esquire

Attorney for Plaintiff

PHELAN HALLINAN & SCHMIEG, LLP

1617 John F. Kennedy Boulevard

Suite 1400

Philadelphia, PA 19103

(215) 563-7000

FAX#: (215) 563-3459

michele.bradford@fedphe.com

Michele M. Bradford, Esquire

Representing Lenders in
Pennsylvania and New Jersey

June 14, 2006

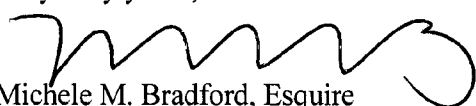
Office of the Prothonotary
Clearfield County Courthouse
230 East Market Street
Clearfield, PA 15853

RE: ABN AMRO Mortgage Group, Inc. vs. Douglas L. Saltsman and Elaine M. Saltsman
Clearfield County CCP, No. 05-1339-CD

Dear Sir or Madam:

Enclosed for filing please find Motion to Reassess Damages, Brief in Support thereof, and Certification of Service with regard to the above captioned matter. Kindly return a time-stamped copy of the enclosed in the self-addressed stamped envelope provided for your convenience.

Very truly yours,



Michele M. Bradford, Esquire
For Phelan Hallinan & Schmieg, LLP

Enclosure

cc: Douglas L. Saltsman
Elaine M. Saltsman

(A)

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY
PENNSYLVANIA

ABN AMRO Mortgage Group, Inc.

: Court of Common Pleas

Plaintiff

: Civil Division

vs.

: Clearfield County

Douglas L. Saltsman

: No. 05-1339-CD

Elaine M. Saltsman

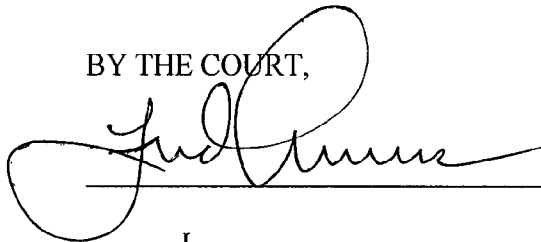
Defendants

ORDER

AND NOW, this 15 day of June 2006, upon consideration of Plaintiff's Motion to Reassess Damages, a Rule is hereby issued upon Defendant to appear and show cause why the motion should not be granted.

Argument is scheduled for the 18th day of July 2006, at 10:30 in Courtroom No. 1 in the Clearfield County Courthouse, Clearfield, Pennsylvania.
A.M.

BY THE COURT,



J.

FILED

JUN 15, 2006
3cc at the Jan
William A. Shaw
Prothonotary/Clerk of Courts
(60)

DATE: 6-15-2006

☒ You are responsible for serving all appropriate parties.

☐ The Prothonotary's office has provided service to the following parties:

☐ Plaintiff(s) ☐ Plaintiff(s) Attorney ☐ Other

☐ Defendant(s) ☐ Defendant(s) Attorney

☐ Special Instructions:

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

PHELAN HALLINAN & SCHMIEG
by: MICHELE M. BRADFORD, Esquire
Atty. I.D. No. 69849
One Penn Center Plaza, Suite 1400
Philadelphia, PA 19102-1799
(215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO Mortgage Group, Inc.

: Court of Common Pleas

Plaintiff

: Civil Division

vs.

: Clearfield County

Douglas L. Saltsman
Elaine M. Saltsman

: No. 05-1339-CD

Defendants

CERTIFICATION OF SERVICE

I, MICHELE M. BRADFORD, Esquire, hereby certify that a true and correct copy of our Motion to Reassess Damages noting a Rule Return date of July 18, 2006 has been served upon the following persons:

Douglas L. Saltsman
Elaine M. Saltsman
1079 Congress Hill Road,
a/k/a P.O. Box 214 Congress Hill Road
Frenchville, PA 16836

Douglas L. Saltsman
Elaine M. Saltsman
105 Shortencarrier Lane
Frenchville, PA 16836

Douglas L. Saltsman
973 Frenchville Road
Frenchville, PA 16836

PHELAN HALLINAN & SCHMIEG, LLP

Date: 6/21/06

By: 

Michele M. Bradford, Esquire
Attorney for Plaintiff

FILED *no cc*
m112:48/01
JUN 22 2006 *LM*

William A. Shaw
Prothonotary/Clerk of Courts

SALE DATE: JULY 7, 2006

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL ACTION – LAW

ABN AMRO MORTGAGE GROUP, INC.

No.: 05-1339-CD

vs.

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN

**AFFIDAVIT PURSUANT TO RULE 3129.1
AND RETURN OF SERVICE PURSUANT TO
Pa. R.C.P. 405 OF NOTICE OF SALE**

Plaintiff in the above action sets forth as of the date the Praecept for the Writ of Execution was filed the following information concerning the real property located at:

1079 CONGRESS HILL ROAD a/k/a P.O. BOX 214 CONGRESS HILL ROAD,
FRENCHVILLE, PA 16836.

As required by Pa. R.C.P. 3129.2(a) Notice of Sale has been given in the manner required by Pa. R.C.P. 3129.2(c) on each of the persons or parties named, at that address set forth on the attached Affidavit No. 2 (previously filed) and Amended Affidavit No. 2 on the date indicated, and a copy of the notice is attached as an Exhibit. A copy of the Certificate of Mailing (Form 3817) and/or Certified Mail Return Receipt stamped by the U.S. Postal Service is attached for each notice.


DANIEL SCHMIEG, ESQUIRE
Attorney for Plaintiff

June 30, 2006

FILED *no cc*
m/jl:00/01
JUL 03 2006 

William A. Shaw
Prothonotary/Clerk of Courts

CLEARFIELD COUNTY

ABN AMRO MORTGAGE GROUP, INC.

No.: 05-1339-CD

vs.

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN

**AFFIDAVIT PURSUANT TO RULE 3129
(Affidavit No. 1)**

ABN AMRO MORTGAGE GROUP, INC., Plaintiff in the above action, by its attorney, Daniel G. Schmieg, Esquire, sets forth as of the date the Praecipe for the Writ of Execution was filed the following information concerning the real property located at 1079 CONGRESS HILL ROAD a/k/a P.O. BOX 214 CONGRESS HILL ROAD, FRENCHVILLE, PA 16836:

1. Name and address of Owner(s) or reputed Owner(s):

Name

Last Known Address (if address cannot be
reasonably ascertained, please indicate)

DOUGLAS L. SALTSMAN

963 FRENCHVILLE ROAD
FRENCHVILLE, PA 16836

ELAINE M. SALTSMAN

105 SHORTENCARRIER LANE
FRENCHVILLE, PA 16836

2. Name and address of Defendant(s) in the judgment:

SAME AS ABOVE

I verify that the statements made in this affidavit are true and correct to the best of my personal knowledge or information and belief. I understand that false statements herein are made subject to the penalties of 18 Pa. C.S. Sec. 4904 relating to unsworn falsification to authorities.


DANIEL G. SCHMIEG, ESQUIRE
Attorney for Plaintiff

April 3, 2006

CLEARFIELD COUNTY

ABN AMRO MORTGAGE GROUP, INC.

No.: 05-1339-CD

vs.

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN

**AFFIDAVIT PURSUANT TO RULE 3129
(Affidavit No. 2)**

ABN AMRO MORTGAGE GROUP, INC., Plaintiff in the above action, by its attorney, Daniel G. Schmieg, Esquire, sets forth as of the date the Praecipe for the Writ of Execution was filed the following information concerning the real property located at 1079 CONGRESS HILL ROAD a/k/a P.O. BOX 214 CONGRESS HILL ROAD, FRENCHVILLE, PA 16836:

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

Name	Last Known Address (if address cannot be reasonably ascertained, please indicate)
------	---

None.

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

Name	Last Known Address (if address cannot be reasonable ascertained, please indicate)
------	---

BENEFICIAL CONSUMER DISCOUNT COMPANY D/B/A BENEFICIAL MORTGAGE CO. OF PA	90 BEAVER DRIVE, SUITE 114C DUBOIS, PA 15801
---	---

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

Name

Last Known Address (if address cannot be
reasonably ascertained, please indicate)

**MELODY J. ENDRESS
OF MELODY MOBILE HOMES**

**1711 PLESANT VALLEY BOULEVARD
ALTOONA, PA 16601**

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

Name

Last Known Address (if address cannot be
reasonably ascertained, please indicate)

Clearfield County Domestic Relations

**Clearfield County Courthouse
230 East Market Street
Clearfield, PA 16830**

7. Name and address of every other person of whom the plaintiff has knowledge who has any
interest in the property which may be affected by the sale:

Name

Last Known Address (if address cannot be
reasonably ascertained, please indicate)

**Commonwealth of Pennsylvania
Department of Welfare**

**PO Box 2675
Harrisburg, PA 17105**

**Tenant/Occupant
BOX 214 CONGRESS HILL ROAD**

**1079 CONGRESS HILL ROAD a/k/a P.O.
FRENCHVILLE, PA 16836**

I verify that the statements made in this affidavit are true and correct to the best of my
personal knowledge or information and belief. I understand that false statements herein are made
subject to the penalties of 18 Pa. C.S. Sec. 4904 relating to unsworn falsification to authorities.


DANIEL G. SCHMIEG, ESQUIRE
Attorney for Plaintiff

April 3, 2006

May 31, 2006

ABN AMRO MORTGAGE GROUP, INC.

vs.

**DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN**

TO: All parties in Interest and Claimants

**NOTICE OF SHERIFF'S SALE
OF REAL PROPERTY**

OWNER(S): DOUGLAS L. SALTSMAN and ELAINE M. SALTSMAN

**PROPERTY: 1079 CONGRESS HILL ROAD a/k/a
P.O. BOX 214 CONGRESS HILL ROAD, FRENCHVILLE, PA 16836**

Improvements: Residential dwelling

Judgment Amount: \$108,339.89

**CLEARFIELD COUNTY
No. 05-1339-CD**

The above captioned property is scheduled to be sold at the Clearfield County Sheriff's Sale on **FRIDAY, JULY 7, 2006**, at the Clearfield County Courthouse, 1 North 2nd Street, Suite 116, Clearfield, PA 16830 at **10:00 A.M.**.

Our records indicate that you may hold a mortgage, judgment, or other interest on the property, which may be extinguished by the sale. You may wish to attend the sale to protect your interests. If you have any questions regarding the type of lien or the effect of the Sheriff's Sale upon your lien, we urge you to **CONTACT YOUR OWN ATTORNEY**, as we are not permitted to give you legal advice.

The Sheriff will file a schedule of Distribution on a date specified by the Sheriff not later than 30 days after sale. Distribution will be made in accordance with the schedule unless exceptions are filed thereto within 10 days after the filing of the schedule.

Name and Address Of Sender
 PHELAN HALLINAN & SCHMIEG
 One Penn Center at Suburban Station
 Philadelphia, PA 19103-1814
 Suite 1400
 LYNNETTE BRITTON/PMB

Line	Article Number	Name of Addressee, Street, and Post Office Address	Postage	Fee
1	DOUGLAS L. SALTSMAN	Tenant/Occupant, 1079 CONGRESS HILL ROAD a/k/a P.O. BOX 214 CONGRESS HILL ROAD, FRENCHVILLE, PA 16836		
2	0623926419	Clearfield County Domestic Relations Clearfield County Courthouse 230 East Market Street Clearfield, PA 16830		
3		Commonwealth of Pennsylvania Department of Welfare PO Box 2675 Harrisburg, PA 17105		
4		BENEFICIAL CONSUMER DISCOUNT COMPANY D/B/A BENEFICIAL MORTGAGE CO. OF PA 90 BEAVER DRIVE, SUITE 114C DUBOIS, PA 15801		
5		MELODY J. ENDRESS OF MELODY MOBILE HOMES 1711 PLEasant VALLEY BOULEVARD ALTOONA, PA 16601		
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
Total Number of Pieces Listed By Sender		Total Number of Pieces Received at Post Office	Postmaster, Per (Name Of Receiving Employee)	The full declaration of value is required on all domestic and international registered mail. The maximum indemnity payable for the reconstruction of nonnegotiable documents under Express Mail document reconstruction insurance is \$50,000.00 per piece subject to a limit of \$500,000 per occurrence. The maximum indemnity payable on Express Mail merchandise insurance is \$500. The maximum indemnity payable is \$25,000 for registered mail, sent with optional insurance. See Domestic Mail Manual R500, S913 and S921 for limitations of coverage.



CA

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PENNSYLVANIA

ABN AMRO Mortgage Group, Inc. : Court of Common Pleas
Plaintiff : Civil Division
vs. : Clearfield County
Douglas L. Saltzman : No. 05-1339-CD
Elaine M. Saltzman
Defendants

ORDER

AND NOW, this 18th day of July, 2006 the Prothonotary is ORDERED to amend
the judgment in this case as follows:

Principal Balance	\$100,072.83
Interest Through 7/7/06	8,255.65
Per Diem \$17.82	
Late Charges	130.32
Legal fees	3,025.00
Cost of Suit and Title	1,608.60
Sheriff's Sale Costs	2,386.48
Property Inspections	1,073.50
Appraisal/BPO	0.00
MIP/PMI	627.20
NSF	0.00
Suspense/Misc. Credits	0.00
Escrow Deficit	<u>1,422.02</u>
TOTAL	\$118,601.60

Plus interest from 7/7/06 through the date of sale at six percent per annum.

Note: The above figure is not a payoff quote. Sheriff's commission is not included in the above figure.

BY THE COURT

Judith J. Cunningham
J.

FILED
0/3/27/06
JUL 18 2006

122182

JCC Atty Chota
(on behalf of Hallinan)

William A. Shaw
Prothonotary/Clerk of Courts

DATE: 7/18/06

X You are responsible for serving all appropriate parties.

____ The Prothonotary's office has provided service to the following parties:

____ Plaintiff(s) ____ Plaintiff(s) Attorney ____ Other

____ Defendant(s) ____ Defendant(s) Attorney

William A. Shaw ____ Special Instructions:

Prothonotary/Clerk of Courts

FILED

JUL 18 2006

PHELAN HALLINAN & SCHMIEG, LLP

1617 John F. Kennedy Boulevard
Suite 1400
Philadelphia, PA 19103
(215) 563-7000
FAX#: (215) 563-3459
michele.bradford@fedphe.com

Michele M. Bradford, Esquire

Representing Lenders in
Pennsylvania and New Jersey

June 14, 2006

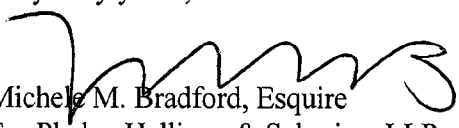
Clearfield Court Administration
Clearfield County Courthouse
230 East Market Street
Clearfield, PA 15853

RE: ABN AMRO Mortgage Group, Inc. vs. Douglas L. Saltsman and Elaine M. Saltsman
Clearfield County CCP, No. 05-1339-CD

Dear Sir or Madam:

Enclosed for filing please find Motion to Reassess Damages Brief in Support thereof.

Very truly yours,


Michele M. Bradford, Esquire
For Phelan Hallinan & Schmieg, LLP

Enclosure

PHELAN HALLINAN & SCHMIEG, LLP
 by: Michele M. Bradford, Esquire
 Atty. I.D. No. 69849
 One Penn Center, Suite 1400
 1617 John F. Kennedy Boulevard
 Philadelphia, PA 19103-1814
 (215) 563-7000

ATTORNEY FOR PLAINTIFF

ABN AMRO Mortgage Group, Inc.

: Court of Common Pleas

Plaintiff

: Civil Division

vs.

: Clearfield County

Douglas L. Saltsman
 Elaine M. Saltsman

: No. 05-1339-CD

Defendants

RECEIVED

JUN 13 2006

**MEMORANDUM OF LAW IN SUPPORT OF
 PLAINTIFF'S MOTION TO REASSESS DAMAGES**

CLERK OF COURT
 OFFICE

I. BACKGROUND OF CASE

Defendants executed a Promissory Note agreeing to pay principal, interest, late charges, real estate taxes, hazard insurance premiums, and mortgage insurance premiums as these sums became due. Plaintiff's Note was secured by a Mortgage on the Property located at 1079 Congress Hill Road, a/k/a P.O. Box 214 Congress Hill Road, Frenchville, PA 16836. The Mortgage indicates that in the event a default in the mortgage, Plaintiff may advance any necessary sums, including taxes, insurance, and other items, in order to protect the security of the Mortgage.

In the instant case, Defendants defaulted under the Mortgage by failing to tender numerous, promised monthly mortgage payments. Accordingly, after it was clear that the default would not be cured, Plaintiff commenced the instant mortgage foreclosure action. Judgment was subsequently entered by the Court, and the Property is currently scheduled for Sheriff's Sale.

Because of the excessive period of time between the initiation of the mortgage foreclosure action, the entry of judgment and the Sheriff's Sale date, damages as previously assessed are outdated and need to be adjusted to include current interest, real estate taxes, insurance premiums, costs of collection, and other expenses which Plaintiff has been obligated to pay under the Mortgage in order to protect its interests. It is also appropriate to give Defendants credit for monthly payments tendered through bankruptcy, if any.

II. INTEREST

The Mortgage clearly requires that the Defendants shall promptly pay when due the principal and interest due on the outstanding debt. In addition, the Note specifies the rate of interest to be charged until the debt is paid in full or otherwise satisfied. Specifically, interest from 30 days prior to the date of default through the date of the impending Sheriff's sale has been requested.

III. TAXES AND INSURANCE

If Plaintiff had not advanced monies for taxes and insurance throughout the foreclosure proceeding, Plaintiff would have risked loss of its collateral. If the Property were sold at a tax sale, Plaintiff's interest very well may be divested, and Plaintiff would sustain a complete loss on the outstanding balance due on the loan. If the Property were damaged in a fire, Plaintiff would not be able to obtain insurance proceeds to restore the Property if it did not pay the insurance premiums.

Most importantly, the Mortgage specifically provides that the mortgagee may advance the monies for taxes and insurance and charge these payments against the escrow account. Plaintiff is simply seeking to have the Court enforce the terms of the Mortgage.

IV. ATTORNEY'S FEES

The amount of attorney's fees requested in the Motion to Reassess Damages is in accordance with the loan documents and Pennsylvania law. Pennsylvania Courts have long and repeatedly concluded that a request of five percent of the outstanding principal balance is reasonable and enforceable as an attorney's fee. Robinson v. Loomis, 51 Pa. 78 (1865); First Federal Savings and Loan Association v. Street Road Shopping Center, 68 D&C 2d 751, 755 (1974). The provision of the Mortgage which allows the Plaintiff to recover attorney's fees in the instant action is highlighted for the court's reference.

In Federal Land Bank of Baltimore v. Fetner, the Superior Court held that an attorney's fee of ten percent of the original mortgage amount is not unconscionable. 410 A.2d 344 (Pa. Super. 1979). Recently, the Superior Court cited Fetner in confirming that an attorney's fee of ten percent included in the judgment in mortgage foreclosure action was reasonable. Citicorp v. Morrisville Hampton Realty, 662 A.2d 1120 (Pa.

Super. 1995). Importantly, Plaintiff recognizes this Honorable Court's equitable authority to set attorney's fees and costs as it deems reasonable.

V. LEGAL ARGUMENT TO AMEND PLAINTIFF'S IN REM JUDGMENT

It is settled law in Pennsylvania that the Court may exercise its equitable powers to control the enforcement of a judgment and to grant any relief until that judgment is satisfied. 20 P.L.E., Judgments § 191. Stephenson v. Butts, 187 Pa.Super. 55, 59, 142 A.2d 319, 321 (1958), Chase Home Mortgage Corporation of the Southwest v. Good, 537 A.2d 22, 24 (Pa.Super. 1988).

The Supreme Court of Pennsylvania recognized in Landau v. Western Pa. Nat. Bank, 445 Pa. 117, 282 A.2d 335 (1971), that the debt owed on a Mortgage is subject to change and, in fact, can be expected to change from day to day because the bank must advance sums in order to protect its collateral. Because a Mortgage lien is not extinguished until the debt is paid, Plaintiff must protect its collateral up until the date of sale. Beckman v. Altoona Trust Co., 332 Pa. 545, 2 A.2d 826 (1939). Because a judgment in mortgage foreclosure is strictly in rem, it is critical that the judgment reflect those amounts expended by the Plaintiff in protecting the property. Meco Reality Company v. Burns, 414 Pa. 495, 200 A.2d 335 (1971). Plaintiff submits that if it goes to sale without the requested amended judgment, and if there is competitive bidding for the Property, Plaintiff will suffer a significant loss in that it would not be able to recoup monies it advanced to protect its interests. Conversely, amending the in rem judgment will not be detrimental to Defendants as it imputes no personal liability.

In B.C.Y. v. Bukovich, the Pennsylvania Superior Court reiterated its long standing rule that a Court has the inherent power to correct a judgment to conform to the facts of a case. 257 Pa. Super. 157, 390 A.2d 276 (1978). In the within case, the amount of the original judgment does not adequately reflect the additional sums due on the Mortgage due to Defendants' failure to tender payments during the foreclosure proceeding and the advances made by the mortgage company. The Mortgage plainly requires the mortgagors to tender to the mortgagee monthly payments of principal and interest until the Promissory Note accompanying the Mortgage is paid in full. The mortgagors are also required to remit to the mortgagee sufficient sums to pay monthly mortgage insurance premiums, fire insurance premiums, taxes and other assessments relating to the Property.

The mortgagors have breached the terms of the Mortgage, and Plaintiff has been forced to incur significant unjust financial losses on this loan.

VI. CONCLUSION

Therefore, Plaintiff respectfully submits that if the enforcement of its rights is delayed by legal proceedings, and such delays require the mortgagee to expend additional sums provided for by the Mortgage, then the expenses necessarily become part of the mortgagee's lien and should be included in the judgment.

Plaintiff respectfully requests that this Honorable Court grant its Motion to Reassess Damages. Plaintiff submits that it has acted in good faith in maintaining the Property in accordance with the Mortgage, and has relied on terms of the Mortgage with the understanding that it would recover the monies it expended to protect its collateral.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court amend the judgment as requested.

DATE: 6/14/06

By: 

Phelan Hallinan & Schmieg, LLP

Michele M. Bradford, Esquire
Attorney for Plaintiff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 20315
NO: 05-1339-CD

PLAINTIFF: ABN AMRO MORTGAGE GROUP, INC.

vs.

DEFENDANT: DOUGLAS L. SALTSMAN AND ELAINE M. SALTSMAN

Execution REAL ESTATE

SHERIFF RETURN

DATE RECEIVED WRIT: 04/04/2006

LEVY TAKEN 04/12/2006 @ 1:25 PM

POSTED 04/12/2006 @ 1:25 PM

SALE HELD 07/07/2006

SOLD TO FEDERAL HOME LOAN MORTGAGE CORPORATION

SOLD FOR AMOUNT \$1.00 PLUS COSTS

WRIT RETURNED 07/27/2006

DATE DEED FILED 07/27/2006

PROPERTY ADDRESS 1079 CONGRESS HILL ROAD A/K/A P. O. BOX 214 CONGRESS HILL ROAD FRENCHVILLE ,
PA 16836

FILED
013:02/01
JUL 27 2006

William A. Shaw
Prothonotary/Clerk of Courts

SERVICES

04/17/2006 @ 9:05 AM SERVED DOUGLAS L. SALTSMAN

SERVED DOUGLAS L. SALTSMAN, DEFENDANT, AT HIS RESIDENCE 963 FRENCHVILLE ROAD, FRENCHVILLE, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO DOUGLAS L. SALTSMAN

A TRUE AND ATTESTED COPY OF THE ORIGINAL WRIT OF EXECUTION, NOTICE OF SALE AND COPY OF THE LVEY AND BY MAKING KNOWN TO HER THE CONTENTS THEREOF.

04/12/2006 @ 1:36 PM SERVED ELAINE M. SALTSMAN

SERVED ELAINE M. SALTSMAN, DEFENDANT, AT HER RESIDENCE 105 SHORTENCARRIER LANE, FRENCHVILLE, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO LOIS PLUBELL. MOTHER OF THE DEFENDANT

A TRUE AND ATTESTED COPY OF THE ORIGINAL WIRT OF EXECUTION, NOTICE OF SALE AND COPY OF THE LEVY AND BY MAKING KNOWN TO HER THE CONTENTS THEREOF.

@ SERVED

NOW, MAY 31, 2006 RECEIVED A FAX LETTER FROM THE PLAINTIFF'S ATTORNEY TO CONTINUE THE SHERIFF SALE SCHEDULED FOR JUNE 2, 2006 TO JULY 7, 2006.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 20315
NO: 05-1339-CD

PLAINTIFF: ABN AMRO MORTGAGE GROUP, INC.

vs.

DEFENDANT: DOUGLAS L. SALTSMAN AND ELAINE M. SALTSMAN

Execution REAL ESTATE

SHERIFF RETURN

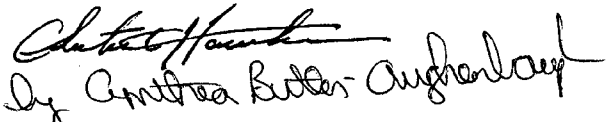
SHERIFF HAWKINS \$264.57

SURCHARGE \$40.00 PAID BY ATTORNEY

Sworn to Before Me This

_____ Day of _____ 2006

So Answers,



Chester A. Hawkins
Sheriff

WRIT OF EXECUTION -- (MORTGAGE FORECLOSURE)
Pa.R.C.P. 3180 to 3183 and Rule 3257

ABN AMRO MORTGAGE GROUP, INC.

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY,
PENNSYLVANIA

vs.

NO.: 05-1339-CD

DOUGLAS L. SALTSMAN
ELAINE M. SALTSMAN

WRIT OF EXECUTION
(MORTGAGE FORECLOSURE)

Commonwealth of Pennsylvania:

County of Clearfield:

TO THE SHERIFF OF CLEARFIELD COUNTY, PENNSYLVANIA:

To satisfy the judgment, interest and costs in the above matter you are directed to levy upon and sell the following described property (specifically described property below):

Premises: 1079 CONGRESS HILL ROAD a/k/a P.O. BOX 214 CONGRESS HILL ROAD,
FRENCHVILLE, PA 16836

(See legal description attached.)

Amount Due

\$108,339.89

Interest from 3/23/06 to

\$

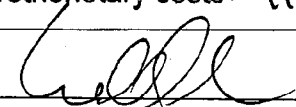
Date of Sale (\$17.81 per diem)

Total

\$ Plus costs as endorsed.

Prothonotary costs \$119.00

Dated April 4, 2006
(SEAL)


Prothonotary, Common Pleas Court of
Clearfield County, Pennsylvania

By:

Deputy

PMB

Received April 4, 2006 @ 3:30 P.M.
Chester A. Hawkins
By Cynthia Butler-Augherty

DESCRIPTION

ALL that certain parcel of land situate in the Township of Girard, County of Clearfield and State of Pennsylvania, bounded and described as follows:

BEGINNING at a point at corner of land now of formerly of Albert Kampe and Township Road No.T-633; thence southwesterly in the northerly right of way of Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence northerly perpendicular to Township Road T-633 two hundred eight and seventy-one one-hundredths (208.71) feet to a point; thence westerly parallel to Township Road T-633 to the line of Albert Kampe Property two hundred eight and seventy-one one-hundredths (208.71) feet to a point in the line of Kampe property; thence southerly in line of Kampe property two hundred eight and seventy-one one-hundredths (208.71) feet to the place of beginning. Containing one (1) acre.

BEING the same premises conveyed to Joseph Colavecchi from the Tax Claim Bureau of Clearfield County, Pennsylvania by deed dated January 14, 1985, said deed being recorded at Clearfield in Volume 991, page 232.

Being Parcel # P05-000-00065

RECORD OWNER

TITLE TO SAID PREMISES IS VESTED IN Douglas L. Saltsman and Elaine M. Saltsman, husband and wife, by Deed from Joan Helen Colavecchi, a married woman, dated 7-15-02, recorded 7-19-02 in Deed Inst#: 200211547.

PREMISES BEING: 1079 CONGRESS HILL ROAD a/k/a P.O. BOX 214, CONGRESS HILL ROAD, FRENCHVILLE, PA 16836

**REAL ESTATE SALE
SCHEDULE OF DISTRIBUTION**

NAME DOUGLAS L. SALTSMAN

NO. 05-1339-CD

NOW, July 27, 2006, by virtue of the Writ of Execution hereunto attached, after having given due and legal notice of time and place of sale by publication in a newspaper published in this County and by handbills posted on the premises setting for the date, time and place of sale at the Court House in Clearfield on July 07, 2006, I exposed the within described real estate of Douglas L. Saltsman And Elaine M. Saltsman to public venue or outcry at which time and place I sold the same to ABN AMRO MORTGAGE GROUP, INC. he/she being the highest bidder, for the sum of \$1.00 plus costs and made the following appropriations, viz:

SHERIFF COSTS:

RDR	15.00
SERVICE	15.00
MILEAGE	14.24
LEVY	15.00
MILEAGE	14.24
POSTING	15.00
CSDS	10.00
COMMISSION	0.00
POSTAGE	5.85
HANDBILLS	15.00
DISTRIBUTION	25.00
ADVERTISING	15.00
ADD'L SERVICE	15.00
DEED	30.00
ADD'L POSTING	
ADD'L MILEAGE	14.24
ADD'L LEVY	
BID AMOUNT	1.00
RETURNS/DEPUTIZE	
COPIES	15.00
	5.00
BILLING/PHONE/FAX	5.00
CONTINUED SALES	20.00
MISCELLANEOUS	
TOTAL SHERIFF COSTS	\$264.57

DEED COSTS:

ACKNOWLEDGEMENT	5.00
REGISTER & RECORDER	29.00
TRANSFER TAX 2%	0.00
TOTAL DEED COSTS	\$29.00

PLAINTIFF COSTS, DEBT AND INTEREST:

DEBT-AMOUNT DUE	108,339.89
INTEREST @ 17.8100 %	1,887.86
FROM 03/23/2006 TO 07/07/2006	
PROTH SATISFACTION	
LATE CHARGES AND FEES	
COST OF SUIT-TO BE ADDED	
FORECLOSURE FEES	
ATTORNEY COMMISSION	
REFUND OF ADVANCE	
REFUND OF SURCHARGE	40.00
SATISFACTION FEE	
ESCROW DEFICIENCY	
PROPERTY INSPECTIONS	
INTEREST	
MISCELLANEOUS	
TOTAL DEBT AND INTEREST	\$110,267.75

COSTS:

ADVERTISING	355.30
TAXES - COLLECTOR	
TAXES - TAX CLAIM	
DUE	
LIEN SEARCH	200.00
ACKNOWLEDGEMENT	5.00
DEED COSTS	29.00
SHERIFF COSTS	264.57
LEGAL JOURNAL COSTS	180.00
PROTHONOTARY	119.00
MORTGAGE SEARCH	80.00
MUNICIPAL LIEN	
TOTAL COSTS	\$1,232.87

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

CHESTER A. HAWKINS, Sheriff

Law Offices

PHELAN HALLINAN & SCHMIEG, LLP

One Penn Center at Suburban Station

1617 John F. Kennedy Boulevard

Suite 1400

Philadelphia, PA 19103-1814

Christine.Schoffler@fedphe.com

Christine Schoffler
Judgment Department, Ext. 1286

Representing Lenders in
Pennsylvania and New Jersey

May 31, 2006

Office of the Sheriff
Clearfield County Courthouse
230 East Market Street
Clearfield, PA 16830

ATTENTION: CINDY (814) 765-5915

Re: ABN AMRO MORTGAGE GROUP, INC.
v. DOUGLAS L. SALTSMAN ELAINE M. SALTSMAN
No. 05-1339-CD
1079 CONGRESS HILL ROAD a/k/a
P.O. BOX 214 CONGRESS HILL ROAD, FRENCHVILLE, PA 16836

Dear Cindy:

Please postpone the Sheriff's Sale of the above referenced property which is
scheduled for JUNE 2, 2006.

The property is to be relisted for the JULY 7, 2006 Sheriff's Sale.

Very truly yours,

CQS

Christine Schoffler

VIA TELECOPY (814) 765-5915

CC: DOUGLAS L. SALTSMAN
963 FRENCHVILLE ROAD
FRENCHVILLE, PA 16836

ELAINE M. SALTSMAN
105 SHORTENCARRIER LANE
FRENCHVILLE, PA 16836